

was listed on the London Stock Exchange. Today, it has achieved a high level of development and provides a varied range of transport services to its clients. FCAB is 100% owned by Antofagasta plc.

Most of the transportation of domestic and international freight is transported via a company-owned railway network of more than 900 kilometres with connections to the railways of Bolivia

and Argentina. The ports of Antofagasta and Mejillones are thus linked with these neighbouring countries, providing a natural gateway to the Pacific Ocean.

FCAB handles its clients' freight from point of origin to final destination. To this end, in addition to a railway transport service based on sixty mainline and five switch locomotives, it provides transfer and customs services, freight certificates

and highway transportation via its subsidiary, TRAIN Limitada; port loading and unloading services via its subsidiary, FCAB Embarcadores; and freight storage and handling, along with an information network and continuous assistance for its clients. Although a passenger service was previously operated from Chile to Bolivia, today the company's services are only in the freight sector.





FCAB

IN FIGURES

115
trucks in Train



900 km

of track

6.3

million tons
transported
annually

65

locomotives

FCAB covers all types of freight and logistic services. These include solid and liquid cargoes, both bulk and crated, drums, maxibags and containers. Its freight services specialises in mineral cargoes, whether finished products or raw materials, and in hazardous cargoes such as sulphuric acid, asphalt, cyanide



and diesel fuel, as well as foodstuffs, all of which comply fully with existing legal and regulatory requirements. In addition, it handles the transport of large and heavy cargo for projects which are key to the development of the Antofagasta Region.

FCAB has a long-term investment programme, aimed at improving its rail network through an upgrade

of its track which will allow it to carry heavier loads. The implementation of this investment programme is expected to help the company provide a better quality of service.

TRAIN has a fleet of 115 freight trucks equipped with the latest technology and a similar number of semi-trailers. It was formed in 1987 based on the need to supplement FCAB's "door-to-door" logistics service. It currently serves major companies in a number of industrial and mining sectors throughout the country, operating from bases in the Antofagasta Region. Services provided include receiving and storing products in its facilities and their distribution or loading, including the handling and transport of hazardous cargo carried out from two transfer stations for sulphuric acid located in Baquedano and Sierra Gorda. Other special cargoes carried include solvents, residues, special liquids and bottled products, in addition to freight for the mining sector such as cathodes and special heavy cargo (up to 80 tons). Trucks are fitted out according to the type of cargoes carried; these are varied and as

well as those previously mentioned include products such as bulk concentrated beer and beverages, cement and lime from INACESA, and concentrated brine from the Salar de Atacama.

In 1998, the company created an operating subsidiary, FCAB Ingenieria y Servicios, which is responsible for the maintenance and repair of both own and third-party equipment, including locomotives and electric motors. FCAB also owns 50% of the Andino Railway in Bolivia.

Volume shipped

By rail in 2007 (including the Andino Railway in Bolivia)

Type of freight	Quantity (tons/year)
Sulphuric acid	2,000,000
Cathodes and anodes	1,900,000
Concentrates	710,000
Miscellaneous	390,000
Total	5,000,000

(Additionally Train transported 1.3 million tons in 2007)

Regional development

Since its beginnings, FCAB's main business has been the transport of products related to mining. In recent years, the company has

focused on the transport of copper cathodes, mining equipment and sulphuric acid. The company has long-term contracts with mining companies that are responsible for new developments, projects and exploration in the region and this allow quantities transported to increase steadily over time.

Throughout its history, FCAB and its subsidiary, TRAIN, have always given priority to and sought to promote socio-economic development of the Antofagasta Region. This

is reflected in its practices concerning local suppliers, giving priority to the procurement of regional services and products, except in those cases where it cannot obtain the quality required for proper performance of the company's business. FCAB has a procurement inventory control procedure for critical materials and supplies and a continuous quality assessment process for these, as well as for the compliance of the suppliers involved. This process includes identifying a number of critical suppliers based

on their specialisation in terms of certain spare parts used, at both local and international levels.

Historically, the company has also made substantial investments in the Antofagasta Region that have contributed to the area's progress and have stimulated and enabled both domestic and foreign companies to begin or continue to invest in the region.

OPERATIONAL SAFETY

Given the nature of its business, safety is of particular importance to FCAB. Management of safety revolves around two key components: managing occupational health and safety, and

managing operational safety. The company has a risk prevention policy and, in rail transport, a quality policy which incorporates operational safety as one of its prime objectives. Both policies are

reinforced by the company's environmental policy. In order to provide transport services and especially for transport services for hazardous goods, the quality, environment and occupational health and