

# ECONOMIC PERFORMANCE:

## CONTRIBUTION TO REGIONAL DEVELOPMENT



### ■ ANTOFAGASTA II REGION



### ■ COQUIMBO IV REGION



The Group's operations and projects in Chile are located in the Antofagasta and Coquimbo Regions, where they have a significant impact on economic and social development.



Current Group operations represent approximately 10% of regional GDP in the Antofagasta Region and approximately 15% in the Coquimbo Region.

The strong presence of the Group's companies in these Regions has significant impact on employment levels. Group companies have actively promoted local employment: 70% of the Group's employees in its operations in the Antofagasta Region are employed

locally and the majority of contractors in both regions are also local companies.

This focus on local employment is one of many initiatives by Group companies to support local community development; others include various programmes to attract investment, mining, assisting the start-up of small companies and other commercial activities into each region.

In 2007, total remuneration amounted to US\$140.5 million. In all its business divisions, starting salaries are above the minimum wage in Chile (US\$288.42 at December 2007). In the mining division, this differential is particularly significant with starting salaries over four times the national minimum wage.

Regional development is encouraged through the supply of services and materials largely being provided by local companies.

The following table shows the distribution of economic value generated by the Group during 2007:

### Distribution of economic value

Generated by the Group in 2007 was distributed

#### ECONOMIC VALUE

##### DIRECTLY GENERATED

**a US\$3,971.3m**  
Revenues (net sales, plus income from financial investments and asset sales)

##### DISTRIBUTED

**b US\$1,058.1m**  
Operating costs (payments to suppliers, non-strategic investments, royalties)

**c US\$140.5m**  
Employee salaries and benefits (total paid to employees, not including future commitments)

**d US\$1,186.6m**  
Payments to capital providers (financial payments made to providers of capital)

**e US\$638.4m**  
Payments to the government (income tax expense)

**f US\$5.9m**  
Community investments (voluntary contributions and community investments including donations)

##### RETAINED ECONOMIC VALUE

**g US\$941.8m**

Figures expressed in million dollars