



WATER MANAGEMENT

Water is necessary for life and human activities; it is also an essential element to produce copper.

Efficient water management must contribute to maintaining the balance between water availability and its use by all parties that coexist in a region, both now and in the future.

CONTEXT

Water is an essential resource for productive process in mining as well as the development of other human activities.

The mining industry uses 3% of total water consumption in Chile¹. Although the mining industry is not one of the main water users, it is useful to understand the land-use context of mining operations to assess the different water management challenges.

In our case, we have three mining operations – Centinela, Antucoya and Zaldívar – located in northern Chile and one operation – Los Pelambres – in central Chile.

Each region has different water-related challenges although those of climate change and mining sustainably are common to both. All these variables need to be incorporated into our water management system to obtain a better grasp of water issues, establish necessary controls, improve processes and performance, and contribute to solutions for future challenges.

MANAGEMENT

In 2018 Antofagasta Minerals adopted ICMM's Water Stewardship Framework to reinforce our management of water resources. The Water Stewardship Framework is based on four key elements:

- 1. Be transparent and accountable:** Publicly report material water risks, management activities and performance.
- 2. Engage proactively and inclusively** with stakeholders to understand their priorities, share plans and collaborate on solutions.
- 3. Adopt a catchment-based approach** understanding the social, cultural, economic and environmental value of water at the catchment scale to identify material water stewardship risks and provide context for corporate and operational water management.
- 4. Effective water resource management:** Manage operational water (quantity and quality) inputs, use and outputs to maximise resource sustainability, operational flexibility and economic benefit.

Within this framework, during the year we reviewed our organisational water management structure. Our new Operational Model describes water management roles and functions. We also

held workshops at each of our mining operations with the Risk and Compliance area to identify at risk water resources. This led to the development of a risk matrix with respective controls. The general manager of each operation is responsible for water issues and reports to the Board. The corporate environmental department is responsible for controls, monitoring and incident reporting. Since 2012, we have reported our water management performance in the water chapter of the Carbon Disclosure Project (CDP)².



¹ Forecast water consumption in copper mining 2017-2028, Chilean Copper Commission (Cochilco), 2017.

² Our report to CDP is publicly available at www.cdp.net