

SAFETY AND HEALTH PEOPLE COME FIRST

Safety and health is a priority and non-negotiable focal point for Antofagasta Minerals. We continuously strive to improve our performance in all matters that could affect our employees, contractors and neighbours.

CONTEXT

The mining industry in Chile has continuously improved its accident rate and the number of fatalities¹ has decreased by 44% in the last nine years. Antofagasta Minerals has been part of this collective effort as well as ICMM which has driven good practice on these matters. ICMM member companies have reduced the number of fatalities by 63% over the last decade².

Regrettably, after 30 months without a fatality, one of our contractors suffered a fatal accident at Los Pelambres in October 2018 while working on the wall of the Mauro tailings deposit. The tragic loss led to important organisational lessons, drew attention to required improvements to both behaviours and procedures and, among other issues, made clear the urgent need to further strengthen the Safety and Health Strategy in all areas of the operating companies.

Five years after launching the Safety and Health Strategy, we continue working towards a clear objective: eliminate fatal accidents.

MANAGEMENT

Experience acquired over the years has shown that the commitment of all employees and contractors is critical to the success of the Safety and Health Strategy. Focusing on fatality risks and their critical controls is vital to eradicating fatal accidents.

RESILIENT SAFETY AND HEALTH STRATEGY

In 2018 we deepened the implementation of our Safety and Health Strategy, approved by the Board in 2017. The strategy is based on four pillars (a) safety risk management (b) health risk management (c) aligned reporting and continuous improvement and (d) leadership. It also sets four goals to be achieved by 2020: zero fatalities, zero occupational illnesses, the development of a resilient culture, and the automation of hazardous processes.

Safety and health performance targets account for 5% of all our employees' annual performance bonuses to encourage a culture of accident prevention.

"The first priority for everyone is to take care of the safety and health of all who work for Antofagasta. Huge progress has been made but the tragic fatality shows we must continue working to establish a resilient safety culture that ensures fatalities in all the Group's companies are completely eradicated."

> Iván Arriagada CEO

¹ The mining industry in Chile suffered 27 fatalities in 2009 compared to 15 in 2018. Source: Accidentabilidad Minera 2018. Sernageomin, 2018 (Mining Accidents 2018, National Geology and Mining Service, Sernageomin, 2018). Available at: https://www.sernageomin.cl/accidentabilidad-minera/

² ICMM members had 136 fatalities in 2008 compared to 15 in 2017. Source: ICMM.