

SUSTAINABLE DEVELOPMENT REPORT

2015



COMPAÑÍA MINERA DOÑA INÉS DE COLLAHUASI



US

Compañía Minera Doña Inés de Collahuasi SCM is located in the Chilean Administrative Region of Tarapacá and produces copper concentrate, copper cathodes and molybdenum concentrate.

We are the third biggest copper operation worldwide, and have one of the largest deposits of this metal around the world. Collahuasi's owners are Anglo American plc (44%), Glencore (44%), and Japan Collahuasi Resources B.V. (12%).



CONTACT

Bernardita Fernández
Corporate Affairs Manager
Compañía Minera Doña Inés de Collahuasi SCM
E-mail: bernarditafernandez@collahuasi.cl



AVAILABILITY

The company's 2015 Sustainable Development Report, further information on the Company and its sustainability initiatives, may all be found at www.collahuasi.cl.

This document is supplemented by the business and financial information included in the 2015 Financial Statements, which are also available at www.collahuasi.cl.

The complete list of GRI-G4 indicators can be found in the online version of this report.

ABOUT THIS REPORT

Compañía Minera Doña Inés de Collahuasi SCM – hereinafter, Collahuasi – has drafted sustainable development reports over the last 10 years. The latter with a view to informing and openly showing the strategy, management, priorities, and performance in the higher impact matters regarding its operations sustainability.

In order to fulfil the above cited objective, this document covers all of Collahuasi's activities in (calendar year) 2015, and it includes, as well, data from prior years so as to contextualize performance. It also includes a glance at the future, and the strategy and goals set in the most relevant areas.

Within this context, it should be noted that during the fiscal year reported there have been no significant changes as regards the scope or coverage of past years.

The contents in this Report were developed along the guidelines set forth in the G4 guide of the Global Reporting Initiative (GRI), including the supplement for the Mining and Metals sector, and they meet all requirements defined for the Core option.

Corporate Citizenship, a world renowned consulting firm with global presence that specializes in sustainability and corporate social responsibility, elaborated this report with the participation of representatives from various areas of Collahuasi.

The team was coordinated by the Corporate Affairs Vice-Presidency of Collahuasi, in a watchful task to always meet the GRI principles, while this entity verified the location of the G4-17 through G4-27 indicators in the text.

The external verification process was performed by BSD Consulting, and the verification and establishment of future commitments was commissioned to the NGO Red Puentes Chile.



TABLE OF CONTENTS

01

THE COMPANY
AND ITS STRATEGY

p.06

02

THE PATH OF
SUSTAINABLE
DEVELOPMENT

p.30

03

PERFORMANCE IN
MATTERS OF GREATER
RELEVANCE

p.48

04

 SCHEDULES

p.98

FROM THE EXECUTIVE PRESIDENT



JORGE GÓMEZ
EXECUTIVE PRESIDENT
COMPAÑÍA MINERA
DOÑA INÉS DE COLLAHUASI

DEAR READERS:

This year had Collahuasi turning a decade of reporting its economic, social, and environmental performance to the community, its employees and workers, the authorities, and the media.

In 2015, we generated direct and indirect employment for over 23,000 people in the country and in our administrative region; our production represented nearly 80% of the copper extracted in Tarapacá; economically, we contributed with an equivalent to 17% of the administrative region's GDP, and our overall impact is equivalent to 0.7% of the Chilean GDP. It is very satisfying to say that we believe that over these 10 years of reporting, the Company has set itself as a key regional actor that understands that, along with its stakeholders, it is responsible not only for the development of a business of excellence, but also for helping to build an ever-more-thriving society.

We have focused social investment on areas that enable our contribution to be sustainable in time, such as education, local development, fostering of tourism, heritage and environmental conservation, and health improvement.

Aiming at significantly contributing to the training and employability of youngsters of the Tarapacá region, we have channelled a significant portion of our social investment of the past few Years through the company's educational foundation, Fundación Educacional Collahuasi, and this year, along with this sustainability report, we are for the first time, rendering the foundation's public account. The document includes the work we have been doing to strengthen technical education, support primary education, and reinforce the role parents and tutors have in fostering the academic results of their children.

Among the various actions developed in education, I would like to highlight the fact that last year saw the graduation of the first generation of the specialization in Mining Exploitation from Liceo Juan Pablo II, a school we co-administrate together with the Municipal Council of Alto Hospicio; and that this year we inaugurated the specialization in Industrial Mechanics in the school Liceo Padre Alberto Hurtado from Pica. These are the 2 most sought specialty technical professions in the mining sector.

Last year was a tough one for the industry, both in Chile and worldwide. The Sharp drop in the prices of copper forced companies into adjusting their processes, and saw them striving to achieve greater efficiencies to enable this activity's sustainability in the long run.

Our Company had been working in that line since 2013, first with stabilization and currently in the optimisation of its processes. However, upon the restrictive scenario of 2015, we were forced to take additional measures, such as reducing operations at the leaching plant and optimizing its workforce. These were painful decisions aimed at ensuring the company's viability in time.

Despite this adverse environment, during 2015 Collahuasi recorded good results, since we were able to consolidate strategies and plans that we have been implementing over the past few years. On top of that, we achieved very good indicators when it comes to occupational safety. Through the commitment of all partners and employees, we have built one of the safest occupational environments of large-scale mining in Chile, with no occupational fatalities for the third year in a row, and lowering our Frequency Index to 0.6 accidents per every 1 m hours of work.

Likewise, we fulfilled the production commitments set despite some difficulties at the concentrating plant. Our target was to produce 452 thousand tons of fine copper, and we achieved 455 thousand 300 tons. Regarding costs, and thanks to a vast range of plans developed to detect opportunities, manage and strengthen our competitiveness, we lowered operational costs to US\$1.41 per copper pound, and thus sail to the first quartile of the industry.

In terms of human capital, we took relevant steps towards promoting the incorporation of women to the operation, driving diversity in the configuration of work teams and incorporating operational practices in gender-diverse teams to enhance productivity and our company's work climate. Despite the adverse circumstances faced by the industry, we did not shrink investment in human capital, as acknowledged in the Merco Talento Ranking, which measures and rewards companies recognized as talent generating and generating entities, in which we were assigned the 7th place at a national level.

In the environmental sphere, the more efficient use of water is a priority target for Collahuasi, and in 2015 we managed to achieve 79.4% of water recirculation at the concentrating plant, above the industry's average. Regarding waste management, we recycled 46% of them, which translates into a total of 13,896 tons, about 1,300 tons more than in 2014.

As regards energy, and in comparison to the 2014 performance, we lowered in 1.79% CO2 emissions, with relevant steps in the reduction of our carbon footprint, being the only mining company in Chile that verifies this indicator.

At vendor level, we have been fostering the policy of favouring acquisitions at a

local level, in order to support a greater generation of jobs in the communities and so foster socio-economic development in the region. In 2015, and for the second year in a row, Collahuasi received the award of the Trade Association of Vendors of the Mining Industry [hereinafter, the APRIMIN, on account of the acronym for its name in Spanish, Asociación de Proveedores de la Industria Minera], for its performance as a strategic partner.

In 2015 we also decided to begin preparing a Project to extend Collahuasi's useful life between 2020 and 2045. The initiative will begin its environmental assessment process during the second half of this year. To prepare this assessment, we decided to involve, in an early and voluntary manner, all communities associated, and we have already done 2 stages of early encounters with the neighbourhood, to present them with information of the project in a timely manner and to create a space for dialogue, and to establish the working axes with a long-term view.

We have thought this instance as an opportunity to continue to Project our future in a sustainable manner within the Administrative Region of Tarapacá.

I invite you to read this report and learn in detail about our operations, the impact they have, and the way in which we control and continuously enhance our business, as well as the manner in which we relate with our various stakeholders at a local, regional, and national level.



Jorge Gómez
Executive President Compañía Minera
Doña Inés de Collahuasi

COLLAHUASI AND ITS CONTRIBUTION TO DEVELOPMENT

CREATION
OF JOBS

WORKFORCE

WORKING
WITH LOCAL
COMMUNITIES

DEVELOPMENT OF
LOCAL
SUPPLIERS

CREATING
ECONOMIC
GROWTH



2,241

**COLLAHUASI
WORKFORCE**
DIRECT EMPLOYEES
4,255 CONTRACTORS

44.9%

OF DIRECT EMPLOYEES LIVE
IN THE ADMINISTRATIVE
REGION

97%

HAVE IDEFINITE JOB
COTRACTS

70,601

**HOURS OF
TRAINING**
FOR ITS EMPLOYEES

WOMEN

REPRESENT 3.4%
OF THE WORKFORCE AND 12% OF
PROFESSIONAL EMPLOYEES

0.6%

**ACCIDENT FREQUENCY
INDEX***
ACHIEVING ONE OF THE SAFEST WORK
ENVIRONMENTS IN CHILEAN MINING.

85%

OF SOCIAL INVESTMENT
IS CHANNLED TOWARDS
EDUCATION, LOCAL DEVELOPMENT,
AND JOB CREATION

33

SCHOOLS
IN THE REGION SUPPORTED BY
FUNDACIÓN EDUCACIONAL
COLLAHUASI

COMMUNITY

PROJECTS ARE BASED ON THE
INITIATIVES THAT SURFACE FROM
WORKING ROUND TABLES

19%

OF EXPENDITURE IN GOODS
AND SERVICES WAS DESTINED
TO LOCAL CONTRACTORS AND
SUPPLIERS

185

LOCAL COMPANIES SUPPLY
COLLAHUASI WITH GOODS AND
SERVICES

88

SUPPLIERS PARTICIPATED IN
DEVELOPMENT PROGRAMS TO IMPROVE
THEIR CAPACITY, STANDARDS, AND
SKILLS

0.7%

OF THE CHILEAN GDP IS THE
CONTRIBUTION OF COLLAHUASI
TO THE COUNTRY'S ECONOMY

17%

IS THE ECONOMIC CONTRIBUTION OF
COLLAHUASI TO TARAPACÁ'S GDP

455,328

TONS OF COPPER
PRODUCED IN 2015
7.9% OF CHILE'S OVERALL
PRODUCTION

* No. of accidents with downtime per million hours worked

THE COMPANY AND ITS STRATEGY

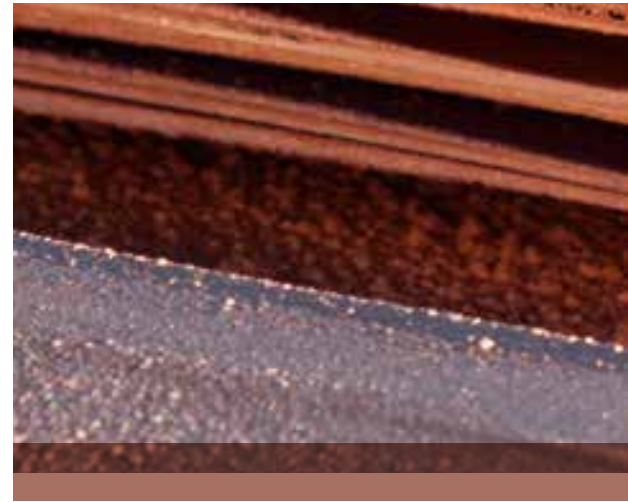


> 01



A. COLLAHUASI AT A GLANCE	08
B. OUR SURROUNDINGS	16
C. BUSINESS STRATEGY	26

a. COLLAHUASI AT A GLANCE



PURPOSE AND VALUES

During the period being reported, Collahuasi reformulated its vision so as to adapt to the strategy devised for the 2015-2019 quinquennial, focused on the company's sustainable development. The purpose establishes that **“Because we are much more than just copper, we lead passionately a business of excellence to help build a better society”**.

This modification implied reinforcing and emphasizing sustainability, with a view to:

- Focusing on risk management, seeking operational excellence.
- Strengthening management beyond the Company, consolidating liaisons with the communities and with our workforce.
- Having the entire organization fully understand what is the Company purpose to be able to achieve it passionately and enthusiastically.
- Accentuating the value of individuals for the organization, with an emphasis in the generation of commitment and identification from everyone who is part of Collahuasi.
- Exercising a leadership that shares and conveys the Company purpose, presenting it with a long-term view.

In order to implement this vision, Collahuasi has the guiding lead of the following corporate values:

SAFETY

HONESTY

ACKNOWLEDGEMENT

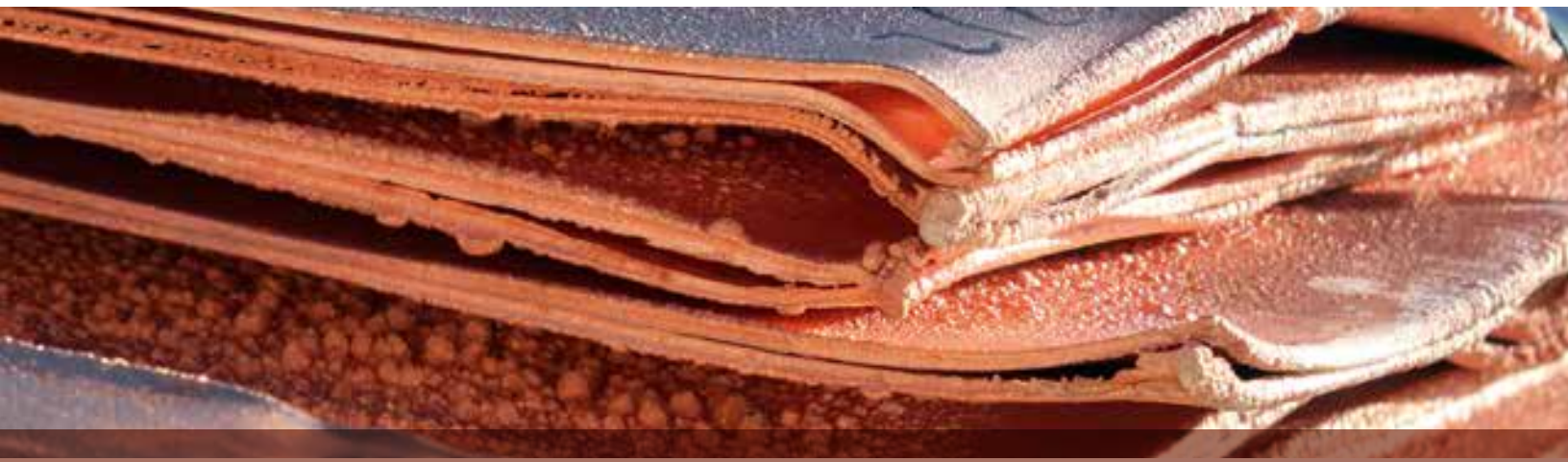


RESPECT

PASSION

RESPONSIBILITY





THE WORTH OF SUSTAINABILITY

Sustainability constitutes the core axis and guiding framework of Collahuasi's actions, and it applies to all levels of the organization: people, projects, operations, facilities, and products.

This focus seeks to balance economic growth and the construction of a transparent and ethical relationship with stakeholders. It also strives to conjugate expectations with social, economic, and environmental needs of the communities with which it liaises; and to be a contribution for the regional environment.

THE BUSINESS

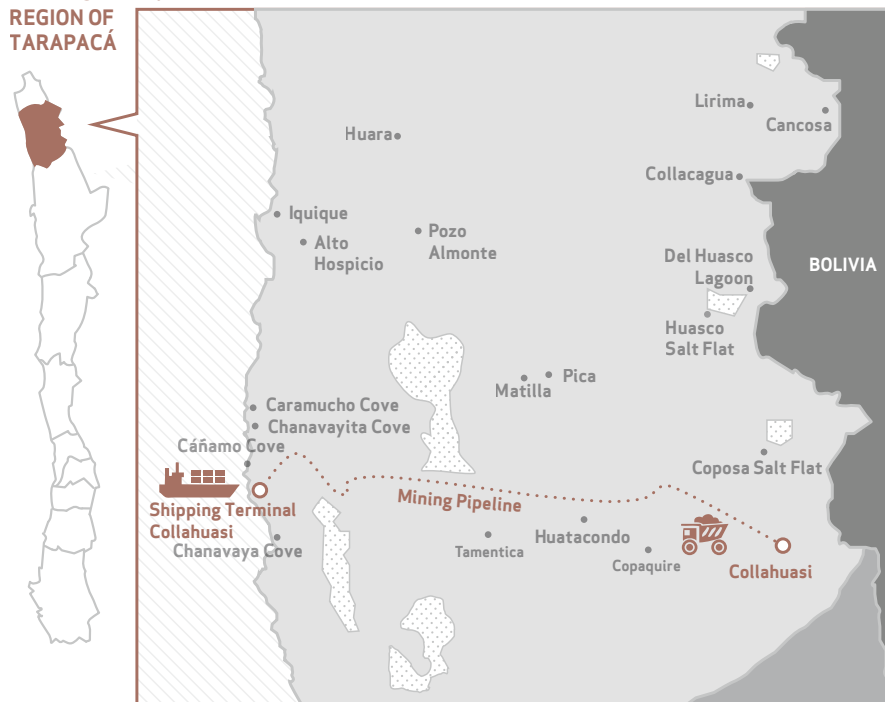
Since 1999, Collahuasi has been devoted to the extraction and production of copper concentrate and cathodes, as well as molybdenum concentrate.

This is a mining contractual company which ownership is divided among Anglo American plc (44%), Glencore (44%), and Japan Collahuasi Resources B.V. (12%), all of which are represented in its Board of Directors.

SURROUNDINGS¹

The exploitation is carried out open pit, and concentrates on the deposits of Rosario and Ujina. They are located in the borough of Pica, Administrative Region of Tarapacá, in Northern Chile at an altitude of 4,400 masl, in a highlands area characterized by a rainy summer and occasional snow in wintertime. The production of copper concentrate is conveyed as pulp through a mining duct 203 km long to the sea terminal Terminal Marítimo Collahuasi in the Patache sector, 65 km South of Iquique.

CHILEAN ADMINISTRATIVE REGION OF TARAPACÁ



1. There is further information on the surroundings, the general context, and impact of the operation in pages 16 and 17.



COLLAHUASI AT A GLANCE



EXTRACTION, PRODUCTION, AND SALES

The Company has 2 productive processes in its deposits, a line of sulphides, and another for oxides, which produce copper and molybdenum.

In 2015, Collahuasi produced 455,328 tons of fine copper, 3.1% less than during the previous tax year; and 5,181 tons of molybdenum, 15.41% below the figure of 2014. Aggregate sales added up to US\$ 1.991 billion.

MINING POTENTIAL

This factor defines the current value of a miner, and it is comprised by the resources and reserves in a deposit. The latter is the most important one, and in 2015 Collahuasi recorded a mining reserve of 3.123 billion tons (with an average ore grade of 0.84%), which implies the presence of 26,359,683 tons of fine coppers. On the other hand, during the same time span, ore resources added up to 9.978 billion tons (with an average ore grade of 0.81%), with 80,676,744 tons of fine copper content.

PRICE

Mining operations are exposed to the price variations of commodities – copper and molybdenum, in Collahuasi's case – and of all those supplies necessary for the production (oil, energy, steel, and chemical products, among others). The values are set as follows:

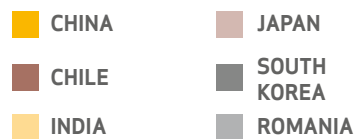
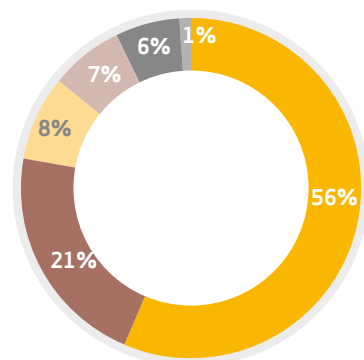
- Copper price is defined during the exchange of main metals that takes place through the London Metal Exchange (LME), the New York Commodity Exchange (COMEX), and the Shanghai Futures Exchange (SHFE).
- The value of supplies listed is defined by the supply and demand in the different markets.



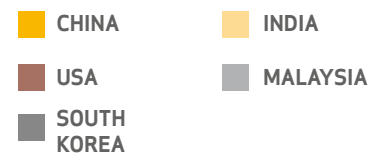
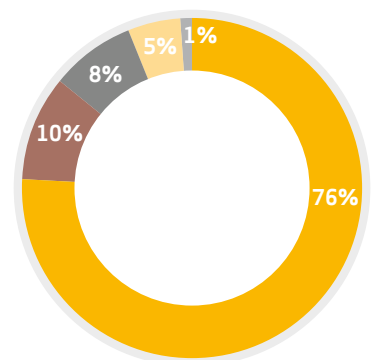
MARKETS

The company's exports in 2015 were destined mainly to China and other Asian countries. As for copper concentrate, it is interesting to note that 21% of it was commercialized within the domestic market.

**SALES PER DESTINATION
COPPER CONCENTRATE**



**SALES PER DESTINATION
COPPER CATHODES**



OTHER FIGURES

Other relevant performances of the year were:

- 91% of sales corresponded to copper (concentrate and cathodes).
- EBITDA recorded US\$ 816 million.
- 91% of copper sales volume corresponded to concentrate, while the remaining 9% was cathodes (*).
- In 2015, Collahuasi represented 7.9% of the entire copper production of Chile ².

(*) Leaching dropped substantially in 2015.

2. Source: Annual Copper Report per Mine in Chile [Reporte Anual de Cobre por Mina en Chile], which informed 5,764 Mt for the year reported.



COPPER'S VALUE CHAIN

C O L L A H U A S I

EXPLORATION, EVALUATION, AND CONSTRUCTION



Collahuasi's value chain begins with the exploration of new resources in its mining district, and the thorough assessment of them, an aa process of paramount importance when determining whether said resources constitute economically attractive resources that enable adding sustainable value to the company. Once the ore potential has been confirmed, the deposit's development and construction begins.

MININGEXTRACCIÓN EXTRACTION AND PROCESSING



Then come the stages of extraction and mining processing, phases in which productive efficiency and sustainability play a paramount role in ensuring the yield and long-term development of the business. Copper concentrate and cathodes, main products of the company, and at a smaller scale, molybdenum concentrate (*), are obtained as a result of the latter process.

Supply vendors and service providers intervene in the extraction ad processing. In 2015, a 35% of the company's personnel was made up of its own workers, while the remaining 65% was contractors. The main supplies required in extraction and processing are:

- Oil
- Energy
- Milling steels
- Explosives

(*) The process of leaching dropped substantially during 2015.



REFINING



UNFINISHED PRODUCTS



PRODUCTION OF GOODS



Copper concentrate is sold and shipped to foundries all over the world to be refined. Along with cathodes, it is used by various industries to produce unfinished products which are then used in the production of varied goods for end-consumption.

PERFORMANCE SUMMARY



LABOR SAFETY

DEATHS		FREQUENCY INDEX		OCCUPATIONAL DISEASES	
YEAR	No. OF PEOPLE	YEAR	N° OF ACCIDENTS WITH TIME LOSS PER MILLION HOURS WORKED	YEAR	Qty.
2013	0	2013	1.00	2013	0
2014	0	2014	0.88	2014	1
2015	0	2015	0.60	2015	0



ENVIRONMENT

WATER CONSUMPTION EFFICIENCY		RECYCLED WATER		ENERGY EFFICIENCY	
YEAR	M3 OF WATER PER TON OF ORE PROCESSED AT THE PLANT	YEAR	% OF AGGREGATE	YEAR	GJ/ TON FINE COPPER
2013	0.586	2013	79.4	2013	22.6
2014	0.570	2014	80.0	2014	22.5
2015	0.587	2015	79.4	2015	22.7

FOOTPRINT CO ₂		RECYCLED WASTE		OPERATIONAL EVENTS	
YEAR	TON CO ₂ e/TON COPPER CONCENTRATE	YEAR	% OF AAGGREGATE	YEAR	Qty.
2013	1.20	2013	38	2013	4
2014	1.19	2014	59	2014	4
2015	1.17	2015	46	2015	2



EMPLOYMENT



EMPLOYEES		TRAINING		TURNOVER (*) G4-23	
YEAR	NO. OF EMPLOYEES WITH INDEFINITE OR FIXED TERM CONTRACTS	YEAR	AVERAGE OF TRAINING HOURS PER EMPLOYEE	YEAR	ANNUAL AVERAGE WORKFORCE OF EMPLOYEES WITH INDEFINITE OR FIXED TERM CONTRACTS
2013	2,740	2013	55	2013	4.3
2014	2,640	2014	14	2014	2.5
2015	2,241	2015	16	2015	1.3

COMMUNITY



SOCIAL INVESTMENT		SOCIAL INCIDENTS WITH THE COMPANY		LOCAL EMPLOYMENT	
YEAR	COLLAHUASI AND ITS FOUNDATION (USD MILLION)	YEAR	Qty.	YEAR	% EMPLOYEES RESIDING IN ADM. REGION OF TARAPACÁ
2013	13	2013	1	2013	47.0
2014	12	2014	0	2014	46.1
2015	8.4	2015	0	2015	44.9

LOCAL SUPPLIERS		LOCAL PURCHASES		SUPPLIER DEVELOPMENT	
YEAR	No. OF SUPPLIERS FROM THE ADM. REGION OF TARAPACÁ, ARICA AND PARINACOTA	YEAR	PURCHASES IN THE ADM. REGION OF TARAPACÁ, ARICA AND PARINACOTA (USD MILLION)	YEAR	No. OF SUPPLIERS PARTICIPATING IN THE DEVELOPMENT PROGRAM
2013	237	2013	305	2013	64
2014	240	2014	260	2014	71
2015	185	2015	228	2015	88

FINANCIALS



SALES		EBITDA		COPPER PRODUCTION	
YEAR	USD BILLIONS	YEAR	USD MILLIONS	YEAR	Th. TONS
2013	2.987	2013	1,649	2013	445
2014	2.980	2014	1,627	2014	470
2015	1.991	2015	816	2015	455

(*) Rotation figures changed versus the previous year because another calculation basis was used, although they are equally representative.

b. OUR SURROUNDINGS

ADMINISTRATIVE REGION OF TARAPACÁ

This is an area of great contrasts, and one which has an important cultural background: Located in the country's Vast North, it has big coastal areas, but also the driest desert in the world, with a rich history and 2 native peoples: The Aymara and the Quechua.

Commerce and mining stand out amid the region's economic activities. During 2015, mining shipments overseas -represented mainly by copper concentrate and cathodes, to a lesser extent both in sales and in production as of September of 2015, plus the remaining ores- represented 97% of this region's exports, amounting to US\$ 2.93 billion³. During the prior fiscal year, these exports had represented 94% of the aggregate, and they contributed US\$ 4.17 billion. It is worth noting that in the year reported, and despite the crisis, mining increased its contribution to the area's exports.

From a demographics standpoint, the region has developed significantly over the past few years. Since 1990, the population has grown more than twofold, while the poverty index dropped from 24% in 2006 to 8.2% in 2013. Over that same period, average monthly income per family grew from CLP 453,784 to CLP 761,910⁴.

However, the current situation of the copper market at an international level has led the unemployment rate to rise, so the figure referring to the Administrative Region of Tarapacá climbed from 5.5% (2014)⁵ to 7.8% (2015)⁶.

Within such a context, Collahuasi has become a key participant in the region, since its production represents nearly 80% of the copper extracted in this administrative region, thus contributing with about 17% of the GDP of Tarapacá⁷. It also makes a significant contribution to the economic and social development, because it creates jobs and develops the workforce and vendors of the area by acquiring goods and services from local companies and investing in the communities of the area. It also contributes to public finances by means of the payment of taxes, mining licences and taxes on property.



Characteristics of the Operation

Location: Collahuasi's deposits are located in the highlands of one of the driest deserts in the world, near the border with Bolivia. The mine's operations are located 40 km from Huatacondo, while Pica and Matilla are located, respectively, about 130 and 135 km away. Both Pica and Matilla are surrounded by areas of a high value in terms of biodiversity, such as salt flats, wetlands, and highland wetlands. In order to take of these surroundings, the operation is based on a sustainable management of water resources, care for biodiversity and specific measures destined to facing 2 winters a year (the Winter of the Highlands - invierno altiplánico- and the one of the Southern Hemisphere), thus avoiding the operational hazards and losses in production.

Operation: To exploit deposits, the Company requires covering certain basic supplies, the management of which requires special care and planning:

3. Source: National Statistics Agency [hereinafter, INE on account o the acroym for its name in Spanish, Instituto Nacional e Estadísticas] 2015, Exports Bulletin.

4. Data supplied by the most recent CASEN survey, carried out in 2013.

5. The figure corresponds to the Regional Employment Report [Informe de Empleo Regional] for Tarapacá elaborated by the INE for the October-December 2014 rolling quarter.

6. Figure for 2015 issued by the INE for the same period.

7. Using data of 2014 (GDP 2015 was not available by the date of the report).



WATER RESOURCE

It springs from wells located in the basins of the salt flats of Coposa and Michincha, in the highlands of the Administrative Region of Tarapacá. Drainage water from open pit mining, and the water from re-processing are also re-used.

ENERGY RESOURCE

The main energy sources used are oil and electricity. The former is purchased from various sources and is exposed to the sharp price variations recorded in the market, while the latter is supplied by the power distribution grid of Northern Chile [hereinafter, the SING, on account of the acronym for its name in Spanish, Sistema Interconectado del Norte Grande], with rates set by this sector.

TRANSPORT

Copper concentrate is taken, as pulp, to Collahuasi's Shipping Terminal, by means of a system of mining ducts that is 203 km long. For their part, copper cathodes are freighted in trucks to the port in [the city of] Iquique.

KEY FIGURES FOR THE ADMINISTRATIVE REGION OF TARAPACÁ

Capital city	Iquique
Population	336,769 (1)
GDP	US\$ 5.96 billion (2)
Main activities (4)	<ul style="list-style-type: none"> • Wholesale and retail commerce (19%) • Mining/quarries (10%) • Construction (9%) • Transport (9%) • Education (9%)
Unemployment rate	7.8% (3)
Poverty Index	8.2% (4)
Average monthly income per family	US\$1,721 (4)

(1) Source: INE, 2013-2020 Population Projections.

(2) Source: Central Bank of Chile.

(3) Source: INE, Oct-Dec 2015 rolling quarter.

(4) Data from the latest CASEN survey (2013).



MAIN CHALLENGES FACED BY COLLAHUASI AND THE INDUSTRY



Mining is one of the main activities of the Chilean economy, and one which in 2015 contributed to the national GDP with 8.6%. However, the sector has been exposed to several factors that threaten its competitiveness and increase complexities. Hence, in order to build up a sustainable mining industry, it is Paramount to take into consideration these factors when elaborating business strategies.

THE CONTEXT FOR COPPER

MARKET WEAKNESS: After a long time recording historical peaks in copper price in the world market (2003-2011), the past 4 years have evidence an accentuated drop in the metal's price. Between January of 2015 and January of 2016, the foregoing fall deepened even more, with a drop of 31%. The situation is foreseen extending for a few more years, and on top of that there are the perspectives of a surplus in refined copper up until at least 2016⁸.

As a consequence of the above, copper prices are recorded levels that near the C3⁹ cost for the main operations of the Chilean industry. The latter, just as is the case with large-scale copper producers worldwide, have tackled this situation through a stalling of projects and a strategy to lower costs so as to compensate lower prices.

PRODUCTION CONDITIONS: The production environment has become ever more complex. Besides the falling ore **grades in the copper** deposits under exploitation at a domestic level– a situation that does not include Collahuasi, because its deposits have high grade copper, thus generating competitive advantages for it –, there is now a 14% annual increase in **operational costs** between 2010 and 2013.

For its part, **productivity** has dropped in Chile (in terms of tons of ore moved per man hour), from around 70 tons in 2008 to about 38 in 2014.

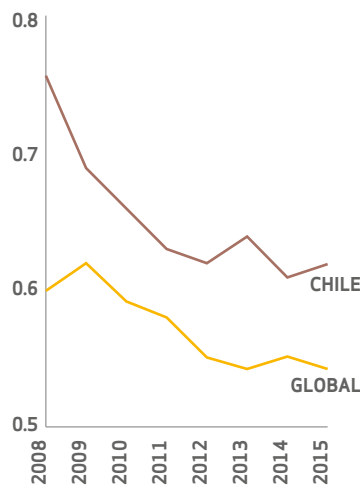
8. Source: 'Analysis of the copper market and potential consequences for the mining industry' [Análisis del mercado de cobre y potenciales consecuencias para la industria minera], Juan Carlos Guajardo, Plusmining, January 2016.

9. C3 is the sum-total of costs of extraction, treatment, transportation, smelting and refining (TC/RC), administrative expenses, byproducts, depreciation and amortization, as well as indirect costs and financial costs.



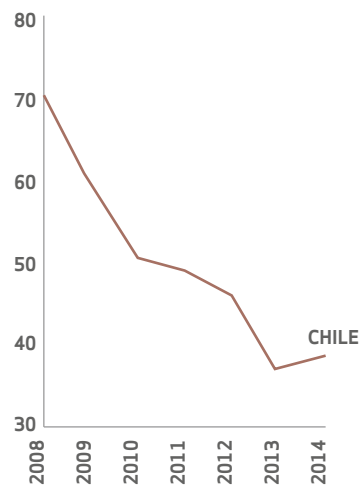
DROPPING GRADES...

AVERAGE COPPER GRADE (% Cu)



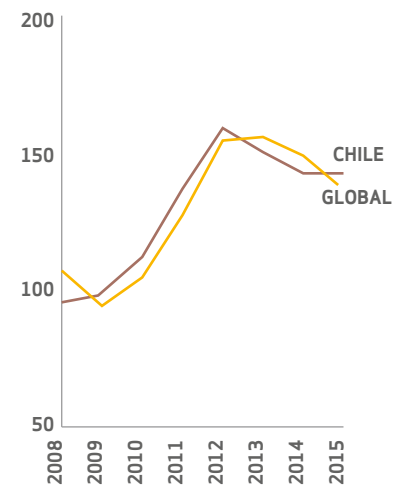
PRODUCTIVITY LOSS...

CHILEAN LABOR PRODUCTIVITY (Tons of Ore Moved per Man-Hour)



...AND INCREASING COSTS

C1 with byproducts (c/Lb)



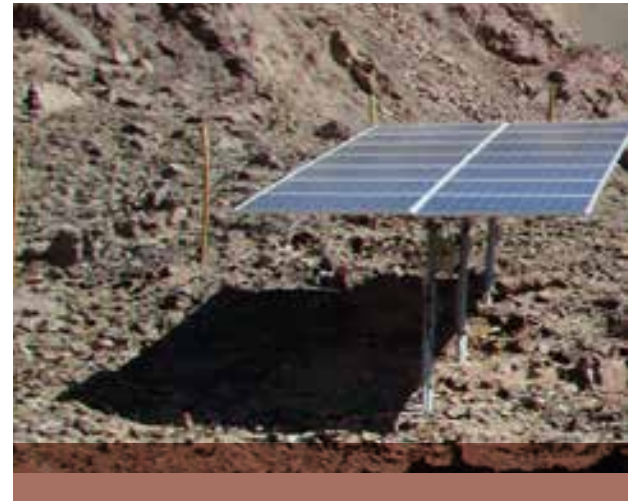
Source: Brook Hunt; Wood Mackenzie; Analysis by MatrixConsulting.

WHAT IS COLLAHUASI UP TO?

- Three years ago, the Company launched an efficiency and cost control strategy. Therefore, it was one of the first mining companies in Chile to adapt. This has rendered good results, since it has progressed towards the goal of reaching the first quartile of C1 costs of the industry, which is of US\$ 1.16 per pound of copper:
 - 2012: US\$ 2.08
 - 2013: US\$ 1.48
 - 2014: US\$ 1.42
 - 2015: US\$ 1.41
- Collahuasi has a vast space for productivity enhancement through management, innovation, and technology, to progress towards productivity levels that make the industry again competitive and attractive. It is thus that productivity per worker increased by 3.19% (2014 vs 2015 figures), although it is worth noting that there was a change in the methodology to calculate productivity (further information on p. 27).
- Strengthened its Cycle of Risk Management (further information on p. 40).
- It managed to lower variability in its processes.



MAIN CHALLENGES FACED BY COLLAHUASI AND THE INDUSTRY



This complex scenario of the copper market has forced Collahuasi to implement forthwith additional measures in order to adapt to the new reality and thus ensure sustainability in its activities.

Given the above, Project growth was postponed, and a reduction of the company's operations was implemented, including the leaching plant and its associated activities. Hence, there was a substantial drop in the production of the leaching plant. Likewise, a limited adjustment was made as regards staff. These measures were designed to strengthen the imperative of making of Collahuasi a company sustainable in time, which will translate into benefits for the country, the employees, shareholders and the communities with which the company liaises.

ENERGY

This is an essential supply for mining in which 2 significant factors concur: a growing demand and fluctuating prices. Hence, over the coming decade, projections point to an annual demand for energy of between 45% and 57% (34.1 TYWh approx.).

In order to face this situation, large-scale companies have applied energetic efficiency measures to rationalize consumption, and they have made investments in different technologies in Non-Conventional Renewable Energies (NCRE) so as to cover part of their energetic needs, with a healthy growth projection into the future.

WHAT IS COLLAHUASI UP TO?

- It has kept a permanent commitment with energetic efficiency as a relevant factor in the fight climate change and CO₂ emissions.
- It implemented an energy management system at the Collahuasi Shipping Terminal, which enabled lowering by 2.67% the energy used per processed unit, thus saving 1,737 MWh.
- It has been permanently assessing the possibility of having energy supply from NCRE sources, besides acquiring technologies associated with energy storage. Thus, it currently has energy supply from a 25 MW solar plant.

10. 'Analysis of the copper market and potential consequences for the mining industry' [Análisis del mercado de cobre y potenciales consecuencias para la industria minera], Juan Carlos Guajardo, Plusmining, January 2016.





WATER

Another gravitating factor in the development of large-scale mining is water, since it operates predominantly in areas of low rains. The industry's permanent efforts to reduce the water used to process one ton of copper in the concentration has rendered their fruits, and this factor has gone from 0.67 m³ in 2009 to 0.53 m³ in 2015. The sector also managed to increase the re-utilization rate for water, which is currently at 74%¹¹.

However, the challenge continues, and Collahuasi shall continue its progress in the efficient use of this resource hand-in-hand with innovation and technology.

WHAT IS COLLAHUASI UP TO?

- Collahuasi has developed a strategy aligned with the National Policy on Water Resources so as to watch for:
 - A balance in the use of this resource.
 - The protection of biodiversity.
 - The safety in supply for its mining operation.
- The efficient use of water is a priority target for the Company, and in 2015 the Company continued to position itself as one of the most efficient ones in the industry, with 79.4% of recirculation of this element at the concentrator plant (for further information, go to pp. 54-56).

SAFETY AND HEALTH

One of the core concerns of mining companies is trying to keep infrastructure and service conditions that foster the Safety and Health of workers, because the environment of operations is often especially challenging in this sense. Besides, Safety and Health have a great importance as regards the quality of labour life which is another relevant factor for companies.

WHAT IS COLLAHUASI UP TO?

- Collahuasi workers constitute the company's main equity, and hence, safeguarding their Safety and Health is a relevant objective for the company. To achieve it, various preventive strategies have been devised which contemplate training, continuous process reviews, and fostering a culture of self-care.
- These strategies have rendered their fruits, and have meant reaching one of the best Safety indicators of the past few years, achieving a Frequency Index of 0.6. The non-stop drop in the record of events triggering day losses must be added to the foregoing. In 2015 they added up to 11 days, 5 less than in 2014 (16), and almost half of those recorded for 2012 (21). Additionally, there were no occupational illnesses and, for the third year in a row, no fatalities were recorded, with which Collahuasi has managed to build one of the safest labour environments in all of Chile's large-scale mining (for further information, go to pp. 28, 79).
- It also created and implemented a Quality Life Programme aimed at all Company workers and their families.

11. Source: Mining Council, 'Challenges in Mining' [Desafíos de la minería], February 2016.



MAIN CHALLENGES FACED BY COLLAHUASI AND THE INDUSTRY



PEOPLE

In this sphere, the industry has also faced a complex scenario, since on the one hand it lost 7.9% of jobs during the year; but, on the other, there is a persisting lack of trained labour.

The first factor was propelled by production costs that neared the sales prices reached by commodities, so companies were forced to set plans for cost containment, and that had an impact on workforce numbers. As a result of the latter, at the end of 2015 the industry recorded 19,000 less direct workers than in 2014 (241,770 vs 222,770, according to the Mining Trade Society, SONAMI [on account of its acronym for the name in Spanish, Sociedad Nacional de Minería]).

As for trained labour, it is an issue which solution requires a multi-sectoral effort and can only come in the mid to long term.

WHAT IS COLLAHUASI UP TO?

- It has emphasized talent development and training at all levels, so as to build a culture of excelling performance: In 2015, it increased its training hours and continued with the Apprenticeship Program, which promotes the integration of people coming from the community of the operation (for further information, go to pp. 70, 71).
- It implemented an Employment Development Program, that seeks generating greater identification and commitment from workers with the company; in it, the Haiti Programme stands out (for further information, go to p. 71).
- Through its Educational Foundation, the Company carries out programs that Foster and enhance technical-professional education in the Administrative Region of Tarapacá so as to achieve an effective liaison between the educational and corporate sectors, and to enable employability of youngsters graduating from the schools involved, especially in the mining sector (for further information, please go to pp. 71, 85).





LABOR RELATIONS

Over the past years, the industry's potential for conflicts has increased. This motivated companies to pay special attention to maintaining relationships of trust and mutual benefit between companies and their workers.

LIAISONS WITH AND CONTRIBUTIONS TO THE DEVELOPMENT OF COMMUNITIES

An increase in expectations from the various stakeholders as regards the activities of the companies, along with an empowerment of society at large and of small communities in particular, has meant an ever-growing challenge for companies. There is currently a greater demand for companies, not only to be accountable for the environmental and social impact they cause, but also for them to have greater commitment and be a greater contribution to the development of the communities in which they are located.

Mining companies, for their part, acknowledge the need to make

WHAT IS COLLAHUASI UP TO?

- The Company constantly safeguards the constructive liaisons of permanent collaboration with its workers, reason for which it periodically develops instances to gather and communicate, fostering dialogue and mutual respect.
- Collahuasi has agreements and collective contracts in force and effect with its trade unions.
- During 2015 a labour conflict surfaced with members of Trade Union No. 1 of Collahuasi Workers (operators), who on June 15 performed a sitting that was outside collective bargaining. That ended with the determination of 27 workers.
- The Company is not alien to the reality of the industry and the market, and hence, it had to opt for measures such as shrinking operations at the leaching plant, and an optimization of its workforce. That meant very tough decisions that regrettably included terminating the contractual relationship with some workers. The measures' sole objective was guaranteeing operational efficiency in the short run and the long term.
- On the other hand, and after a series of controversies inside Trade Union No. 1, the bases issued a censoring motion against their leaders and elected new ones in September.
- Lastly, there were various negotiations with contractors; all of them ended up in a satisfactory manner for all parties involved.

investments with a longer view, besides integrating communities in the agenda. The construction of social capital can thus be propelled, obtaining the necessary licence to be able to operate and meet the goals of the business.

WHAT IS COLLAHUASI UP TO?

- It maintains good relations with the communities. By means of working round tables it elaborates programs focus on productive development, enhancement of living standards, emergency prevention and support upon it, education, culture and heritage, among others.
- In order to make good of his commitment with the communities, Collahuasi set forth the following axes to define its social investment:
 1. EDUCATION
 2. LOCAL DEVELOPMENT AND JOB CREATION
 3. HERITAGE AND TOURISM
 4. ENVIRONMENT AND HEALTH
- The amount invested in 2015 for this concept amounted to US\$ 8.4 million, and it had an important focus on topics dealing with education and local development, which together represented 85% of the total expenses (for further information, please go to pp. 15, 84).



MOST RELEVANT TOPICS

G4-18/ G4-19



To define relevance, Collahuasi based its process on the one performed for the prior period, enriching it with the most relevant topics of 2015. The latter were defined through an information survey for the fiscal year reported, which included the following perspectives:

- Opinion from main stakeholders.
- Relevant aspects for the business.
- Emerging issues for the mining sector.



OPINION OF MAIN STAKEHOLDERS

- Interviews to upper management and key executives of the company.
- Surveys and studies performed:
 - 'Socio-economic Impact of Collahuasi in the Administrative Region of Tarapacá, Chile' [Impacto socio-económico de Collahuasi en la Región de Tarapacá, Chile], drafted by global consultant Corporate Citizenship.
 - 'Report on Liaisons with the Communities 2015' [Informe de Relación Comunitario 2015], drafted by Tironi y Asociados.
 - 'Image and Positioning of Collahuasi' [Imagen y Posicionamiento de Collahuasi], commissioned to consulting firm Feedback.
- Report on the Fulfilment of Commitments, drafted by Red Puentes Chile.
- Interviews with the following stakeholders: suppliers, fishing trade union, and the directing team of the association of rural waters of the area of Pica, Agues Rurales de Pica.



RELEVANT ASPECTS FOR THE BUSINESS

- Interviews performed to the front line: Executive Vice-President, vice-presidents and managers of various areas of Collahuasi.
- Analysis of the internal information of the business and its strategy.
- Guidelines for the sustainable development of the mining sector.
- Reports from its main stockholders (Glencore and Anglo American).
- Press and specialized publications summary for 2015.



G4-18

The issues that surfaced during this process were assessed by the company's main executives, so as to establish **degrees of importance** defined by the **level of impact** on the business in the short, mid, and long run. The result of that assessment was checked by the Vice-Presidency of Corporate Affairs of the company, thus setting the final matrix. These topics represent, in turn, the main challenges for Collahuasi and the industry.



EMERGING ISSUES FOR THE MINING SECTOR

- Benchmark reports of world-class mining companies and relevant topics for domestic and international organizations.
- Applicable topics for international organizations such as the International Council on Mining & Metals -ICMM-, the Japan Bank for International Finance Corporation, the GRI G4 -Mining and Metals G4 Supplement-, and the ISO 26000, plus the Ecuador Principles.

COLLAHUASI SUSTAINABILITY MATRIX

G4-19/ G4-27

Strategy and Government

- Business strategy.
- Environmental and social compliance, and risk management.
- Corporate governance.
- Ethics and human rights.

Society

- Community liaisons.
- Contribution to regional and local development.

The Environment

- Water (sustainable extraction, efficiency).
- Energy and climate change (energy efficiency, CO2 footprint, Non-Conventional Renewable Energies (NCRE)).
- Biodiversity.
- Waste and air quality (potential smells).
- Environmental incidents.

Employment

- Occupational safety and health.
- Labour relations.
- Labour life standards.
- Development.
- Sustainability in contractors and suppliers.



C. BUSINESS STRATEGY



In a complex context, as described in 'Main challenges for Collahuasi and the Industry' [Principales desafíos para Collahuasi y la industria] (please check pp. 18-23), the Company carried out certain adjustments so as to continue implementing its strategy, which points to the continuity of the company.

BUSINESS STRATEGY FOR 2013-2018

STABILIZING THE OPERATION

Stage: Covered from 2013 and had to conclude during the first half of 2014, but it continued till 2015.
Objective: fulfilling business commitments while operating in a safe manner.
Compliance: It achieved goals and surpassed most operational indicators planned for safety, production, productivity, and costs.

OPTIMIZING THE COMPANY

Stage: It began in 2014 and shall continue till 2018.
Objective: Maximizing the value of the business operating with a proactive safety culture.
How: optimizing production through risk management, a sustainable strategy of development and operation, with efficiency levels in accordance with the business model, and pursuing excellence.

EXTENDING USEFUL LIFE

Objective: Driving all necessary processes to ensure the continuity of the company.
How: By means of a Project that enables capturing and capitalizing the opportunities for optimization, and setting the bases for growth in the coming years in a way that is responsible as regards the environment.





MAIN PROGRESS

In the year reported, and despite the adverse business environment, Collahuasi recorded outstanding results in the scope of safety, costs and volumes produced:

- ↑ It achieved very good indices in matters of occupational safety (1).
- It fulfilled its commitments regarding production and a lower variability in its results, especially as of the last term (2). The latter despite some difficulties in the concentrating plant and the substantial reduction in leaching.
- ↓ It lowered operational cost: expenses, both in absolute terms and per unit, achieved important drops thanks to a wide range of plans developed to detect, manage and reduce this item (3 and 4).
- ↓ It reduced overhead (5): Given the stabilization and optimization strategy of operations, indirect expenses recorded a year-on-year drop of 12%.
- ↑ It increased production of ton of fine copper per worker, situating the Company as the second in the mining industry in these terms (6).

G4-22

INDICATOR	2014	2015	VARIATION (%)	
1. Frequency Index	0,8	0,6	32	↓
2. Production	470,000 tons.	455,328 tons.	3	↓
3. Cost per reduced moved ton	-7%	-13%	86	↓
4. Cost per reduced processed ton	-5%	-9%	80	↓
5. Overhead	-4%	-12%	200	↓
6. Production per worker	72 tons. (*)	74 tons.	3	↑

(*) This figure varies from that informed in 2014 because the agreement was to modify the workforce considered so as to make it more representative.



BUSINESS STRATEGY



OCCUPATIONAL SAFETY

Collahuasi has placed special emphasis on the design and implementation of solid strategies for risk prevention in matters of Safety. Thanks to this approach, it had managed to offer one of the safest working environments in large-scale mining in Chile:

- Over the past 3 years, there have been no fatalities at all.
- The Frequency Index fell from 1.65 in 2010 to 0.6 in 2015, with which it became part of the first quartile in large-scale mining (which average is 1.25).

ADJUSTMENTS IN 2015

Throughout 2015, Collahuasi's strategy focused on the achievement of optimization in operations and on closing the stabilization stage, which had not yet fully concluded.

In order to meet such objectives and reflect this more complex environment, it was necessary to make some adjustments and to gradually implement a series of initiatives:

- Suspension of projects associated to the company's future expansion.
- Again setting priorities for capital investments (Capex).
- Optimization of third-party services and drop in expenditure on various services.
- Contracts optimization.
- Reduction of operations at the leaching plant and its associate activities.
- In the face of the expansion suspension: adaptation and rationalization of the structure and operation of the various areas, optimizing workforce numbers.
- Suspension of recruitment processes, with the exception of essential posts.
- Implementation of initiatives to increase identity and commitment of workers, so that they may better contribute to Collahuasi's performance.





MANAGEMENT FOCUS

For the 2015-2019 quinquennium, and faced with the new challenges formulated by the new vision and the progress in relevance of the company's sustainability, Collahuasi set the following as core focus of management:

- To build up a team of individuals that may sustain the business in the long run, with an emphasis on superintendents, supervisors, operators, maintenance experts, and contractors.
- Strengthening the **process of the Environmental Impact Report** [hereinafter, the EIA on account of the acronym for its name in Spanish, Estudio de Impacto Ambiental] by aligning the organization in order to achieve the expected results: extending the company's useful life.
- Aligning **external companies** with the challenges posed by the business.
- Delving into **risk management** throughout the value chain.
- Systematizing **cost management** to meet goals committed.
- Implementing the **sustainability management** of the business to ensure its value in the long run.
- Consolidating the **internal culture by strengthening motivation**, a sense of belonging and pride for results achieved.

COMMITMENTS FOR 2015

- Recording results equal to or greater than those of 2014, which in productive terms shall be a great challenge.
 - Not fulfilled. However, the 2015 budgeted production for the Company was exceeded.^{1,2}

PENDING

- Consolidating operational processes and continuing in the downward trend as regards costs achieved in 2014.
 - This was met during the second half of the year, and it achieved consolidation during the last quarter of 2015.

100% ACHIEVED

COMMITMENTS FOR 2016

- Enhancing and exceeding the commitments of the business, achieving a production over and above 455 Kt.
- To achieve cost (1.24 US\$/lb) and financial results in a safe and sustainable manner.

1.2. The decision to reduce operations at the copper cathodes production plant had an incidence on the attainment of a result lower than planned.



THE PATH TO SUSTAINABLE DEVELOPMENT



> 02



A. GUIDELINES	32
B. CORPORATE GOVERNANCE	36
C. STAKEHOLDERS	42
D. GENERATING ECONOMIC GROWTH	46

a. GUIDELINES



In 2015, Collahuasi adjusted the concept of sustainable development to the new purpose and revised the integration and alignment of business objectives with the performance on this matter in the different areas: operations, safety, environment, water, clients, financial performance, suppliers, workers, communities regulating authorities, energy consumption and human rights.

To manage these aspects, the Company has a Sustainable Development Policy¹³, which guidelines drive, as well, good practices associated to integrity and transparency, the fostering of ethics, and the essential rights of individuals in all organizational levels.

In 2015, this emphasis made it deserving of the 9th place in the Corporate Sustainability Index [hereinafter, the ISC on account of the acronym for its name in Spanish, Índice de Sustentabilidad Corporativa], and the second place in mining in the Ranking de Reputación Merco.

Along with ensuring a suitable yield for shareholders, Collahuasi's business aims at contributing to the safeguarding and enhancement of the social, economic, and environmental surroundings, as a legacy for future generations.

13. For further details, please check p. 23 at http://www.collahuasi.cl/pdf/sustentable/info_sustentable14.pdf



HUMAN RIGHTS

One of the key axes for sustainable development is associated to the observance of human rights, reason for which Collahuasi has set forth specific policies on the following areas:

WORKERS, CONTRACTORS, AND VALUE CHAIN

- Respect of fundamental rights and non-discrimination.
- Rejection of forced labour and child labour.
- Right to trade unionism.
- A safe and healthy occupational environment.

COMMUNITIES

- Respect for culture, customs, values, and heritage.
- Prevention and reduction of adverse environmental, social, and economic impacts.

SURROUNDINGS

- Worth of biodiversity, eco-systems, and water resources.
- Conservation and protection of the environment.

INTERNATIONAL POLICIES

INTERNATIONAL

The Sustainable Development Policy is based on the principles of the ICMM and on the U.N.'s Global Compact, associated to human rights, labour regulation, the environment, and combat against corruption. It is also inspired by the Universal Declaration of Human Rights, and by the values of accountability, integrity, and transparency, fostered by the Chilean Chapter of Transparency International (TI), as well as by the European Regulation on Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH).



GUIDELINES

SUPPLEMENTARY INITIATIVES

With a view to perfecting and supplementing some of the aspects of this policy, Collahuasi created a series of initiatives that delve into the following topics:

- **Development of Individuals**

To define the principles that govern human resources management activities, in order to favour a high performance environment, with identification and commitment.

- **Relations with the Community and Native Peoples**

To develop capabilities at a local level while boosting the creation of economic, social, and environmental value within each community, so as to contribute to their wellbeing.

- **Ethics and Conflicts of Interest**

To establish the principles of transparency and integrity applicable to the business and to relations with stakeholders.

- **Occupational Health and Safety**

Fosters and safeguards compliance with conditions, measures, and actions that guarantee a safe, healthy, and incident-free workplace, both for the company's employees and those of its contractors.

- **Environment, biodiversity, and recycling**

To drive an environmental management system based on continuous improvement while considering the supervision, prevention, or mitigation of adverse environmental impacts caused by the execution of projects, their operations, and the closure of the facilities.

- **Energy**

To encourage energy efficiency throughout the production chain and at all levels of the organization. Also, to promote the reduction of CO2 emissions, as well as to develop and implement mitigation and adaptation measures in connection with climate change.

- **Water Resources**

To ensure the development of sustainable water management, acknowledging and balancing the strategic role that water has for corporate operations with the regions sustainability and that of neighbouring communities.

- **Suppliers and Contractors**

To clearly, efficiently, and transparently regulate commercial relations with suppliers of goods and services, including contractor companies; and to establish systems to guarantee reliable and satisfactory contractual relationships for all parties involved.

- **Risk Management**

To identify and assess potential risks associated to the business. Also to manage mitigation actions in order to control them in a timely and acceptable manner.





ETHICS

Collahuasi has a strong commitment with the fight against corruption and with the observance of the laws set forth on these matters. It has a Policy on Ethics and Conflicts of Interests¹⁴ that defines the transparency and integrity principles applicable to the business and to liaisons with stakeholders. The policy was created to prevent unsuitable or corrupt conducts in all levels of the organization, starting at the top, with the Board of Directors of Collahuasi. With this goal in mind, the strategy regulates the following matters:

- Relations and compliance with stakeholders.
- Offering and/or asking for Bribery, corruption, asset laundering and financing of terrorism.
- Donations to political parties.
- Compliance with legal and moral standards, socially acceptable behaviour and order.
- Fraud, appropriation or misuse of company resources.
- Honesty and integrity.
- Compliance with accounting standards and rules, procedures, and regulations.
- Conflicts of interest.

Every supervisor and executive at Collahuasi must sign a Conflicts of Interest Declaration on an annual basis. Any breach of the latter is analysed and sanctioned by a committee comprised by the Company's Comptroller and the HR Manager.

For their part, the corporate bylaws and the Shareholders' Agreement include the guidelines that enable the regulation of shareholders' liaisons, both among them and with the company. In order to ensure independence and prevent conflicts of interest, Collahuasi's board members do not receive financial compensation.

Regarding corruption prevention, Collahuasi has underscored compliance with Law No. 20,393 in its Risk Management System. The foregoing law deals with criminal liability of bodies corporate in the face of asset laundering, financing of terrorism, and bribery of Chilean and/or foreign public officials.

Given the above, every unit in the business analyses risks associated to corruption. The Ethics Policy and the relevant reporting mechanism (Open Line, for further detail, please go to page 76) are periodically monitored to evaluate their effectiveness and suitability.

14. For further detail, please go to http://www.collahuasi.cl/pdf/politicas_etica_cintereses.pdf



b. CORPORATE GOVERNANCE

During the year reported, the structure of the highest governance body of Collahuasi was adapted in order to reflect the strategic value of sustainability for the Company, incorporating as of now this matter into the core business of the company. Thus, besides supervising compliance in these matters, it also monitors and incorporates strategies, policies and goals linked to the economic, social and environmental impacts of the company.

BOARD OF DIRECTORS

Along with the executive lead, the highest corporate governance body sets forth and updates the purpose, values and mission of Collahuasi. It also advises and supports the company to maximize the value of its resources – within acceptable risk parameters – by applying guidelines, guidance, and standards agreed upon by shareholders.

Likewise, it is in charge of the strategic lead of the company, of supervising its performance and its management control systems. To that end it has 3 committees:

1. REMUNERATIONS AND TALENT COMMITTEE

It coordinates, approves, and makes decisions on matters such as compensations, performance, talent management, succession, labour relations, and organizational structure. Its directors are executives from the shareholding companies (Anglo American, Glencore, and Japan Collahuasi Research B.V.), and none of them holds a post in Collahuasi.

2. AUDITING COMMITTEE

It safeguards the integrity of the financial and accounting processes, and of audits to the company's financial statements, and it ensures a suitable risk management of the business. It also advises the Board of Directors on the status of corporate finances, and the financial and commercial information systems; also on the assets, and on internal control procedures, as well as on compliance with laws and regulations. This committee must also supervise external auditors and provide advice on relevant legal matters.

3. ADVISORY COMMITTEE (ADCOM)

It assists the Board of Director son matters associated with the operational performance and the development of Collahuasi. The Adcom is backed up by the committees on Sustainability, Projects, Safety and the Technical Committee.





ORGANIZATIONAL STRUCTURE



CORPORATE GOVERNANCE



The Company structure was adapted to the 2015-2019 management focus points, evidencing how sustainability has increased its importance inside the company. To reinforce its implementation in business management and decision-making, accountability for this matter was moved from the Vice-Presidency of Legal, Corporate, and Community Affairs to the Vice-Presidency of Development, creating in 2015 the Vice-presidency of Development and Sustainability.

Thanks to this change, the strategies typical of a sustainable management are incorporated at early stages of conceptualization and the design of business opportunities, thus setting the basis to make viable the following strategic level of growth.

This new structure also enables the detection of core focuses and the performance of a sustainable management in every process, thus achieving a culture that integrates productivity and safety with social and environmental aspects.

Likewise, it drives the exploration and management of potential risks and impacts in all Company areas.





INTERNAL GOVERNANCE

During 2015, the internal governance created in 2014 continued to be implemented so as to:

- Strengthen decision-making.
- Improve performance monitoring.
- Encourage internal alignment by means of multidisciplinary and integrated visions aimed at a more effective management.

This instance has committees in matters of contracts, development, projects and operational performance. It also holds meetings to monitor each of the foregoing scopes, plus those of risk management and sustainability.

In 2015, and consistently with the emphasis on sustainability, the relevance of this topic was reinforced by means of the validation and execution of the development strategy through the elaboration of the Useful Life Extension Project, which will enter environmental assessment; risk management, and the strengthening of sustainability in the value chain.

SUSTAINABILITY PERFORMANCE SUPERVISION AND ASSESSMENT

In order to supervise and assess the performance of the Company in the various aspects of sustainability, various instances have been created to report from different angles and thus be able to have an overview:

- 1. Board of Directors of Collahuasi:** As the body directly responsible for the company's sustainability, it oversees compliance with the Sustainable Development Policy and other company policies in specific and supplementary areas. The Board has structures that ensure the latter's implementation, and it also approves the report on sustainable development that is drafted on an annual basis.
- 2. Advisory Committee (ADCOM):** It oversees performance and monitors decisions associated to impacts in matters of sustainability. The ADCOM is supported and advised by the Sustainability Committee -which includes representatives from the shareholders and Collahuasi-, that conducts periodic reviews of results,

progress, and risks associated to this sphere.

3. Vice-Presidency for Development and Sustainability, Superintendence for Strategic Planning, and Division for Occupational Safety and Health: They run the internal controls as regards performance and risks on these matters.

4. Sustainability Meeting: Part of internal governance that follows up and agrees on action plans aimed at solving or mitigating environmental risks or others that might affect the operational continuity of the company.

5. Monthly Report to the Board: Filed by the Executive President. It records the progress and results as regards sustainable development, output, sales, costs, financial results, aspects related to personnel, and the progress status of projects. As for corporate sustainable development, monthly indicators are reported on safety, water, incidents, or [other] relevant environmental issues, legal status and permits, as well as main issues arisen with regard to communities and personnel.



CORPORATE GOVERNANCE



RISK MANAGEMENT

Another significant task of Collahuasi's Board of Directors is that of ensuring an appropriate management of the risks faced by the company. To do so, it is supported by the Auditing Committee and the Advisory Committee. Responsibility for risks is born by the Executive Committee of Collahuasi, which brings together the Vice-Presidents and Managers, and which reports to the Executive President of the company.

Meanwhile, management of risks is defined by the execution of a Risks Management Cycle [hereinafter, the CGR on account of the acronym for its name in Spanish, Ciclo de Gestión de Riesgos]. This model leads the company in the optimization of processes and in risk mitigation, ultimately enabling maximizing value.

In 2015, and aiming at improving CGR, the entire organization worked on strengthening each of the links that make it up. This implied, mainly, a revision and redesign of process maps, risk matrices and control plans, a strengthening of the analyses of cause, the generation of learning alerts, and the verification and authorization of a safe work, one with visible leadership.

Since this is an essential issue for the Company, Collahuasi updates on a monthly basis its risk matrix. The last analysis of these factors -published towards the end of 2015- set the following aspects as the main risks:

- Operational processes (appropriate compliance with the time spans set for the project, geotechnical conditions, scarcity of water resources, breaches of environmental and sectoral commitments, etc.).
- Financial risks (copper price).
- Possible changes in regulation.
- Labour relations.





COMMITMENTS FOR 2015

- Implementing a communications plan for a better conceptual a practical comprehension on the part of Collahuasi employees of the tasks regarding energy efficiency, water usage efficiency, transparency, responsible liaisons with stakeholders, waste recycling, care for the surroundings, and other matters that strengthen sustainable management.
 - Partly achieved.

50% ACHIEVED

- Consolidating the plan for joint risks in the environmental, occupational health and safety fields. The foregoing, by achieving many (>75%) of the milestones and tasks set for 2015.
 - Achieved

100% ACHIEVED

- Performing internal auditing on compliance and improvements in compliance with the requisites of standards ISO 9001: 2008, ISO 14001: 2004, and OHSAS 8001, with their corresponding certification processes.
 - The development of the Risk Management Plan and Integrated System incorporates most of the requirements of such standards, reason for which the decision was made to interrupt application of the foregoing standards to instead delve on the plan.

NOT ACHIEVED

- Updating on a quarterly basis the legal regulation applicable to Company operations, and inform that to the areas involve in the event of amendments.
 - Updates and communications were carried out.

100% ACHIEVED

COMMITMENTS FOR 2016

- Filing the Environmental Impact Report to ensure operational continuity of Collahuasi.
- Strengthening the sustainability process in the value chain and with stakeholders.
- Implementing educational and communicational activities that give employees a greater understanding and practical behaviour with regard to energy efficiency, climate change, and recycling.
- Securing business continuity through risk management.
- Updating on a quarterly basis the regulation applicable to corporate operations, informing managers and supervisors of the areas involved about their content and main effects in the event of new regulation or legislative changes with a high impact.



C. STAKEHOLDERS

G4-24/ G4-25

Collahuasi seeks to carry out its operations in a responsible manner, and to foster a relation of understanding with its stakeholders. To this end, it gives priority to the search of opportunities that may promote mutual benefit and the creation of shared value.

To establish who its main stakeholders are, the company takes into consideration the analysis performed in the context of the SEAT study¹⁵, which identified the most significant positive and negative economic, social, and environmental aspects. This information was cross-referenced with the degree of influence of the different sectors and groups that interact with the company, selecting those with the greater potential for recording an impact from the company's activities, or that might influence Collahuasi's performance.

Hence, the company's main stakeholders ended up being comprised by **its shareholders, its employees, contractors, communities, suppliers, civil society and authorities, and regulatory bodies.**

SHAREHOLDERS

Anglo American and Glencore (with 44% each), plus Japan Collahuasi Resources B.V. (with the remaining 12%).



15. The SEAT, or Socio Economic Assessment Toolbox, is a socio-econommic management tool developed by Anglo American to improve understanding of the impact of the company's operations.

WHO ARE COLLAHUASI'S STAKEHOLDERS?

G4-24

EMPLOYEES

2,241 individuals, 44.9% of which reside in the Administrative Region of Tarapacá.



CONTRACTORS

4,225 employees of collaborating companies rendered services to Collahuasi at its facilities, and projects. The average figure for the ration between own workers and contractor workers is 1:2.



CIVIL SOCIETY

Integrated by NGOs, universities, and associations in which Collahuasi partakes, whether as member, or with which there is some common interest in the mining industry.



AUTHORITIES AND REGULATORY BODIES

It is made up of the central and regional governments, plus the legislative chambers that can affect business through regulation and enforcement. Meanwhile, Collahuasi can contribute to discussion for the improvement of public policy, bolstering the development of mining and the Administrative Region of Tarapacá.



COMMUNITIES

The direct area of influence of the company is made up of the zone neighbouring its operations in the highlands and the coast, plus its logistics corridor (for vehicles related to its operations). As per this definition, the communities on which Collahuasi has a direct influence are: Coves Cádiz, Chanavayita, Caramuch and Chanavaya, the villages of Huatacondo, Tamentica, and Copaquire.



SUPPLIERS (LOCAL, NATIONAL, AND INTERNATIONAL)

They are the ones to provide the company with key goods and services for mining operations. In 2015, the company recorded 1,073 suppliers, of which 185 are from the Administrative Region of Tarapacá.



STAKEHOLDERS



MECHANISM FOR DIALOGUE WITH STAKEHOLDERS G4-26

Aiming at keeping a smooth-flowing dialogue with its stakeholders, the company has developed various paths and channels of communication, such as reports to shareholders, our website, the Sustainable Development Report, carbon footprint reports, meetings, presentations, and studies.

Collahuasi also conducts surveys and studies to find out the opinion of some of its stakeholders. Using the results, it manages and answers to the concerns, and prioritizes the areas for the company's social investment. Hence, in 2015 it carried out a survey on the company's image and positioning, which covered a universe of 907 households in the area of influence.

Various studies were also conducted during the year, contributing elements and information from various standpoints: 'Socio-economic Impact of Collahuasi in the Administrative Region of Tarapacá Chile' [Impacto socio-económico de Collahuasi en la Región de Tarapacá, Chile], elaborated by global consultant Corporate Citizenship,

and the 'Report on Liaisons with the Community 2015' [Informe de Relacionamiento Comunitario 2015], administered by Tironi y Asociados.

Also, the Company periodically organizes working round tables with the communities and native peoples, so as to learn about their concerns and guide its social investment. Online, Collahuasi has presence in social media and a mechanism to receive requests and complaints through the web.

STAKEHOLDERS	COMMUNICATION CHANNELS	CORE MATTERS	LIAISING ACTIVITIES	INITIATIVES LAUNCHED
ACCIONISTAS	Board Meetings	Costs, safety, operations, returns.	Board meetings, various committees.	Operational and risk-management guidelines.
TRABAJADORES	Merco,	Seguridad, operación, estabilidad laboral.	Reuniones semanales con sindicatos; diarias con trabajadores.	Incentivos para seguridad y productividad, sistemas de gestión de riesgos de la operación.
TRADE UNIONS 1 AND 2.	Safety, operation, job stability.	Weekly meetings with trade unions; daily meetings with workers.	Incentives towards safety and productivity, risk-management systems for the operation.	Incentivo a trabajadores de terceros acordado y renovado (medición seguridad, medio ambiente, laboral, productividad).
CONTRATISTAS	Permanent meetings	Costs, safety, operation, work	Daily meetings.	Agreed upon and renewed incentive for third-party workers (measuring safety, environment, workplace, productivity.)
COMUNIDADES	Tironi Study	Costos, seguridad, pagos a tiempo	Desayunos semestrales con CEO Collahuasi.	Participación en medición de evaluación de capacidades de innovación (Corfo-Innova).
SOCIO-ECONOMIC IMPACT STUDY 2015.	Work, tailings dams, water, PM emissions, odours from the molyb. plant.	Periodical meetings and working round tables.	Shared monitoring, execution of collaboration agreements.	Apoyo a edición de publicaciones; entrega de información específica consultada por ONG's y otros; auspicio de seminarios.
SUPPLIERS	Assistance from Aprimin, bi-annual breakfasts with Collahuasi's CEO.	Costs, safety, timely payments	Biannual breakfasts with Collahuasi's CEO.	Participation in measuring the assessment of innovation capabilities (Corfo-Innova).
CIVIL SOCIETY NGOs, UNIVERSITIES, ASSOCIATIONS)	Membership in the Mining Dialogue Group, review by the NGO RedPuentes.	Environment, water, employees, energy, communities.	Periodical meetings.	Support for the elaboration of publications; delivery of specific information consulted by NGOs and others; sponsorship for seminars.
AUTHORITIES AND REGULATORY BODIES	Feedback Survey.	Job stability, environment, support for social initiatives.	Periodical meetings.	Various sponsorships and funding of social initiatives for the benefit of the community.





PARTICIPATION

The company collaborates with different organization at an international, domestic, and local level. The target is to contribute to the discussion and reflection on matters of public policy, national and local development, and other matters associated to sustainability.

National Memberships

- National Mining Society [Sociedad Nacional de Minería] (SONAMI).
- Mining Council of Chile, Trade Association [Consejo Minero de Chile A.G.], Energy and Climate Change Committee, among others.
- British-Chilean Chamber of Commerce (Britcham Chile).
- National Safety Council [Consejo Nacional de Seguridad].
- Chilean Chapter of Transparency International.
- Centro de Estudios Públicos (CEP) think tank.
- U.N. Global Compact.

Local Memberships

- Iquique Chamber of Commerce, Industry and Tourism.
- Tarapacá Development Corporation.
- Iquique Industrialists' Association, Trade Association (AI).
- Saltpetre Museum Corporation.
- Jiwasa Orage Indigenous Development Area.
- Advisory Council of the Regional Commission for the Environment (Regional CONAMA).
- Center for Water Resource Research and Development (CIDERH).

International Memberships

- International Copper Association (ICA).

Pacts and Aliances

- National Civil Registry Agency [Servicio Registro Civil].
- Chilean National Forestry Agency [Corporación Nacional Forestal de Chile] (CONAF).

d. GENERATING ECONOMIC GROWTH



Collahuasi plays a significant role in the economy of the country, as it significantly contributes to economic growth and to the development of the Administrative Region of Tarapacá. This, on account of the value generated by the business, which is distributed among several stakeholders.

Distribution of the economic value generated

	2013	2014	2015
INFLOWS (US\$ TH.)			
Gross sales	2,987,140	2,979,905	1,990,544
Revenues from financial investments	408	534	366
Revenues from the sale of fixed assets and others	-1,013	22,146	-9,021
ECONOMIC VALUE GENERATED	2,986,535	3,002,585	1,981,889
OUTFLOWS (US\$ TH.)			
Operational costs	1,289,074	1,105,404	957,419
Employee salaries and benefits	261,450	256,033	217,390
Payments to capital suppliers	470,845	1,012,554	264,447
Payments to the State (1)	121,873	450,995	126,669
Investment in the community	13,105	12,015	8,365
ECONOMIC VALUE DISTRIBUTED	2,156,347	2,837,001	1,574,290
ECONOMIC VALUE WITHHELD	830,188	165,584	407,599

(1) Excludes deferred taxes.

COLLAHUASI'S ECONOMIC IMPACT

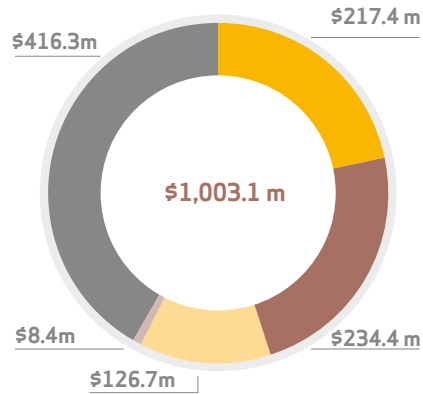
In 2015, the overall impact of Collahuasi on the domestic economy was estimated in US\$ 1,675.2 million, equivalent to 0.7% of the Chilean GDP. This economic impact is comprised by direct and indirect impacts.

Economic Impact in Chile (gross added value)

	2013 (US\$ TH.)	2014 (US\$ TH.)	2015 (US\$ TH.)
Gross Sales	2,987,140	2,979,905	1,990,544
Operational costs	1,289,074	1,105,404	957,419
DIRECT ECONOMIC CONTRIBUTION	1,698,066	1,874,501	1,033,125
Dividends to shareholders outside Chile	56,400	120,000	30,000
DIRECT ECONOMIC CONTRIBUTION IN CHILE	1,641,666	1,754,501	1,003,125
Indirect economic impact (multiplying effect)	1,099,916	1,175,516	672,094
OVERALL ECONOMIC CONTRIBUTION IN CHILE	2,741,582	2,930,017	1,675,219



DIRECT ECONOMIC IMPACT IN CHILE, 2015



ECONOMIC VALUE DISTRIBUTED (59%)

- EMPLOYEES (COMPENSATIONS AND BENEFITS)
- SUPPLIERS OF CAPITAL
- GOVERNMENT
- LOCAL COMMUNITIES

RETAINED ECONOMIC VALUE (41%)

- RETAINED ECONOMIC VALUE IN THE BUSINESS

Direct Impact

In 2015, Collahuasi's direct contribution to the Chilean economy, measured as gross added value, was of US\$ 1,003.1 million. More than 59% of the foregoing amount was destined to stakeholders, including employees, the State, local communities and suppliers of capital. The remainder was kept within the business as reinvestment (please check the graph enclosed).

Gross added value is a standard measure of the direct contribution of a company to the GDP, and it is defined as the difference between revenues on gross sales and operational costs. The contribution to the Chilean economy is estimated by subtracting from this figure the payments of dividends made to shareholders overseas.

Collahuasi's economic contribution is equivalent to approximately 17% of the GDP of Tarapacá¹⁶. However, not all benefits of such an impact are felt in the region, since the Company pays compensations, taxes and dividends to entities located in other administrative regions of the country.

Indirect Impact

The purchases of goods and services that Collahuasi makes stimulate the demand in other sectors of the economy, such as manufactures, construction, financial services, and transport, among others. Likewise, employees spend their salaries, thus generating economic activity, while their taxes contribute to the fiscal budget. Data from the Central Bank of Chile shows that for every CLP 1 of direct economic contribution from the mining sector, there is an additional CLP 0.67 of impact in the overall economy¹⁷, so Collahuasi's indirect economic impact in 2015 amounted to US\$ 672 million.

16. Using data from 2014 (GDP 2015 was unavailable by the date of this report.)

17. Calculated by Corporate Citizenship using the multiplier estimate dby the Mining Council (2014) starting from th 2010 input-output matrix of the Chilean central bank. Mining Council Annual Report.



PERFORMANC IN **AREAS OF KEY** RELEVANCE



> 03



A. ENVIRONMENT	50
1. WATER	
2. CLIMATE CHANGE AND ENERGY	
3. BIODIVERSITY	
4. WASTE AND SMELLS	
B. HUMAN CAPITAL DEVELOPMENT	66
C. COMMUNITY	82
D. SUPPLIERS	92

a. ENVIRONMENT



For Collahuasi, care, respect, and protection for the environment are a priority present throughout its processes, because it enables it to advance towards business sustainability in the long run. That is why the company concentrates on:

- Managing environmental aspects in accordance with the commitments forth in the Environmental Qualifying Resolutions [hereinafter, the RCAs, on account of the acronym for the name in Spanish, Resoluciones de Calificación Ambiental] and standing environmental permits.
- Trying to generate the least impact possible in the areas of operation.
- Permanently -and preventively- monitoring all spheres associated to care of the surroundings.

THE COMPANY DEFINED THE 4 MOST DIRECT VARIABLES FOR ENVIRONMENTAL MANAGEMENT AS THE ACTION LINES THAT ENABLE IT TO FULFIL ITS COMMITMENT WITH THE SURROUNDINGS:

PROPER
MANAGEMENT OF
WATER
RESOURCES

FIGHTING
CLIMATE
CHANGE

PRESERVING
BIODIVERSITY

DISPOSAL OF
WASTE
AND SMELLS





2015 UNDERTAKINGS

As part of its commitment with the environment, during 2015 the company focused on:

1. Optimizing performance and execution of its **operational processes** through the development and implementation of a new system for risk management based on the Risks Management Cycle.
2. Focusing core **environmental investment on waste management**, monitoring plans for environmental variables and biodiversity, and on mitigation and compensation initiatives.
3. Developing a Project to **extend useful life** in order to enable and assure in an integral manner the continuity of the operation starting 2020. Since the foregoing implies filing an **Environmental Impact Report (EIA)**, Collahuasi is drafting a Project that will enable catching and capitalizing opportunities for optimization.

To tackle the most essential matters -water availability, environmental impact of the mining industry, and the strengthening of links with neighbouring communities- the EIA contemplates delving into a strategy of liaisons with the latter so as to reinforce this process and achieve the expected results.



ENVIRONMENT



THE SURROUNDINGS

Given the complexity of scenarios in which Collahuasi activities take place, it is Paramount to know the conditions of the surroundings, and to monitor all elements that may feel the impact of its operations.

	MOUNTAINOUS AREA Mines, dumpsite, concentrator plant and dam	PORT AREA Port and molybdenum plant
GENERAL CONTEXT		
Geographical area where it is located	Borough of Pica, 185 km. Southeast from the city of Iquique, at an average altitude of 4,400 masl.	Punta Patache, 65 km. South from
Iquique, at sea level.	Estepa en altura, zona fría. Con lluvia en verano y nieve ocasional durante el invierno.	Desértico costero con abundante nubosidad baja (estratocúmulos costeros).
Climate	High-altitude steppe, cold zone. Summertime rains and occasional snows in wintertime.	Coastal desert with abundant low cloudiness (coastal stratocumulus).
Rainfall	150 – 180 mm.	<5 mm.
Evapo-perspiration	< 2,000 mm.	2,000 – 3.000 mm.
Climate trend over the past 20 years	Wide variability in rainfalls in the y.o.y. comparison.	There are no great variations.
Protected water resources in the surrounding areas	Jachucoposa Highland wetlands, Chusquina, Yabricollita, and Ujina cushion bogs; La Represa highland wetland, and the salt flat of Michincha.	None.
OPERATION AND IMPACT		
Productive processes	Production of copper cathodes and concentrate to a lesser extent due to a decision to substantially lower such operation.	Production of molybdenum concentrate, production and shipment of copper concentrate
Main processes that may have an impact on the surroundings	Oxides plant, copper concentrating plant, open pits for the extraction of ore and fields of water extraction wells. Pipeline for concentrates and tailings dam.	Port and molybdenum concentrating plant.
Natura water sources used	Underground waters extracted from Wells at Coposa, Michincha and Aguas del Minero.	



REGULATIONS AND STANDARDS

Collahuasi is committed in the progress towards the application of excellence standards in productive processes. It is also committed with ensuring compliance of standards and domestic and international certifications, both required and voluntary, fostering continuous improvement by means of training to personnel, both its own and that of contractors.

The company has an Environmental Management System that includes the stages of operation, sales and upper management processes and support. This entire procedure is ISO 14001 certified, in force and effect by 2015. Likewise, parts of the company have the ISO 50.001:2.011 standard in force and effect till 2016.

INCIDENTS

Two (2) relevant spillages were recorded in 2015, though neither resulted in environmental damages, and they did not affect, either, any sensitive or protected species. No fines were levied.

2015 UNDERTAKINGS

- Achieving for management quality to imply not recording any category 3 or above environmental incidents, and neither being applied any fines or penalties on environmental incidents.
100% ACHIEVED
- During 2015, no environmental incidents of a higher category were recorded. No fines or penalties were applied on account of environmental incidents.
100% ACHIEVED

- Implementing a platform for the management of environmental information.
100% ACHIEVED
- M-Risk's Toresa 4 platform was installed to manage the environmental undertakings included in RCAs, sectoral permits, waste management, and environmental monitoring, as well as to store documents of environmental and sectoral significance.
100% ACHIEVED

2016 UNDERTAKINGS

- Incorporating into the current risk management system a more integral matrix base on the ISO 14.001 model with respect to the environmental variable and operational control of the company's environmental commitments.



1. WATER



In a context of water scarcity, it is essential to ensure this resource's availability for consumption by the various activities carried out in the area. To combine this requirement with its environmental commitments, Collahuasi has developed a strategy aligned with the National Policy on Hydro Resources, to take care of:

- The balance in the use of this resource.
- Protection of biodiversity.
- Safety in the supply for its mining operation.

During the year, the company consumed 83.4 million of m³ of water, and 83% of which stem from underground sources, while 17% flowed from mining drains. As may be seen in the table below, the highest consumption is for that of raw water¹⁸ for the concentrating plant, while the remainder is used in smaller-scale processes: copper leaching, running water, environmental mitigation, and dust control.

CONSUMPTION	SOURCES
Copper concentration process (84.9%)	Coposa Salt flat (56%)
Copper leaching (2.4%)	Michincha (27%)
Running water at campsites (1.3%)	Rajo Rosario and Ujina (17%)
Mitigations (2.7%)	
Dust control and other smaller-scale activities (8.8%)	

The efficient usage of water is a priority target for Collahuasi, and in 2015 it continued to position itself as one of the most efficient companies of the industry, with 79.4% of recirculation of this element in the concentrating plant.

18. La que proviene de fuentes naturales y no ha recibido tratamientos de purificación.



WATER MANAGEMENT

In order to achieve a sustainable usage of water and thus be a contribution both to the surroundings and the community, the company carries out actions in various spheres.

SUSTAINABLE CATCHMENT

Underground wells fields are the result of a thorough analysis of the information surveyed in situ and of the information supplied by hydrological models elaborated to lower the impact that water catchment could trigger over sensitive water bodies.

An online operations and control room ensures a water catchment that is both controlled and fitting as regards the standing environmental permits. At the same time, and to encourage a sustainable usage of the resource, the company designed a Water Extraction Protocol. All of the latter has allowed for a constant rehabilitation of the Jachucoposa spring (for further detail, keep reading.)

EFFICIENT USAGE

In pursuing the reduction in the amount of water consumed per tonne of ore processed, 2 goals were set: increasing efficiency and minimizing losses, and lowering consumption throughout the operation.

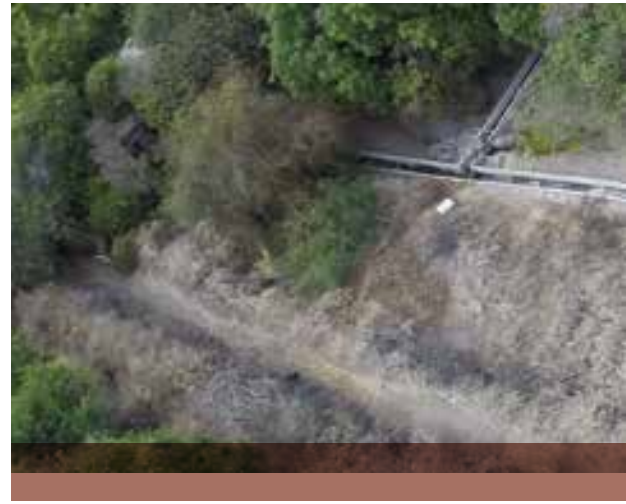
With these goals in mind, projects were designed for the mid and long term:

- In 2013 a new thickener was placed in action (with a 125 m. diameter), which became fully operational in 2014, allowing an increase in water efficiency in 2014 to a make-up rate¹⁹ of 0.570 m³/tonne.
- 2015 saw a make-up rate of 0.587 m³/tonne, below expectations (0.55 m³/tonne), triggered mainly by less ore treatment. Thus, although this result did not allow for the achievement of the target set, overall water consumption fell in almost 8% with regard to 2014.
- Additionally, tests continued during 2015 so as to assess alternatives that may enable smaller losses due to evaporation from the tailings dams, and a major test is expected for 2016 and 2017.

19. Fresh water consumption per milled tonne.



WATER



STUDY INTO NEW SOURCES OF WATER

The context of water scarcity has driven the constant performance of studies to improve management of the basins where the resource is caught. At the same time, the company has continued to progress in the optimization of processes to enhance overall water efficiency.

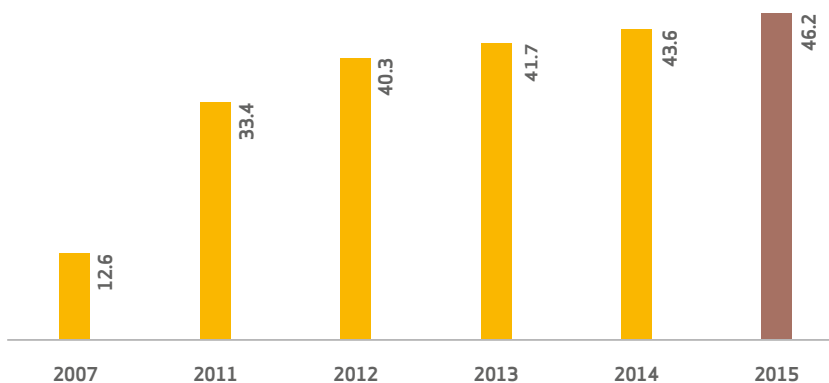
CARING FOR THE JACHUCOPOSA SPRING AND WETLAND

As this eco-system is Collahuasi's main source of operating water resources, the designed, together with the environmental authorities, a Water Management Programme which has been operation for over a decade.

Since its inception, the flow rate of the spring is permanently monitored, detecting a constant upward trend. Thus, towards the end of 2015 it reached 46.2 l/s, exceeding projections for the year (42.6 l/s), and surpassing threefold the record at the end of 2007.

Plus, given this ecosystem is a source of life in the desert -because the wetlands host native species, some of which are endemic-, the company has carried out studies to monitor the status of animal and plant life there.

WATER FLOW RATE OF JACHUCOPOSA SPRING (l/s, annual average)





2015 UNDERTAKINGS

- To have water enough available for operations, and to use it efficiently, achieving an average annual consumption of raw water $\leq 0.55 \text{ m}^3$ per tonne of treated ore.
 - Unit consumption ended up being lower than expected ($0.587 \text{ m}^3/\text{ton}$), because of less ore treated. Nevertheless, an 8% reduction was achieved in overall water consumption.

75% ACHIEVED

- Maintaining or increasing the 80% rate of process water recycling achieved in 2014.
 - While recirculation reached 79.4% – a little lower than expected – the company continues to stand out as one of the most efficient companies in the field.

75% ACHIEVED

- Keeping the water flow rate of Jachucoposa spring at 42.6 l/s.
 - At the end of 2015, the above cited water flow rate achieved and surpassed projections (46.2 l/s).

100% ACHIEVED

2016 UNDERTAKINGS

- To have water enough available for operations, and to use it efficiently, achieving an average annual consumption of raw water $\leq 0.55 \text{ m}^3$ per tonne of treated ore.
- To maintain or increase 80% rate of process water recycling achieved in 2014.
- To keep the water flow rate of Jachucoposa spring above 42.6 l/s.

2. CLIMATE CHANGE AND ENERGY

Collahuasi is in a constant search for efficiency in energy consumption and permanently monitoring its CO2 footprint. Hence, in 2015, and along with that described in the table of commitments (associated to an energy auditing that covers the entire operational line of the mine, the development of a plan to implement energy efficiency projects and no-conventional renewable resources, besides the creation of indicators for that scope), the Division for Port Operations implemented an Energy Management System -which the company intends to expand in the mid-term – that in the case of operations at the Collahuasi Sea Terminal, managed to record a drop of 2.67% in the energy used by that processing unit.

With the performance of 2014 as a basis, that meant an overall saving of 1,737 MWh²⁰, while the sub-processes with the best energy performances were as follows:

- Shipping conveyor belts, at 49%.
- Molybdenum plant, at 15%.
- Thickening and accumulation, at 15%.
- Liquid industrial waste treatment plant, at 12%.

Collahuasi was, as well, the first mining company to execute an agreement for electric power from a 25 MW industrial photovoltaic plant, which can cover 13% of its overall electricity consumption in daylight.

As regards the search for cutting-edge technology associated to energy storage, the 100 kW solar power plant to be set up at the Collahuasi Shipping Terminal includes an I&D batteries system in its design.

20. This information was generated with Collahuasi's own methodologies, ISO 50.001:2.011-certified since 2013 and up to date. The general and main assumptions governing this data are:

- Overall figures, recorded as commercial class gaugers, are the ones to adjust the information detailed "downstream" from the process.
- The values obtained online from hours of operation may be multiplied by the nominal powers, thus obtaining the nominal energy consumed.
- Correction factors are used for different qualities of material such as for example, filtering rate.





OTHER FIGURES

The energy intensity ratio considers the energy consumed in the operation and it includes explosives, diesel, and electricity, which together represent 99.5% of the overall energy consumed.

Mine	[GJ/Mine Movement [Ton]]*DE [m]	188
Crushing and freighting	kWh/dmt	1.52
Concentrator	kWh/dmt	20.64
Collahuasi Shipping Terminal	kWh/dmt	15.22
Water	kWh/m ³	1,71
Tailings Dam	kWh/m ³	2.82
Mining Pipeline	kWh/dmt	4.87
Leaching	kWh/dmt	15.59

Denominator of the ratio chosen to calculate the relation

	DENOMINATOR	FIGURE	UNITS
Mine	Mine movement x equivalent distance	2,244,335	[kTon]*[km]
Crushing and freighting	Crushed ore	44,673,557	TMS
Concentrator	Ore to floatation	43,790,609	TMS
Collahuasi Shipping Terminal	Collective concentrate	1,472,616	TMS
Water	Water	61,281,505	m ³
Tailings Dam	Tailings	12,206,515	m ³
Mining Pipeline	Concentrate	1,600,465	TMS
Leaching	Ore from basic crushing	4,649,631	TMS

CLIMATE CHANGE AND ENERGY



A LEADER IN CO₂ FOOTPRINT REPORTING

Another focus of environmental management as defined by the company is its contribution in the fight against climate change. This has translated into efforts towards energy efficiency and monitoring, with Collahuasi being the only mining company in Chile that reports its CO₂ footprint in its 3 scopes. This calculation covers:

- GHG generated at an organisational level: As per the ISO 14.064 standard, and the GHG Protocol, in its Corporate Accounting and Reporting Standard.
- CO₂ footprint of its products: under the British PAS 2050 standard from BSI, which enables quantification of GHG emissions in an individual product throughout its life cycle (from its raw materials, to all productive stages, to distribution, usage and disposal/recycling).

Total emissions have remained basically similar over the past 2 years: while in 2014 the company added 2,068,991 tCO₂, in 2015 it recorded 2,0031,896 tCO₂. That implies a reduction of 1.79%.

As for the 3 above cited scopes, variations were minimal, with the exception of scope 1 in 2015, since as of April 2015 a new supplier of explosives and blasting joined the operations. It declares its entire CO₂ footprint (manufacturing and detonation), unlike the prior supplier who only declared detonation. This implies increased emissions, though it is an improvement in the process.

	2014 (TCO ₂ E)	2015 (tCO ₂ e)
Scope 1	489,227	561,928
Scope 2	1,107,488	1,016,432
Scope 3	472,276	453,535

Scope 1: of direct corporate operations.
 Scope 2: of purchase and usage of electricity.
 Scope 3: of indirect corporate operations (executives' trips, transportation of supplies, etc.).

CO₂ footprint was again measured per product:

PRODUCTO	2014	2015
Copper concentrate (tCO ₂ e/ ton. of copper concentrate)	1.19	1.17
Copper cathodes (tCO ₂ e/tons. of copper cathodes)	6.2	6.5
Molybdenum concentrate (tCO ₂ e/ tons. of molybdenum concentrate)	1.2	1.17

Considering sulphides only, the increase of unit consumption was of 0.2%.



ENERGY MANAGEMENT AND EFFICIENCY

2015 UNDERTAKINGS

- Complete the energy audit agreed with the Ministry of Energy, covering Collahuasi's entire operations line (offices of Mine and Process Vice-Presidents).

- The applicable auditing ended in April.

100% ACHIEVED

- Prepare an implementation plan for energy efficiency or RNCE projects based on the results of the energy audit.

- A short, mid, and long term plan was created, which was published in the Mining Council's website.

100% ACHIEVED

- Create energy efficiency indices for the following areas, which fall within the responsibility of the Mine Vice-President: drilling, blasting and services, loading and transportation.

- With this milestone, Collahuasi completed its energy efficiency indices throughout its operative areas.

100% ACHIEVED

2016 UNDERTAKINGS

- Executing a program to improve measuring of diesel and electricity consumption with operative areas so as to achieve a greater accuracy in data collection and information delivery time spans.

- Rollout of the implementation of 3 energy efficiency projects carrying out their tender processes by means of the ESCO (Energy Services Company) model.

- Implementing the Energy Management System at the Cordillera Facilities (mine and concentrator), following the ISO 50.001:2.011 guidelines.

CONSUMPTION

Fuels used in corporate operations generated the following amounts of energy: diesel (Scope 1), 6,041,299 GJ; HFO, 311 GJ; gasoline (Scope 1) 3,855 GJ, and liquefied gasoil (LGO), 50,065 GJ. Meanwhile, electricity used amounted to 4,631,151 GJ, with which Collahuasi's total consumption during 2015 added up to 10,726,681 GJ.

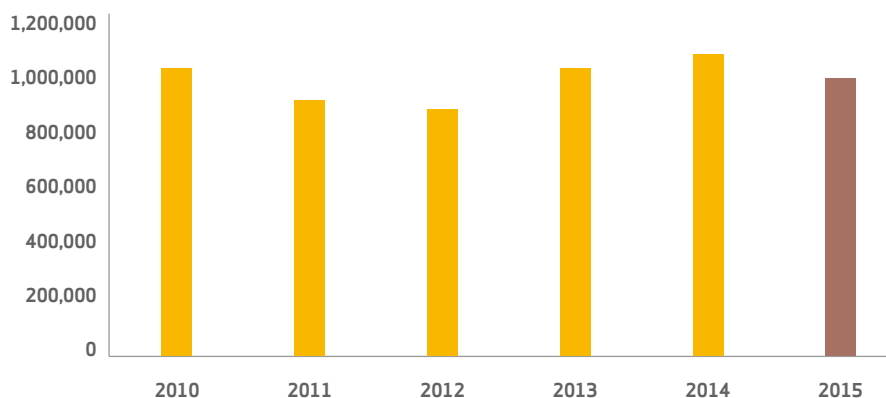
It should be noted as we that, although there is no fuel consumption stemming from renewable energy sources (such as biodiesel), there was in fact consumption of solar energy for an overall 165 TJ.

For freighting of materials, products, and passengers, 1,497 TJ were used during 2015.

Since 2010, Scope 2 emissions (indirect emissions for energy purchases) have remained relatively stable, since the SING bases its energy generation on fossil fuels and the latter has not changed radically over the past few years.

SCOPE II GHG EMISSIONS

Evolution in GHG emissions per energy purchase (tonCO_{2e}/year)



21. These figures – just as those resulting from the transportation of materials, products and passengers – were calculated according to conversion factors set in the:

- 2006 IPCC Guidelines for National Greenhouse Gas Inventories.
- 2007 IPCC Fourth Assessment Report: Climate Change 2007, 2.10.2 Direct Global Warming Potentials.
- Ministry for Energy.
- 2014 Guidelines to Defra (Department for Environment Food & Rural Affairs)/ GHG Conversion Factors Repository.
- Worldsteel Association - Life Cycle Assessment Methodology Report (2011).
- Project Ecoinvent data v2.1 (Ecoinvent Centre 2009).
- The Paper Task Force - Duke University - Paper Calculator (Environmental Defense Fund).

3. BIODIVERSITY

The acknowledgment, respect for, and preservation of biodiversity and environmental, cultural, and historical systems present in the company's operative area are also part of its commitment with sustainability and the environment.

It should be noted that the company has 3 areas of operation, each with its own environmental and biodiversity context:

COLLAHUASI OPERATION	ENVIRONMENTA SETTING AND BIODIVERSITY	SITES IN NEED OF (BIODIVERSITY) MANAGMENT PLANS
Well fields for water extraction in the basin of the Coposa Salt Flats	Located to the North and South of the Coposa Salt Flat, in the proximity of a Priority Biodiversity Conservation Site.	Jachucoposa Highland wetlands
Coastal area (Collahuasi Shipping Terminal and molybdenum plant)	Close to a basin protected under the National Biodiversity Protection Strategy, due to the presence of marine mammals and seabirds.	None
Area of Cordillera facilities (oxide plants and concentrator plant)	Close to environmental high-value areas, such as the Michincha Salt Flat and the highland wetlands of Jachucoposa, Jachuujina, Represa and Chiclla.	Chiclla and Jachucoposa Highland wetlands, as well as the Irruputuncu volcano.

CHANGE OF SCENARIO

Productive activities of all mining companies can directly or indirectly affect biodiversity:

- through territory occupation.
- through the usage of water.
- with transportation of supplies and products.

Although in Chile, environmental legislation regulates and protects care for biodiversity, the Bill proposing the creation of a Biodiversity and Protected Areas Agency [hereinafter, the SBAP on account of the acronym for its name in Spanish, Servicio de Biodiversidad y Áreas Protegidas] had not yet been passed by the end of the reported period. Once it gets the go-ahead, the SBAP shall be the main body responsible for biodiversity conservation throughout the national territory, and it shall group together in just one entity the preservation of all ecosystems.



CONSTANT MONITORING

The company places special emphasis in the development and execution of its monitoring, mitigation and compensation programmes, since the correct fulfilment of its environmental commitments set forth in the processing of its environmental permits through environmental qualifying resolutions is of Paramount importance.

Examples include the programme associated with monitoring at the Coposa and Michincha Salt Flats, and the meadowlands of Chiclla, San Daniel, Jachu-ujina, Escorial, Huinquintipa, and Represa, all of them areas neighbouring operations. Biannual monitoring takes place at the Collahuasi Shipping Terminal, including physical oceanography studies in the water column, biomass reports, and studies on marine species, birds and mammals.

BIODIVERSITY PROGRAMMES

PROTECTION

Salt flats and streams: Spatially and temporarily studies physical-chemical quality of water, aquatic biota made of plankton, bentos and aquatic plants, and the fauna associated to land and semi-aquatic vertebrae in the salt flats of Coposa and Michincha, besides estimating the size of the Coposa Salt Lake. It also establishes the effect of artificial recharge of water in each of the systems and their component.



Meadowlands: It carries out a census of vertebrae and monitors flora in different ravines and highland wetlands influenced by the mining project. As basis for methodology, it uses the places and procedures set forth in the monitoring programme of the Environmental Impact Report (RCA 713/95).

Irrigation of Jachucoposa: It analyses the composition and abundance of vegetation, and assesses eco-physiological responses from species associated to the Jachucoposa during irrigation campaigns (carried out between October and March).

Tele-detection: Is aimed at monitoring patterns and processes in limnologic and vegetation conditions, involved in the primary production of the Huasco, Coposa, and Michincha.

Sea Birds and Sea Mammals: It monitors the presence, abundance, and reproductive activity of bird and mammal species that inhabit the sector between Caleta Caamo and Punta Negra. Aiming at this, it runs 2 surveys a year (in wintertime and summertime).

Chungungo: It studies the dynamics of abundance, and frequency at a temporary and spatial level of the population of chungungos in the area of the Collahuasi Shipping Terminal. It also gathers information that enables it to sketch and develop a conservation programme for the species in the area. It also runs monthly censuses to define the population that inhabits the sector between Caleta Caamo and Rocas Catedral.

RECOVERY PROJECTS



MITIGATION

- Irrigation of Highland wetlands.
- Artificial incorporation of water in the streams of the Coposa and Michincha salt flats, and at the Huinquintipa meadowlands.

COMPENSATION

- Planting of quenoas, the only tree in the world capable of growing at altitudes higher than 4,000 masl.
- Highland wetland transplant in the meadowland of Chiclla.

Water injection in the streams of Jachucoposa (for further reading, go to page p. 56) and Michincha meets a specific programme of water flow rates; and in the meadowlands of Huinquintipa water is injected depending on the natural water flow rate observed. To fulfil these commitments, during 2015 the company continued to contribute an additional 20 l/s and 5 l/s from the streams of Jachucoposa and Michincha, respectively.

2016 UNDERTAKINGS

- Implementing a communications plan aimed at company employees, to generate actions and conducts of greater care and protection of biodiversity in operations and services.



4. WASTE Y OLORES

The fourth and last focus of environmental actions sets forth that Collahuasi must maximise waste recycling and minimise any chances of generating odours.

WASTE RECYCLING

In 2015, 46% of waste generated was recycled, reaching a total of 13,896 tons., some 1,300 tons. more than in 2014. Progress in the Waste Management Plan is linked to the execution of the yard cleaning programme.

Main waste types were iron scrap, High Density Polyetilen (HDPE), plastic bottles, paper, cardboard, and electronic items.

Meanwhile, the main hazardous waste generated by the company was comprised by used oil, rags stained with oil and grease, water with hydrocarbons, and hydrocarbon-impregnated soil. All of them are sent for treatment and final disposal at secure landfills operated by specialised companies.

Reusage of Material

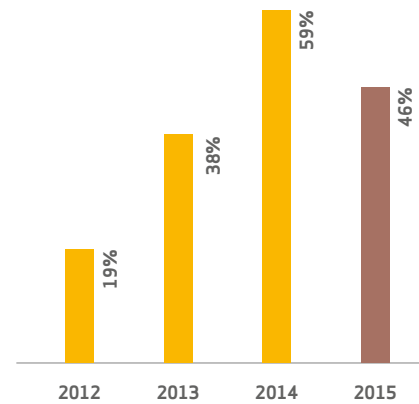
Throughout the year, 100% of waste oils from Collahuasi was sent to Cementos Bío to be processed and used as fuel. Plus, 13,874 tonnes of scrap were destined to recycling or reusage, and 250 thousand plastic bottles were sent to recycle.

MOVEMENT IN 2015 (TONS.)	
Bottles (*)	9.14
Papers	2.52
E-Waste	10.67
Scrap	13,874
RECYCLED TOTAL	13,896.33
Hazardous industrial waste	1,024.41
Non-hazardous industrial waste	6,515
Organic solids	1,134
Household	1,152

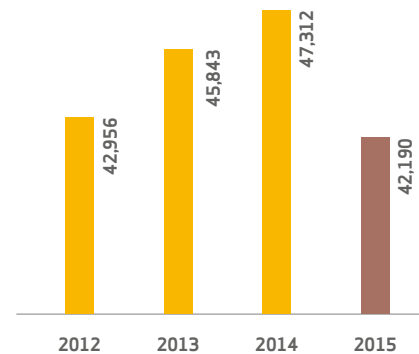
(*) Estimated weight per bottle: 37.7 grs. Quantity sent: 249,210 units



WASTE RECYCLING



MASSIVE MINING WASTE (TAILINGS) Th. Tons.





ODOURS

The Collahuasi Shipping Terminal is the only place of the operation that has neighbouring communities, since it is located in an industrial neighbourhood of the coastline area. In previous years, complaints were received from the community (Cáñamo, Chanavayita and Caramucho) regarding annoyance from odours; this situation led the company to set out to determine the source or sources, as other industries exist in the area.

During 2015, 13 complaints were received (limited mainly to summertime) from the various coastal communities, mostly from Chanavayita. Personnel from the Company checked on the complaint, but was unable to establish the source.

Collahuasi has in place a strict operational control system to minimize the chances of generating an odour event that might cause annoyance in neighbouring communities. In 2015, it added a study into the characterisation and toxicity of odours from the company's productive processes. The Report on emissions of volatile components and analysis of associated toxicological risks [Estudio de emisiones de componentes volátiles y análisis de riesgos toxicológicos asociados] determined that all measurements performed were within standards (DS594).

Additionally, enhancements have been designed at the molybdenum plant to minimise the chances of generating events due to bad odour inside the plant. During 2015, the works associated to the encapsulation project continued, thus putting an end to works associated to the sealing of tanks and concentrate cases, while molybdenum thickener was encapsulated.

The company also has a fifth evaporation pool at Stage 1, built in 2014, which added an evaporation area of 52 thousand m² to the already existent 667 thousand m². This Surface manages get rid of – through evaporation – the surplus waters of the copper filtering process without triggering risks about additional impacts, thus coordinating strict compliance with environmental requisites. In 2015, and as a consequence of the optimal management of the resource, no bigger area was required to be available for evaporation.

Two effective measures have been implemented for odour monitoring and control:

- Odour neutraliser released into the air through a High Pressure System, at the evaporation ponds inside the port.
- Electronic Nose System of sensors that measure the intensity of odours and provide early warning of their presence; this system was recalibrated in 2014.

2015 UNDERTAKINGS

- Achieve a 5% increase in the quantity of recycled materials vs. 2014.
 - The target was vastly exceed, since a 10% increase has already been gained in this material.

100% ACHIEVED

2016 UNDERTAKINGS

- Consolidating the company's waste management system, including keeping recycling level at the 13,896 tonnes achieved in 2015.



b.

HUMAN CAPITAL DEVELOPMENT



Individuals are fundamental for Collahuasi, because, in order to meet the guidelines, set by its vision and strategy – passionately leading a business of excellence, assuring sustainability and maximising the company’s value in the long run – it requires motivated quality human capital focused on the creation of a great performance. To drive this target, the following have been defined as pillars:

- Talent development.
- Training.
- Improving workplace climate and quality of life.
- Organising work and productive practices to get better results.

Other relevant factors that concur in achieving this goal is the formation of leaderships and participative workplace environments that facilitate the inclusion of women in activities of the operation, and which foster innovation as the engine behind process improvement.

Supporting female participation

Including women in the Company is a challenge for which it is necessary to take into account geographical and cultural factors: the location of the mine at a very high altitude (4,000 masl), amid highlands and near the border with Bolivia; the nature of work itself, and a mostly male environment. Aware of the advantages that having female participation brings about, Collahuasi is taking its first concrete steps towards overcoming these obstacles and so support the presence of women in its operation (for further detail, please check p. 73).

CHALLENGING MARKET

To face the adverse conditions that the industry is going through in Chile and worldwide since 2014 – mainly due to a drop in copper prices- the Company focus on making its processes more efficient. However, it was necessary to make adjustments to ensure the company’s sustainability, making viable the work of nearly 7,000 individuals (labour universe comprised by direct and indirect employees), the benefits for their families, and to continue to be a source of development for communities.





Despite these circumstances, and envisioning a future that evidences its focus on sustainability, Collahuasi did not lower investment in human capital, which in 2015 pushed it to the 7th place in the Merco Talento Ranking, which measures and rewards companies perceived as talent generators and engagers. Besides, it should be noted that over the past 3 years, the company has managed:

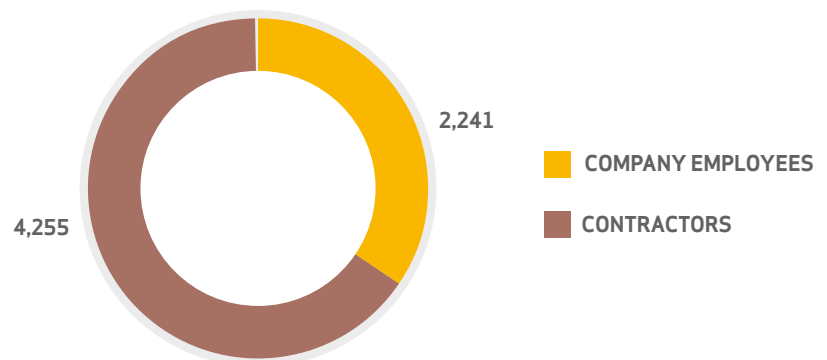
- To achieve a 77% increase in operational productivity between 2012 and 2015 (please check table), and a 3% growth between 2014 and 2015.
- To create safer and more hygienic workplaces.
- To offer better living standards for its employees (without distinctions).

	2013	2014	2015 (2)
Operational Productivity (1)	69	72	74.3 (3)
Production	444,509	470,383	455,328
Average figure for own staff	2,610	2,541	2,399
Average number of contractors	3,815	4,035	3,727
Total average operational staff	6,425	6,576	6,127

(1) Does not include staff associated to projects.
 (2) In 2015, measuring methodology changed for this data.
 (3) Production of tonnes of fine copper per employee.

EMPLOYMENT

In 2015, Collahuasi had a total workforce of 6,496 workers, with 35% of that being own employees, and 65%, contractors:

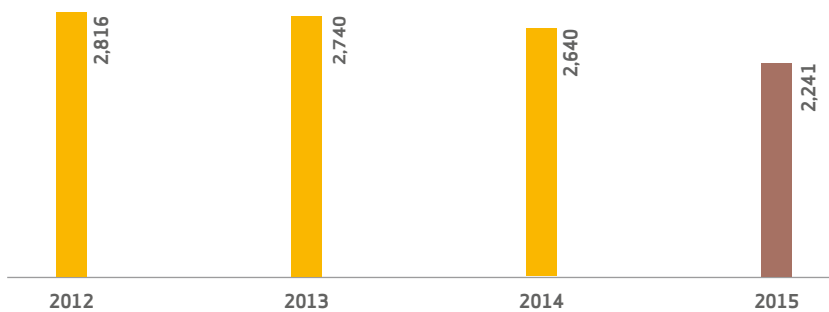




HUMAN CAPITAL DEVELOPMENT

From its own staff, 97% had an indefinite-term contract, while the remaining 3% had a set-term contract. Additionally, 44.9% of workers came from the Administrative Region of Tarapacá (2014: 46.1%).

COMPANY EMPLOYEES



Evolution in own employee numbers over the past few years is explained by the various needs corresponding to the different stages of the company. In 2015, it was triggered by the restructuring of operations to make them viable in the mid run and long term, within a complex context of prices of commodities, the reduction in operations in the leaching line, and the suspension of projects associated to the miner's future expansion.

It is worth noting that contractors also recorded a similar evolution, since from the 4,722 employees coming from those companies in 2014, the figure fell by 10% in 2015.

ROTATION G4-23

Considering that annual average staff numbers is comprised by the universe of employees with an indefinite or set term contract, it is evident that rotation as fallen over the last 3 years, dropping by nearly half in 2015 vs 2014.

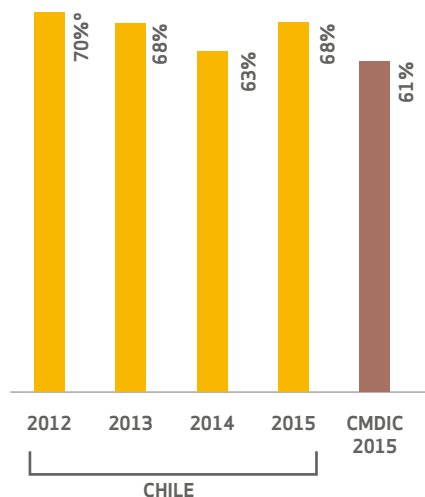
ROTATION	2013	2014	2015
Supervisors	8.5%	4.9%	3.3%
Operators	2.2%	1.3%	0.4%
Executives	14.4%	9.7%	7.2%
TOTAL	4.3%	2.5%	1.3%



Over the past 20 years, the mining industry has transformed employment opportunities in the Administrative Region of Tarapacá. Local jobs generation is one of the most significant actions through which Collahuasi positively contributes to that region's economic development.

Mining and its related industries supply 10% of the region's employment (over 16,000 individuals). Since the Company is the biggest mine in the region, Collahuasi has been the major contributor to the creation of mining jobs, offering job opportunities that run from trained operators to maintenance personnel, till highly skilled posts, such as engineers and geologists.

CONTRACTOR EMPLOYEES OVER TOTAL MINING WORKFORCE (%)



CONTRACTORS

Collahuasi looks to ensure balance Safety demands made to direct employees and contractors. Therefore, the company is constantly assessing potential accidents in all contractor companies who work permanently at the worksite (new or old). It also supervises the development in organizations that render services to contractor companies of the mining company.

Aiming at ensuring a work environment for these type of workers in relation to company's standards, the company permanently monitors this in the facilities. Monitoring includes reviewing infrastructure in work installations, camps and canteens, apart from a constant observation of contractual compliance by companies with its workers.

Every investigated finding is informed to Collahuasi's contract managers and to every company, with whom approach is intended to actively address and solve detected deviations.

In relation to percentage of contractors in the mine's workforce, it is important to determine that the level of company's outsource is within an average in the mining industry, and is related to the intention to achieve the highest operative efficiency.





HUMAN CAPITAL DEVELOPMENT

TALENT DEVELOPMENT

To become and maintain a world-class mining company status, stress must be clearly put in the encouragement of work skills throughout the human team. Also, in developing the necessary skills on key positions. This was reflected in the increase of training provided during the reported year:

2014

- 218 courses.
- 37,224 total hours.
- 14 average hours per worker.

2015

- 318 courses.
- 70,601 total hours.
- 16.8 average hours per worker.

Collahuasi's Joint Training Program is taught to direct employees and other employees, according to the gaps intended to be levelled and the need to provide new knowledge to ensure a safe and high-performance operation. In 2015 a survey was carried out to discover the needs related to subjects on risk management, urgent need and innovation. During the next exercise, detected gaps will be reinforced through courses and workshops adapted to roles, tasks and leadership of each participant.

At the same time, the company works with plans for the Health and Safety Parity Committee, developing internal training stages focused at closing gaps, in order to provide the proper development of their work.

Also, among other training initiatives, the following stood up:

- **Leadership Training Program:** designed to provide the executive line with leadership and risk management skills in processes, according to their roles. Although during the year no special leadership programs were carried out, 218 training courses were provided in technical and behavioural matters.
- **Career Development Plan:** it provides employee promotion mechanisms and also includes stages for accrediting and, if necessary, levelling skills. 194 workers participated in this period and were promoted.
- **Training while Working Program (Apprenticeship Program):** it allowed for 49 young people of Tarapacá Region to develop the necessary skills to become workers in the mining world.



APPRENTICESHIP PROGRAM

The Apprenticeship Program is especially important in this area, which started in 2008 to increase employment opportunities for the young people in the region and generate qualified workforce for the mining industry. It is oriented for students attending their last year at schools supported by Collahuasi Educational Foundation, and for young people from nearby communities to company's worksites. In consequence, they receive quality technical education and the company may have qualified and certified personnel, trained according to its guidelines and with development potential to cover future operators' needs.

In 2015 two cycles were completed, with the participation of a total of 49 students. The first one took place between April and October and had 31 participants -3 of which were women- from Chanavayita, Pica, Huatacondo, Cancosa and Cádiz communities. The cycle was passed by 22 young people, 14 of which were hired for a year as mining operators in training.

The second cycle started in October and will end in May 2016. It has 18 participants, all male: 9 come from the Collahuasi Educational Foundation and the other 9 from Caramucho, Pica and Coposa Salt flat. Before the year ended, a student gave up and, consequently, the program continued with 17 students.

HAITI PROJECT

In 2015, within the framework to boost labour development in the company, a particularly interesting and innovative initiative stood out. Haiti Project: "The best job in the world" was created to generate sustainable changes in workers' attitude, valuation and work behaviour -individual and collective-. It also tried to develop different and necessary competencies and skills to build a culture of high performance.

"Haiti Project" aims at promoting and contributing to education in the early childhood in Haiti, and was carried out jointly with América Solidaria NGO, who works with a local partner, Fe y Alegría NGO.

Near 10% of workers applied to be part of the program and 32 were chosen. These formed eight groups with three direct employees and a contractor to work in a school at Haiti, carrying out infrastructure projects and integration activities and basic education for children, teachers, parents and the community where the school is located.

It is worth mentioning that the project was developed outside the normal scope of action of the company, and it approached volunteers to a different reality, enabling a cultural positive change. The Employment Development Program: Haiti Project was awarded an important recognition, as the United Nations Development Programme in Mexico mentioned it for being a valuable contribution to organizational culture and local and international society.



HUMAN CAPITAL DEVELOPMENT

PERFORMANCE EVALUATION

Collahuasi's Management Model allowed measuring individual contribution to comply with business strategy, evaluating interaction of leadership conducts to achieve goals. In consequence, the company complied with 100% of evaluations and relevant feedback.

QUALITY OF LIFE

One of company's priorities is to create conditions to guarantee a good quality of life, both in worksites as well as in family, and is one of the pillars in management on the new way of performance. This worry includes both direct employees and contractor companies, and implies permanently improving physical and work environment conditions.

The Quality of Life Program arose from this concern, focused on direct employees, their families and on contractors. The initiative is based in five axes to achieve a positive impact with three objectives:

SPORTS AND RECREATION

INTEGRATION

COACHING AND COMPREHENSIVE SUPPORT

EATING HEALTHY

OCCUPATIONAL HEALTH

QUALITY OF LIFE IN THE WORKSITE PROGRAM

TEAM

- Belonging
- Self-caring
- Optimism
- Enthusiasm

HEALTH

- Obesity
- Sleepiness
- Control of chronic diseases
- Absenteeism

BUSINESS

- Security
- Productivity
- Competence
- Equipment use



At the closing of the period, some positive results of the program could be recorded in some key aspects:

	2014	2015
Productivity	72 tmf/p	74.3 tmf/p
Operators' absenteeism	7.6%	6.9%
Average BMI	29.2 u	28.8 u
% Work BMI >30	22.7%	22%

The company also has an Integration Program focused on approaching workers, their families and employees to the company, creating close and identification bonds, by allowing families to visit worksites and attend talks on career guidance, alcohol and drugs, domestic finance, family and post-volunteering, among others.

Pursuant to the current economic situation and company's challenges, projects development and focus for the year 2015 were directly related with assuring living and standard conditions of equipment and infrastructure availability. Therefore, the following projects were carried out: designs and improvements for changing rooms, development of extraction systems in Coposa canteen, recreational areas, designs and improvements on infrastructure and protection using non-flammable paint for our offices at Baquedano 902, national monument.

GENDER DIVERSITY

In 2015, Collahuasi advanced by including women on mining operations, making the Strategy on Change Management real for Mine Vice-presidency. It looks for diversity in the formation of workgroups and includes operational practices in gender diverse workgroups which aim at improving productivity, work environment and safety in the area.

In relation to that, the Women Integration to Operations Program was created, which includes the following stages:

OBJECTIVE

- Awareness and involvement (in a new reality).
- Company's impact and alignment.
- Training and coaching.

ACTIONS

- Awareness and involvement workshops in worksites (weekly).
- Team workshops (semestral).
- Information and strategic support of vice-presidents (weekly).
- Inclusion of four female expert mine operators.
- **Women apprentice selection to operate mining equipment, whose training is programmed for 2016.**

During the last two years, female presence and age diversity in the company were as follows:

INFORMATION	2014	2015
WOMEN	3% of workforce and 7% of professionals	3.4% of workforce and 12% of professionals
AGE DIVERSITY	25% workers are under the age of 30 or above 50 years old	25% workers are under the age of 30 or above 50 years old





HUMAN CAPITAL DEVELOPMENT

G4-23

Collahuasi does not make any type of discrimination related to gender, and the minimum wage paid by the company depends on different factors, such as post, responsibilities, skills and experience on workers. Therefore, it is impossible to make comparisons as remunerations for the same post may differ according to the level of experience, performance, competences and skills, etc.

LABOR RELATIONS

Collahuasi recognizes workers' right to freedom of association and expression as a corporate value, which is translated in the implementation of practices that promote a respectful and confident work environment.

In consequence, the mining company looks to create and maintain collaborative and sustainable labour relations with its direct employees, representatives and contractor companies. To achieve this, the company develops standard practices that promote a beneficial work environment to fulfil business objectives and strengthen key factors such as confidence, commitment and identification of workers with the company.

It is important to highlight that the discussion on Labour Reform presents a new challenge for the mining industry and its related services. Companies strive to enter into mutually beneficial agreements, create new spaces to dialogue and boost harmonic negotiation processes and an occupational social security permanent compliance among their service providers. All aimed at ensuring operational continuity.

In this sense, Quality of Life Programs and Haiti Project -already described-, as well as internal communication strategies and surveys on the work environment, help reinforcing this relation.



UNIONS

75% of company workers are involved in the two unions in Collahuasi, and 94% is included in agreements or collective bargaining agreements.

Union No. 1	1,440
Union No. 2	245
Union Members	1,685
Union Members (%)	75%

Included in agreements or collective bargaining agreements (*)	
Operators	1,659
Supervisors	476
Total	2,135
Included (%)	94%

(*) This includes personnel with benefits received under agreement and collective bargaining agreements.

The company is always looking to maintain constructive and constant collaboration relations with its workers; in consequence, it periodically develops stages to meet and communicate, encouraging dialogue and mutual respect. The company has also entered into agreements and collective bargaining agreements in effect with its unions.

In 2015 there was an occupational conflict with members of Collahuasi's Workers Union No. 1 (operators), who on June 15 stopped working outside a collective bargaining, which ended with 27 workers being dismissed.

On the other side, and after a series of incidents within Union No. 1, directors were censored and new leaders were elected in September.

Finally, there were many negotiations with contractors that concluded satisfactorily for both sides.





HUMAN CAPITAL DEVELOPMENT

COMMUNICATION CHANNELS

G4-26

The company has formal communication mechanisms to channel different types of concerns:

- **Labour related claims**

Must be addressed and solved by the relevant areas. During the year, there were fourteen occupational penalties and fines. Only one was carried out, the rest were in process of appeal at the closing of the reported period.

- **Conducts related to ethics**

There is a confidential telephone communication channel to report this type of situations, in order to avoid eventual retaliation. It is performed through an independent external service supplier (In Touch, located in the US), which works 24 h. every day of the year. An automatic system receives the call and provides instructions on how to leave the message, which is assigned a unique reference code for the complainant to be able to follow up Collahuasi's answers or provide additional background information.

The Vice-Presidency for Finance and Sales is responsible for managing these complaints and receives support from different areas in the investigation.

The company's employees are provided training part of the induction sessions taught when such employees become part of the company. Also, reinforcement campaigns are provided on concepts and issues which may be complaint through Collahuasi's own media.

During the year, eight unethical conducts were informed. Three were submitted to investigation and at the end of the year the process was still pending resolution.

In order to reinforce this area, issues related to ethics in the workspace were included in the on-line course on the Authority Manual for Supervisors and Executives.

Any conduct contrary to Collahuasi's policies, principles or values may be informed, such as:

- Misuse or theft of company resources.
- Activities or conducts related to offering bribery, corruption or fraud.
- Conflicts of interest.
- Inappropriate accounting practices.
- Any activity or conduct constituting illegal acts for one's own benefit or in favour of the company, in particular as referred to under Law 20,393.
- Misuse of company's information.





COMMITMENTS 2015

- Gain internal work commitment and satisfaction expressed in results of internal and external instruments of evaluation, and in the decrease and/or lack of incidents and lost days for conflicts at work.

- This was not achieved due to a call to work stoppage and mobilization in June 2015 by Union No. 1.

NOT ACHIEVED

- Implementation of programs and measures to encourage contributions by direct employees and contractors in order to create a culture of identification and higher performance.

- Fulfilled

100% ACHIEVED

- Involve employees and contractors in the Work Development Program, which enables the display of social actions recognized as satisfactory by employees and their families, and that are perceived within the company as improving indexes of trust, commitment and giving a sense of belonging to the workers of the company (new challenge for the year 2015).

- Fulfilled

100% ACHIEVED

- Achieve required skills and behaviours, through skill development in key roles.

- Fulfilled

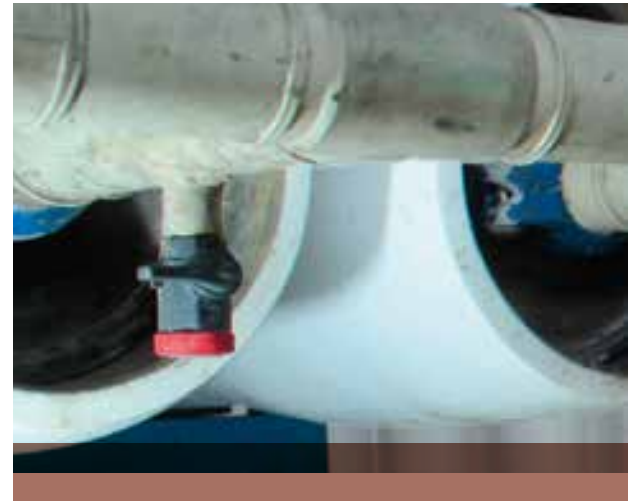
100% ACHIEVED

- Approval of Pioneer Master Plan.
- Peripheral master plan (zoning, survey, regulatory plan and specification of construction standards)
- Construction of new canteen at Collahuasi Shipping Terminal
- Construction of new Hertz workshop and bus washing installation.
- Painting office at Baquedano 902 and demolition of the extension of the building, construction and closure.
- Standardization of climate control at Coposa canteen, recreation area and football court.
- Construction of outdoor terrace at Canteen 1000.
- Boiler standardization, Wings A, B and C.
 - Due to budget adjustments, resources were focused on the most priority aspects to improve conditions and services for direct employees and contractors.

50% ACHIEVED

COMMITMENTS 2016

- Create and continue with activities that improve confidence, commitment and identity levels of workers with the company. Some of these activities are: Haiti Project, new local corporate volunteering program, Relationship Program (breakfasts, focus groups), celebrations within the company with a higher impact on direct employees and contractors, new integration activities, etc. Also, a new survey on work environment will be implemented to determine the mentioned levels and generate actions in relation to results.
- Set a new objective for the company, focused on a higher contribution and development of people, guiding worker's acts and feelings, developing their identification with Collahuasi. The objective will work across all activities oriented to people and the internal statement: "Because we are much more than copper, we lead a business of excellence passionately to build a better society".
- Pursuant to the current economic situation and company's challenges, projects development and focus for the year 2016 will be directly related with assuring living and standard conditions of equipment and infrastructure availability.



HUMAN CAPITAL DEVELOPMENT

OCCUPATIONAL HEALTH AND SAFETY

Collahuasi's employees are its principal social capital; therefore, safeguarding their Health and Safety is a relevant objective for the company. In order to achieve said objective -determine how workers live and carry out their work- prevention strategies have been developed, which include training, continuous processes review and encouraging culture of self-care.

In health foster and protection, it is important to determine that their actions are placed within the scope of mining activities in geographical altitude and in line with hyperbaric²² technical rule, developed by Chilean Health Ministry to define necessary medical tests to all people working over 3,000 masl, and mitigation measures that must be put in practice.

Coposa camp -resting area for all those who work at Cordillera Facilities-, as well as mineral extraction and processing operation areas are located in an area of high geographical altitude, so this rule applies to all workers. In the same way, occupational risk management transversely associated to this condition and specific risks is directly related to the productive process.

The mining company also has an Occupational health and safety Management System, certified by regulation OSHAS 18001 in the scope of the Occupational Health and Safety Policy. This system aims at promoting and ensuring fulfilment of conditions and actions that enable providing a safe, healthy and incident-free work environment, applicable to company's and contractor companies' employees.

IN 2015 THE COMPANY MOVED FORWARD IN STRENGTHENING RISK MANAGEMENT AND BEHAVIORAL CHANGES IN PEOPLE FOLLOWING FOUR KEY OBJECTIVES:

<p>1. Strengthening RISK MANAGEMENT CYCLE in all processes and incorporating all organizational levels.</p>	<p>2. Preventing FATALITIES, consolidating implementation and training of standards to avoid them in all areas and processes.</p>	<p>3. Strengthening learning IDENTIFICATION AND RISK ASSESSMENT. Permanent implementation and update of RISK MATRIXES in all the organization.</p>	<p>4. Consolidating basic RISK MANAGEMENT SAFETY tools.</p>
--	--	---	--

22. Rule in force since November 2013. This document complements modifications included to DS 594.



In order to strengthen risk management culture in people and make it a daily habit, during 2015 Collahuasi placed special emphasis on the systematic use of this cycle in all processes. It all boosted its integration in all organizational levels, as it is a key instrument for the safe development of the operation and the business sustainability.

The Risk Management Cycle uses different management tools in order to prevent accidents and boost the following objectives:

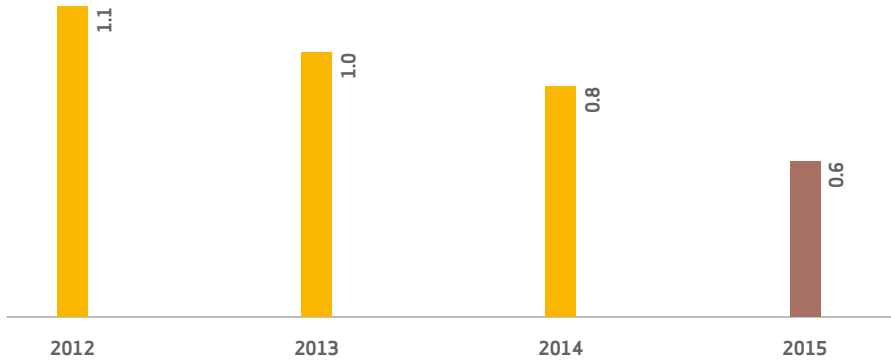
- Achieve production objectives.
- Minimize process variability.
- Achieve a low accident rate.

Also, the RITUS (Meeting Held before Every Work Shift) was implemented and the activity of the Safe Work Shift (SWS) was improved by incorporating contract managers and contributor company managers.

These efforts meant achieving one of the best Safety indicators of the past years, obtaining a 0.6 Frequency Rate. In addition, there is a permanent decrease of lost days in the incident record, which for the year 2015 were eleven days, five less than in 2014 (16) and almost half of those recorded in 2012 (21). Also, there were no occupational diseases and, for the third consecutive year, no fatalities were recorded which led Collahuasi to achieve one of the safest work environments of the most important mining industries in Chile.

HUMAN CAPITAL DEVELOPMENT

FREQUENCY RATE (No. of accidents with lost time per million worked hours)



It is worth noting that in 2015 the Safety Mutual Insurance Company became the administrator of policlinics in Collahuasi.

INCIDENTS IN THE BORDER

For three years, incidents near the mine worksites close to the border with Bolivia have been registered. For instance, in March of the reported year, a worker from the contractor was hit by a bullet when the pickup he used to move around together with other three workmates was subtracted. In October, another five workers of the contractor who performed maintenance works near Milestone 60, meters away from the border, were forced to surrender a pickup and a boom truck.

Although said incidents have taken place outside the mine, and the operations in the mine have not been affected, they caused a sense of insecurity which led the company to implement concrete actions to extreme protection measures for its workers and contractors. Also, the company was in constant dialogue with authorities, both public and governmental, to warranty the safety of its personnel. After these meetings, the Government adopted different measures such as providing members of the Armed Forces to safeguard the border near the worksites.



OPERATIONAL RISKS

Operational risks of the company include respirable particulate material (RPM), crystallized free silica, noise, acid mist (found in the electro-winning area), and ionizing radiation emitted mainly from flow rate regulation equipment that used radioactive isotopes for measurement purposes. All these are identified and the exposure to them is monitored systematically according to current regulations (compliance with PLANESI -National Plan for the Eradication of Silicosis- and PREXOR -Protocol for exposure to noise-).

Also, tests on different job positions at operational areas are carried out aiming at establishing ergonomic risks related to skeletal disorders at work.

Emphasis on the reported year was given to risk control by:

- Continuing with cabin sealing in-mining equipment and control rooms.
- Performing tests to implement environmental sound masking devices that led to a reduction in sound pressure levels below the limit set for the working hours at Collahuasi.
- Optimizing and changing extracting systems for grinding and flotation





to reduce silica concentrations in the environment.

- Reformulating the Fatigue Control Program, as well as control and follow up of most critical workers.
- Continuing training process to direct employees and contributors in the control of hygienic risks, apart from tests of PPE use (sealing of BA equipment).

COMMITMENTS 2015

- Continue improving the Frequency Rate and reducing high potential accidents to lower possibility of greater accidents as much as possible. Commit everyone on this quest.
 - By implementing and applying the Risk Management Cycle as a key tool for the operations in Collahuasi the amount of serious accidents has been reduced and the Frequency Rate has improved.

100% ACHIEVED

- Have no occupational diseases in direct employees.
 - No worker had any occupational disease.

100% ACHIEVED

- Abide by the Epidemiological Monitoring Program.
 - Due to the fact that 99.3% of workers is able -as regards health- to work in mine facilities, this initiative was totally fulfilled.

100% ACHIEVED

COMMITMENTS 2016

- Reduce the number of serious accidents and indicators in 10% (Frequency Rate, Reportable Incident Frequency Rate and Seriousness Rate) in relation to the year 2015.
- Have no occupational diseases in direct employees.
- Comply in full (100%) with the Epidemiological Monitoring Program.

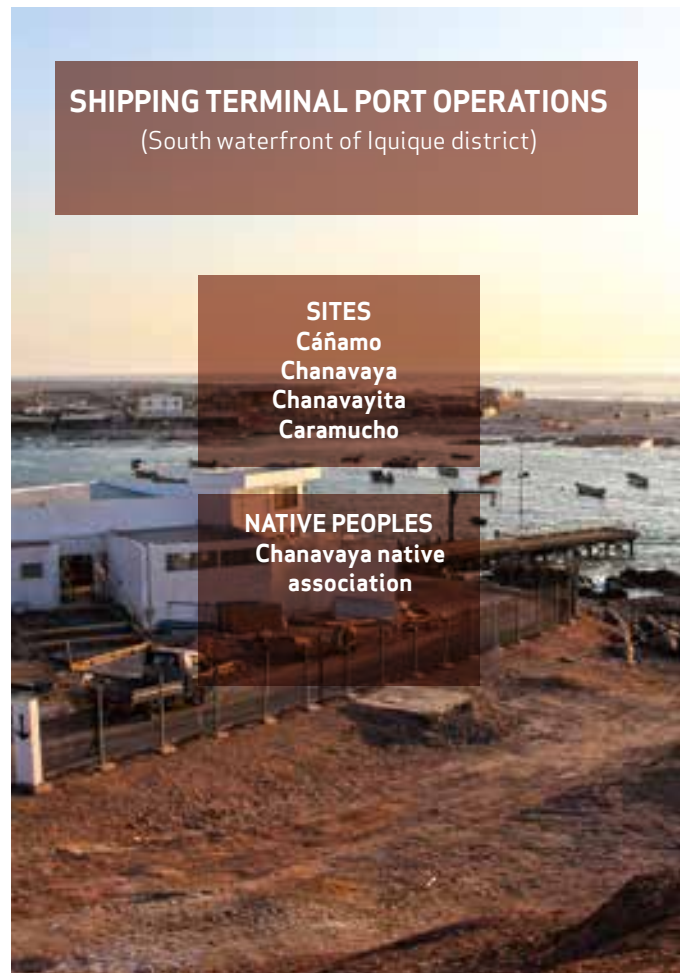
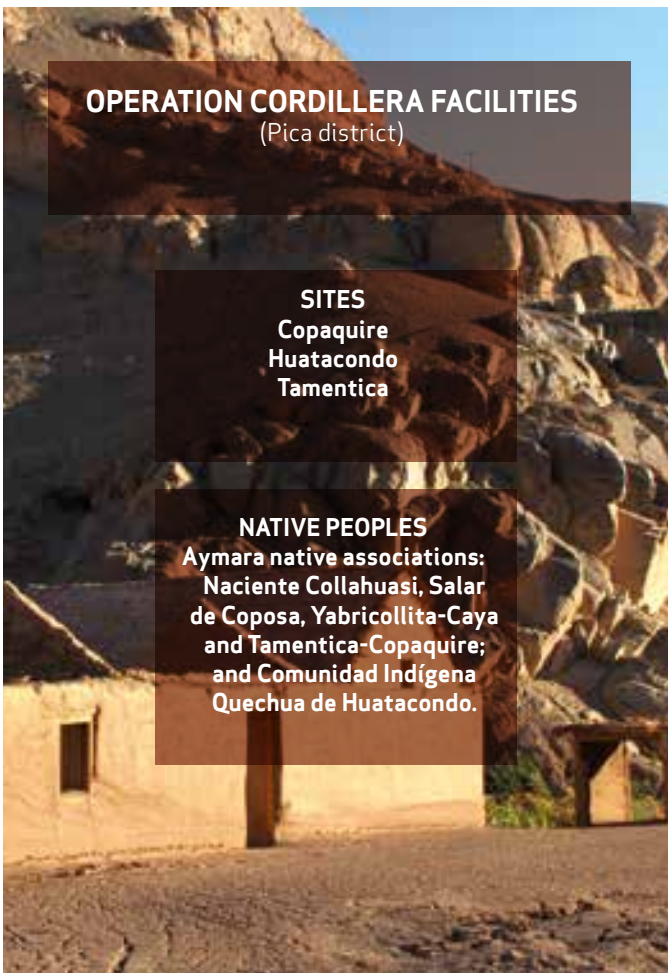


C. COMMUNITY



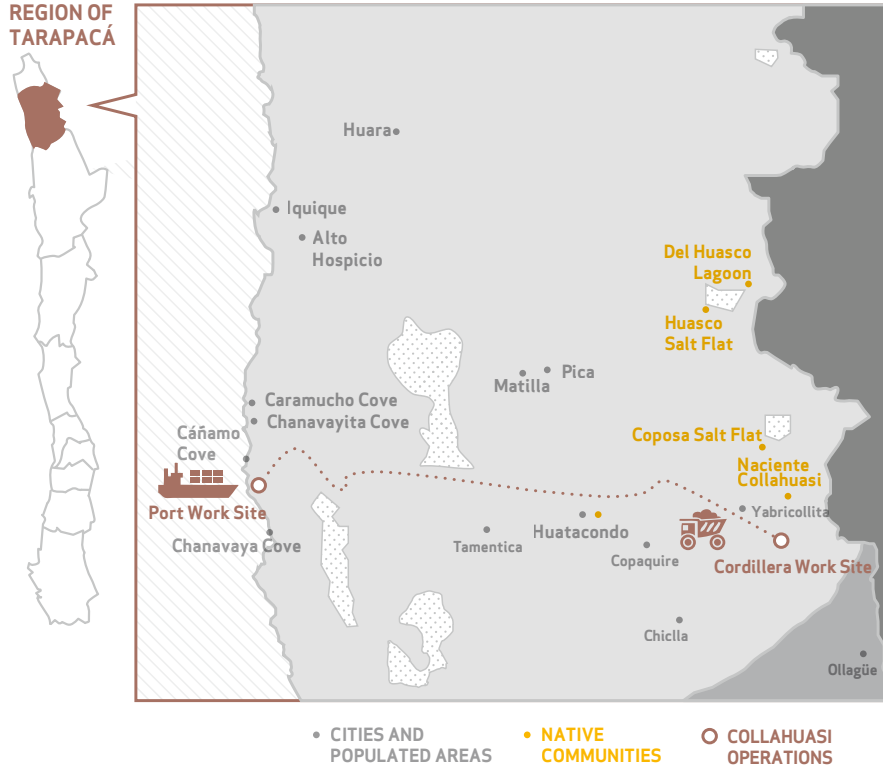
Collahuasi is a key economic actor in the Tarapacá Region and, as such, understands that it must exercise this role responsibly. Therefore, the mining company has been committed from the beginning with the progress of communities in the area of influence, determining lines of action to improve quality of life of their inhabitants and drive their social and economic development.

In 2015, the area of influence included the following places and communities located in the areas of two landmarks:





CHILEAN ADMINISTRATIVE REGION OF TARAPACÁ



Existing relations with communities are managed and strengthened on site by two workgroups, formed by 5 professionals. Some of their activities include coordination and involvement in work meetings in mentioned areas, apart from meetings, activities and celebrations of the different communities.

Also, to develop the strategy of relating with communities, work is carried out together with other executive areas of the company, such as Environmental Management, Port, Human Resources, Operational Services, Legal and Corporate Affairs, as well as Mining and Process Vice-Presidencies; and, in a key role, with Collahuasi Educational Foundation.

WAYS TO RELATE

G4-26

Work meetings is the principal tool for the company to relate and execute Collahuasi's Community Investments Plan. This instance -which promotes inclusion, involvement and transparency- has enabled the company to place investments depending on the communities' needs, priorities and expectations because:

- They consider development plans in each site.
- They are conceived validated by most neighbours.
- They are in line with subjects which boost social, environmental and productive development.





COMMUNITY

EIA AND EARLY RELATION

When the company decided to apply for an Environmental Impact Report (EIR) to extend its useful life, it created a strategy consisting of three stages which are based on permanent relationship:

- Initial stage considers early relation in work meetings with communities to inform the beginning of works related to EIR and present project milestones.
- The second stage consists of the presentation of the project areas and team that will support collection of information with communities. The company will also collect community observations and concerns, and considers delivering information to indigenous and non-indigenous communities.
- In the third stage, the company will present answers to requirements and/or observations made by communities, as well as impact and measurement assessment. Differentiated information will be provided in this stage, which will be culturally pertinent for native peoples, using to this end framework provided by ILO Convention 169.

In 2015 some steps were taken in the first stage, but this line will be developed with more emphasis during the next period.

ACTION AND INVESTMENT LINES

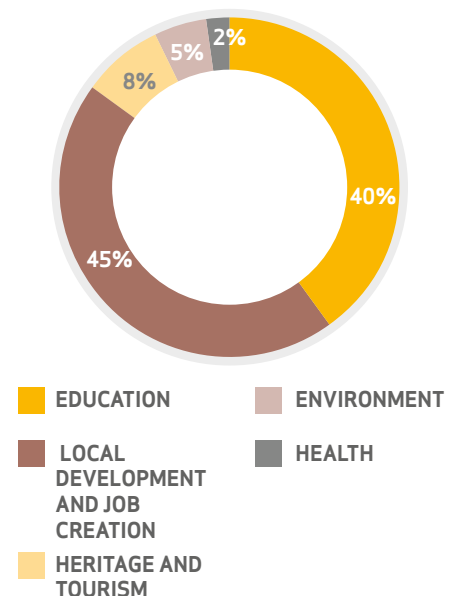
To materialize the commitment with communities, Collahuasi set the following axes to define its investment in society:

1. EDUCATION
2. LOCAL DEVELOPMENT AND JOB CREATION
3. HERITAGE AND TOURISM
4. ENVIRONMENT AND HEALTH

In 2015, the amount invested on this was USD 8.4 million, and was mainly focused in education and local development subjects, which added up to 85% of total expenses.

	TOTAL SOCIAL INVESTMENT
2013	USD 13.1 M
2014	USD 12 M
2015	USD 8.4 M

SOCIAL INVESTMENT 2015





1. EDUCATION

Collahuasi Educational Foundation²³

In accordance with the social investment chart, education is one of the key pillars of community action in Collahuasi. Within this scope, Collahuasi Educational Foundation (FEC)²³ outstands, which was formed in 2009 to sustainably contribute in the long term to improve quality of education in the Tarapacá Region. Also, and aiming at setting facilities and enabling local employment, the company has a Program for the Creation of High School Education Excellence Centres. The company adopts this Program to invest in high schools, incorporating the development of employment skills focused on the mining sector.

One of the outstanding initiatives is that of Liceo Bicentenario Minero S.S. Juan Pablo II, co-administered by FEC and the municipality, located in Alto Hospicio, one of the most vulnerable areas in the Tarapacá Region. It started receiving FEC's support in 2012, when it had 179 students and low levels of educational measurements. The support included teacher's training, investments in new classrooms and technical labs, better pays for teachers and uniforms for students. One course on the Mining Field was added to the syllabus, apart from new courses on sciences and humanities. Results were seen in 2013, when the school was acknowledged as one of the most improving establishments in relation to their language and math scores at national level in the SIMCE test, which measures quality in education.

In 2015, it reached a maximum capacity of 616 students and it pretends to reach 1040 students through an ambitious expansion plan.

An important milestone was also registered: the first generation of students from the Mining Field graduated, including female students, in line with the company's interest to promote female occupation in the region. 24 students of this generation were hired in professional practices of the company, which is an unparalleled experience within the most important mining industries.

Other initiatives related to the **Mining Field** were the following:

- Development of a permanent dialogues program -on-site and by videoconference- as part of the educational syllabus for students. These are carried out by Collahuasi mining team and have raised the interest to transmit the job experience, apart from technical knowledge.
- Establishment of an Internship Program for Cordillera Facilities which applies to all teachers in the field.
- Creation of the major Plant Maintenance in the Liceo Padre Alberto Hurtado from Pica. The syllabus was determined, designed and created together with Processes Vice-Presidency, after a call for contributor companies was made to form a corporate board.

It is important to mention that all activities and projects aimed at education have been articulated and implemented jointly between Collahuasi Educational Foundation and the different management areas of the company, including Operational Executive, Mining, Plant Processes and Human Resources Vice-Presidencies; as well as Port Operations, Environment and Legal Managements.

23. For more information visit www.fundacioncollahuasi.cl





COMMUNITY

2. LOCAL AND COMMUNITARY DEVELOPMENT

Another axis is aimed at training and organizing local actors to improve the work atmosphere, facilitate the productive chain or add value to products. In consequence, the company has many initiatives and investments which support the entrepreneurship and for the development of skills in local communities. All these have been raised at work meetings and aim at the following three areas:

- Productive development.
- Investment on community infrastructure.
- Encouragement of quality of life (initiatives in line with Healthy Lifestyle Plan for Collahuasi workers and contractors, see more in page 87).

Some of the most relevant activities and actions in 2015 were the following:

PRODUCTIVE DEVELOPMENT

WATER CONSUMPTION EFFICIENCY IN IRRIGATION

Within the context of the Reconstruction Program, during the year 11 km of irrigation channels were reconstructed in Pica. These enabled increasing 100% of water availability, which allows irrigating every 10 to 15 days, instead of once a month, benefitting 419 agricultural workers.

AGRICULTURAL COOPERATIVE

The company worked with agricultural workers from Pica and Mantilla to legalize and reactivate the Agricultural Cooperative in Pica. This is aimed at agricultural workers from the area being able to sell their products through a purchasing process which results from an agreement entered into by them and Aramark, the company providing feeding services to Collahuasi. Thanks to said agreement, ten producers are already trading their products with Collahuasi, Codelco and other companies.

NEW GASTRONOMIC ALTERNATIVE

Thanks to Collahuasi's support, Chanavayita Union of Independent Workers, Artisanal Fishermen and Seafood Harvesters inaugurated a canteen whose income will be destined to projects to improve the wellbeing of local communities, formed by 1,200 people. The new gastronomic alternative is aimed at tourists and companies working in the area. Although at the beginning there were 30 contractors as clients of the canteen, the idea is to add another hundred more.

PROJECTS WITH NATIVE AYMARA ASSOCIATION COPOSA SALT FLAT

In 2015, joint projects in education were developed which allowed creating an Educational Fund for the benefit of 48 children and young people of the Association; and productive development lead to the beginning of an initiative to build watering founts for camelids.

TURISTIC AND GASTRONOMIC SERVICES ADMINISTRATION COURSES

These courses were carried out in Pica and Huatacondo thanks to an agreement with INACAP that benefitted 20 people (10 from each place) and were executed with support provided by Human Resources Management and Community Relations Management.



INFRASTRUCTURE INVESTMENT

WATER SUPPLY

An electric system for three collector wells in Mantilla was settled to improve irrigation and recovering approximately 30 productive hectares. This benefitted 58 agricultural workers from the place.

KINDERGARTEN

Aiming at improving community infrastructure in Huatacondo and its 85 families, the company participated in a project to install a kindergarten together with the community and Integra, acquiring infrastructure for the correct development of the establishment.

PHOTOVOLTAIC SYSTEM

The company permanently supports the maintenance of the combined system of photovoltaic panels, batteries and oil to provide light during 24 hours to Huatacondo and Copaquire.

NEW MUNICIPAL MARKET

In 2015, the alternative of building a market which replaced the existing one was assessed. The project intends to increase the offer of products and services, also including Collahuasi lines of community actions consisting of touristic, productive and heritage development. This initiative was for the benefit of the whole population of Pica district, which adds up to 4.701 people.



HEALTHY LIFESTYLE

POOL FOR GROWNUPS

Approval of project to provide a pool for almost 300 grownups in Pica, aiming at contributing to the improvement of their quality of life.

PROMOTING SPORTS

- Worried about healthy lifestyle -and in line with Collahuasi same-name program for workers and contractors- the company provides many sports programs, developed together with the Pica municipality for adults, children and young people to practice activities which promote their good health.
- Spreading this worry to other areas of influence, the Annual Football Waterfront Championship took place, with around 300 participants from the waterfront creeks.

COLLAHUASI TROPHY

The championship goes beyond competence and includes activities directed to improve quality of life, such as talks on safety, healthy lifestyle and care of the environment. In 2015, the third round of this championship was developed, the idea of which was born during a work meeting that Collahuasi develops in Pica. 37 teams and 925 sportsmen were involved.

PICA FOOTBALL SCHOOL

This has enabled 85 children and young people to practice and develop this sport, thanks to the involvement of a technical division. Apart from outstanding participations in other championships, it has become a farm club for new sportsmen. So that so, that it currently has 3 young players in the inferior categories of Deportes Iquique.



COMMUNITY

3. HERITAGE, TOURISM AND CULTURE

Collahuasi's commitment towards these issues is translated in support provided for the following:

- Help rescue and preserve regional heritage, based on understanding that to build a better future it is necessary to rescue history, identity and traditions from the community. The company has a series of permanent initiatives:
- Construction of La Tirana Anthropological Museum (Vivencia Religiosa del Norte Grande Museum).
- Corbeta Esmeralda Museum.
- Art rooms in Iquique and Pica.
- Develop natural areas restoration and reconstruction projects for people who may develop productive activities which create jobs and, mainly, contribute with the development of tourism.
- Enable access to art and culture, as they are key values for the growth of a community. Therefore, the company has Casa Collahuasi Arts Room -located in Iquique, next to the company's offices- and another one in Pica, open since 2010 to contribute with the cultural development of communities.

During the reported year, the following initiatives stood out:

HERITAGE AND TOURISM

A NEW MUSEUM FOR LA TIRANA

After working for three years, the Vivencia Religiosa del Norte Grande Museum was opened in 2015 and Collahuasi collaborated with its construction. Located in the sanctuary's underground, it occupies 342 m2 where around 200 pieces are displayed in three areas and one of its objectives is to contribute from their social role to acknowledge the legitimacy of the popular religious expressions of the northern people.

CONSOLIDATION OF THE CORBETA ESMERALDA MUSEUM

The full scale replica of the ship commanded by Arturo Prat was consolidated as a touristic area with 300,000 visits. It was carried out together with the Chilean Army, thought to provide for education to future generations, tourism and economic development of the area, contributing to retaining typical values of national heroes.

ARTS AND CULTURE

PICASSO EXHIBITION

With the name "Amor y Deseo" (Love and Desire), 52 original prints from the outstanding Spanish artist Pablo Picasso were displayed, produced between 1921 and 1971. The exhibition, unparalleled in Chile, was displayed in Valparaíso, at the Arte Collahuasi Arts Room in Iquique, and also in Santiago.

"PICA, FLOR DEL DESIERTO" (Pica, Flower of the Desert)

The play was presented by Antumapu ballet in Pica, Alto Hospicio, Pozo Almonte and Iquique; it was based on a three-year research to spread cultural heritage of San Andrés de Pica's Festival, from its origin and up to date. Near three thousand people had the opportunity to appreciate the production, interpreted by 38 dancers and 15 musicians.

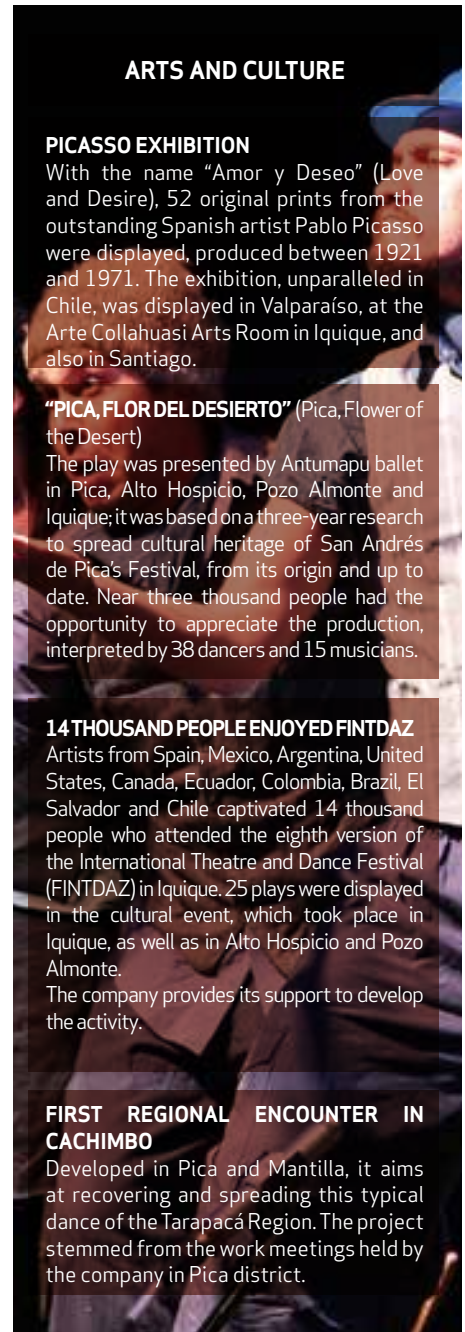
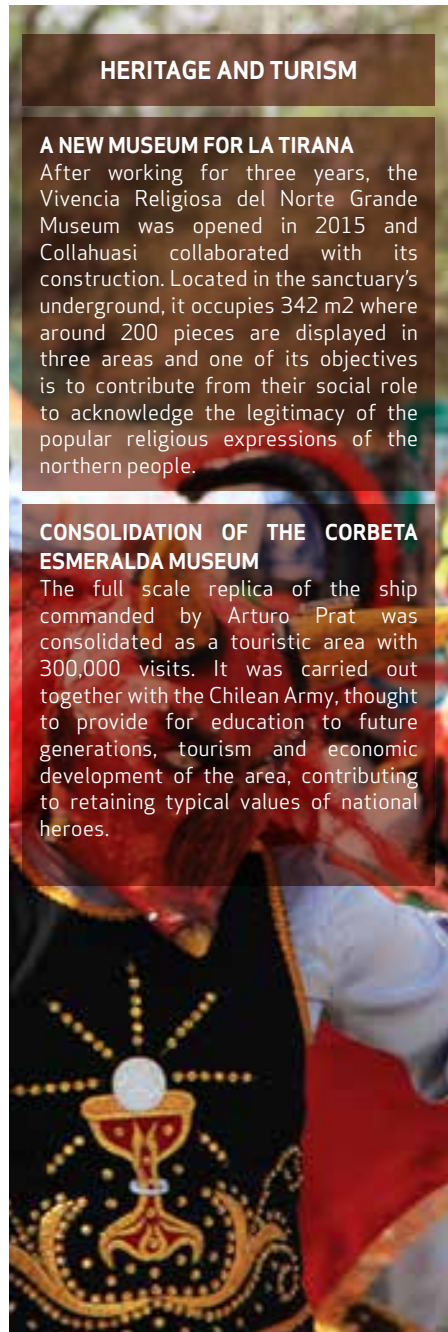
14 THOUSAND PEOPLE ENJOYED FINTDAZ

Artists from Spain, Mexico, Argentina, United States, Canada, Ecuador, Colombia, Brazil, El Salvador and Chile captivated 14 thousand people who attended the eighth version of the International Theatre and Dance Festival (FINTDAZ) in Iquique. 25 plays were displayed in the cultural event, which took place in Iquique, as well as in Alto Hospicio and Pozo Almonte.

The company provides its support to develop the activity.

FIRST REGIONAL ENCOUNTER IN CACHIMBO

Developed in Pica and Mantilla, it aims at recovering and spreading this typical dance of the Tarapacá Region. The project stemmed from the work meetings held by the company in Pica district.





4. ENVIRONMENT AND HEALTH

Collahuasi invested 7% of its budget aimed at achieving these goals in both of these areas. Among the activities in 2015, the outstanding ones are medical assistance “Smile with Rotary” whereby one hundred patients were assisted in 125 surgeries; the signing of two agreements between Antofagasta University and Collahuasi to boost mutual cooperation in relation to health; and permanent collaboration with Centro de Estudios Humedales (CEH - Wetlands Study Center), among others.



NATIVE PEOPLES

Although none of the company’s operations are located in areas defined as Native Territories, Collahuasi keeps constant dialogue and channels for mutual cooperation with those located in its area of influence to boost the communities’ quality of life and ensure sustainability of the operation in a timely manner.

The principal native peoples close to the company’s operations are the Aymaras and Quechuas, who belong to the communities of Huatacondo, Salar de Coposa, Tamentica, Copaquire and Naciente Collahuasi. Collahuasi’s Sustainable Development Policy specifically states that it recognizes, values and respects the cultures, customs, heritage and values of native communities and peoples, based on compliance with its values and the voluntary principles to which it adheres as well as the legislation and international treaties and agreements in force in Chile.

Community work meetings keep a permanent dialogue and communication with its representatives, enabling trust relations and informing about the needs and expectations of the population.





COMMUNITY

COMPLAINTS, REQUESTS AND SUGGESTIONS

The company has established formal mechanisms to channel these type of requests made by the community. They may be informed through e-mail, conventional mail, telephone or company's mailboxes located in Pica and Iquique.

As in the previous year, no incidents with the community were reported in this period.

THE VOICE OF THE COMMUNITIES G4-26/ G4-27

In 2015, the company ordered two researches: "Collahuasi's Image and Positioning" which considered the perception of communities towards the mining industry in general and the company in particular; and "Relationship with the Community Report" aimed at analysing the impact of company's actions in these area.

The first research concluded that, although there is a general idea that mining companies generate the most benefits, there has been a recent reduction of support towards the industry, mainly justified in the impact this activity causes on the environment. As regards Collahuasi, it remains the most well-known company in the region, and in relation to the community's image of the company, it shares the same positive and negative aspects of the rest of the industry: the creation of employment is valued, while environmental impact is criticized.

In relation to Collahuasi Educational Foundation, it registered a reduction in the initiative's level of knowledge, which is mainly understood by the answers provided by the main populated areas, as in coastal communities knowledge on FEC tends to increase. In all cases, its activities are still highly positively valued.

As a final analysis, the research concluded that in a country marked by the loss of legitimacy of elites and institutions, there is also a generalized trend towards the decline of the image of big mining companies which operate in the country's Northern areas.

SHEET

Face-to-face survey in homes.

Total population of 906 homes, divided as follows: Iquique (401), Alto Hospicio (205), Pica (102), Matilla (60) and towns located near the waterfront in the area of influence (Caramucho (20), Chanavayita (38), Chanavaya (20) and Caamo (24)).



COMMITMENTS 2015

- Involve all areas of the company to relate with inhabitants of the communities in our areas of influence so they can be part of different projects that arise.
 - Different areas in the company were involved in working on relating with the community, according to the required fields.

100% ACHIEVED

- Inform and involve communities in the areas of influence to the company's projects.
 - Projects on the increase of the leaching capacity PAD 1 were informed to different native organizations. Also, early participation processes were carried out from the beginning of the initiative to extend the useful life of Collahuasi mine, by communicating the decision of the mining company and informing about the profile of the project and the aim on community involvement.

100% ACHIEVED

COMMITMENTS 2016

- We are committed to ensuring the construction of confidence spaces needed to celebrate necessary agreements for our continuity plan.
- Define three project lines aimed at medium and long terms which are directly related with communities in Tarapacá and their development (non-welfare assistance), involving company officers and workers with the inhabitants of the Region.



d. SUPPLIERS

Collahuasi's supply strategy considers a segmentation based on business categories, defined according to their level of seriousness, impact and financial resources, so as to provide a differential treatment to the supply strategy in each category. Current resources are then maximized and efforts are focused on most striking and complex subjects, looking to strengthen alliances for the mutual benefit and in the long term with suppliers, and aiming at contributing to our business, increasing productivity and reducing the company's total cost.

Despite challenges faced by the copper market, the company had already started to work with suppliers in 2014 searching for opportunities to improve services and increase contractual productivity, encouraging good relations with suppliers and involving them in all processes aligned with the business. Said good practices were valued by the supplier companies and, as a result of 2015 and for the second year in a row, the company was recognized by APRIMIN for its development as a strategic partner.

GUIDELINES AND SUPPLY CHAIN

Transparency and commitment are the pillars which serve as a basis for the relation between Collahuasi and its suppliers. There is a contractual policy defining principles regulating this relationship, which includes company self-imposed demands in relation to security, occupational health, environment, quality, human resources management, commitment with community, human rights, business ethics and continuous improvement, as far as they can be applied. The company verifies the fulfilment of all these conditions.

As 64% of company workers are part of contractor companies, the company has determined follow up systems to ensure compliance of the already described duties.





Some of these actions are:

- Environmental development assistance.
- Safety development assessment, including audits.
- Since 2013, occupational and safety practices are assessed in the pre-classification process of every new contractor company.
- There is a Business Ethics and Conflicts of Interest Policy that every supplier and contractor company must comply (see page 35).
- Regulation for ESED Companies.

INDIRECT PROMOTION OF EMPLOYMENT THROUGH VALUE CHAIN

Apart from creating jobs in the mining sector, Collahuasi also creates indirect jobs requesting goods and services to suppliers in different industries. The sum destined for this concept in 2015 -including equipment, transport and food- amounts to many million dollars, 19% of which is for local contractors and suppliers from the Tarapacá Region.

It is important to understand that mining is a sector that requires high capital investment; therefore, impact on indirect jobs is significantly higher than on direct jobs. Consequently, there is a multiplying (or spill over) effect which is much higher than in other economic areas. Data from the industry shows that for each hired employee in the mining industry, 2.55 indirect jobs are created in the global economy..²⁴

24. Estimated by Mining Council (2014), using data from the National Statistics Institute (INE) and the Chilean Copper Commission (Cochilco).



SUPPLIERS

LOCAL DEVELOPMENT

Development of a local workforce for the future

Collahuasi's acquisition of goods and services leads to an important opportunity to support occupation in the local communities and boosting regional economy. The company follows a policy that explicitly promotes local acquisitions to encourage regional socioeconomic development and maximize the positive impact of its operation as regards economy and society.

In 2015, Collahuasi acquired goods and services from 185 suppliers from Tarapacá, who received 17.2% of total expenses.

	2013	2014	2015
No. LOCAL SUPPLIERS	237 (19%)	240 (18%)	185 (17.2%)
EXPENSES ON LOCAL SUPPLIERS	USD 304.5 M (17%)	USD 260.1 M (15%)	USD 228.3 M (19.4%)

Pursuant to the nature of Collahuasi's operation, which includes strict quality standards in areas such as security, equipment and specific skills, it is sometimes hard for small and local suppliers to compete with multinational and national bigger opponents.

Consequently, the company has implemented programs to invest in the development of local suppliers.

Agreement and Provisions Management, through the Suppliers Development area and supported in the performance by the Community Relations Management, has engaged in collaborative work together with the national and regional government, and other mining companies of the region.

Then, the suppliers' development program More Suppliers Tarapacá was created, which aims at generating possibilities to local suppliers and creating business opportunities within the most important mining industry. This is possible by strengthening strategic-commercial capacities in suppliers of goods and services,



enabling them to boost competitiveness when being part of a bidding or quoting process with companies from other regions in the country. This initiative creates business spreading and opportunities by interacting with purchase, agreement and user areas. A total of 21 supplier companies were involved in 2015. This program is in level 1 within a development model of four levels.

Besides from APRIMIN's recognition, Collahuasi, CORFO, the Mining Ministry, the Regional Government, Iquique Industrialists' Association and other mining industries in the region entered into an agreement in 2012 to support the growth of local suppliers and their development to reach global standards.

PROGRAMS IN WHICH COLLAHUASI IS INVOLVED

PDP More Suppliers Tarapacá²⁵ -Level 1

It aims at generating abilities in local suppliers, creating business opportunities within the most important mining industry. The program has been in place for four years, period in which it has advanced from a trade openness perspective towards the improvement of supplier companies' performance. 21 regional companies were involved in 2015.

PDP More Suppliers Tarapacá - Level 2

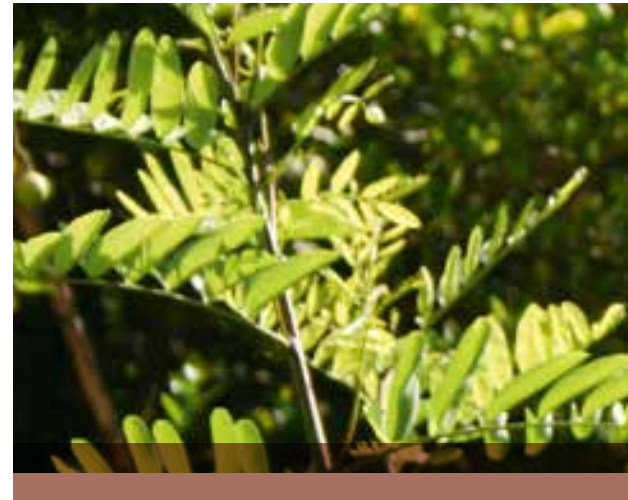
A second level was designed for the initiative More Suppliers Tarapacá, identifying existing gaps between suppliers who are currently commercially related to Collahuasi and other mining companies in the region. This allows the development and strengthening of a business relation in the medium and long term thanks to the inclusion of the concept of operational excellence, improving suppliers' current performance. 22 regional companies were involved in 2015.

Degree in Project and Services Management

This program was created to encourage local supplier companies and provide them support in project and services management. It is aimed at collaborating with the development of skills, which enables offering high-quality standard services for the mining industry. The program lasted from 2014 to 2015, 24 companies participated and it was carried out through the University Adolfo Ibáñez (UAI).

25. This program is part of an agreement between mining companies in the region where BHP Pampa Norte, Teck Quebrada Blanca, SQM, HMC and the Iquique Industrialists' Association are also involved. It includes co-financing from the government's Economic Development Agency (CORFO).





SUPPLIERS

Export Development Program

This program is aimed at creating and strengthening export skills in supplier companies from the mining sector of Tarapacá Region by delivering specific knowledge and tools to access markets with high potential. It also includes the construction of support networks and alliances which provide better growth opportunities in the globalized world. 45 regional companies were involved in 2015.

Development of business opportunities to improve wastes management in Tarapacá Region.

It creates wastes sustainable management models to generate business opportunities in Tarapacá Region. It includes a land registry about the generation and current management of specific wastes by companies, allowing the creation of more sustainable management models on their transport, disposal and valorisation. This will be a good opportunity for new businesses to reduce environmental impact and save costs to the involved parties, being ahead of the Law on Extended Producer Responsibility. This program is carried out by Iquique Industrialists' Association and in 2015, 100 regional companies were involved.

Support to the 5th Expo mining Pacific Fair 2015

Collahuasi was chairman at this event, strengthening links with Iquique Industrialists' Association.

In 2015, these efforts were translated into the following achievements:

- 11 programs and 1 degree (UAI).
- Participation of 180 local companies.
- 55% of suppliers sold to Collahuasi (numbers July 2015).
- Total sales amounted to USD 255,403 M in July 2015 (7 years).
- A database of local suppliers was created with standards set forth by the company.



SUPPLIERS IN NUMBERS

	2013	2014	2015
TOTAL GOODS AND SERVICES SUPPLIERS	1,244	1,310	1,073
TOTAL WORKERS FROM CONTRACTOR COMPANIES	4,553	4,722	4,255
TOTAL PARTICIPANTS IN DEVELOPMENT PROGRAMS	64	71	88
NO. OF SUPPLIERS FROM TARAPACÁ REGION	237	240	185

COMMITMENTS 2016

- Provide support for the creation and articulation of entrepreneur networks and Mipymes from Tamarugal Province, using a model which allows improving competitiveness and capacity, by the incorporation of new skills, tools and better practices, which boost the construction of support networks and strategic alliances with relevant actors and increase growth and development opportunities in the Region.

COMMITMENTS 2015

- Implement More Suppliers Tarapacá Program in its 2015 version, focused on the development of 20 to 25 new supplier regional companies.

- The program was implemented with 21 new suppliers.

100% ACHIEVED

- Analyse the association potential of small companies and/or entrepreneurs of communities in the company's area of influence, to assess the business potential of an association project with shared value between those companies and Collahuasi.

- Three initiatives with association potential were identified.

100% ACHIEVED

- Develop and include new management practices which tend to improve competitiveness and capacity of a group of supplier companies from the main mining companies in Tarapacá Region, led by Collahuasi mining company, which enables creating a development model that causes a direct impact on its current performance levels.
- Continue with PDP More Suppliers Tarapacá, in its levels 1 and 2.



SCHEDULES



> 04



BSD	100
RED PUENTES	102
TABLE OF GRI CONTENT	104
GRI SUPPLEMENTARY INFORMATION	108

**Statement of Assurance
Sustainable Development Report
Compañía Minera Doña Inés de Collahuasi**

17 June 2015, Santiago de Chile

Mr.
Jorge Gómez
CEO
Compañía Minera Doña Inés de Collahuasi (CMDIC)

STATEMENT OF ASSURANCE

BSD Consulting Chile conducted an independence assurance process of the preparation of Minera Doña Inés de Collahuasi's Sustainable Development Report 2015, according to GRI-G4 guidelines (Global Reporting Initiative), in relation to their option Core/Essential and on management for the year 2015.

This report's content review and assurance was carried out based on material indicators derived from the materiality process made by the company during 2013 and updated in 2014, according to the established principles and methods included in GRI for its G4 version.

INDEPENDENCE

BSD Consulting Chile states that its work was carried out independently and guarantees that no company personnel maintains consulting contracts or other business ties with Minera Doña Inés de Collahuasi (CMDIC).

STANDARDS FROM THE ASSURANCE PROCESS

The assurance process was developed in line with the International Standard on Assurance Engagements (ISAE 3000) issued by the International Auditing and Assurance Standard Board (IAASB) from the International Federation of Accountants (IFAC).

RESPONSABILITIES OF MINERA DOÑA INÉS DE COLLAHUASI AND BSD CONSULTING

Compañía Minera Doña Inés de Collahuasi is and has been the exclusive responsible for the preparation of the company's sustainable development report. BSD Consulting Chile's work is aimed at validating the report and assuring the level of application of GRI G4.

METHODOLOGY

The work of assurance was carried out by holding meetings with people responsible for the development of the sustainability report, documents review and interviews on the point of view of the report, development on the analysis and consistency of the information, and backup of the delivered information.

- Meetings with the team in charge of developing the sustainability report.
- Meetings with Corporate Communications Management.
- Review of interviews to company's managements.

- Meeting with external company in charge of developing report's content.
- Review of company's documents and materiality elaboration process.
- Analysis of information included in the final version of the report.
- Verification of information through support of GRI G4 indicators included in the report.

KEY CONCLUSIONS

Pursuant to the materiality process used by the company and the selection of indicators related to relevant matters, included in this report, the following chart was determined for the reviewing and assurance process of the information included in this report.

BASIC CONTENT			
G4-1	G4-2	G4-3	G4-4
G4-5	G4-6	G4-7	G4-8
G4-9	G4-10	G4-11	G4-12
G4-13	G4-14	G4-15	G4-16
G4-17	G4-18	G4-19	G4-20
G4-21	G4-22	G4-23	G4-24
G4-25	G4-26	G4-27	G4-28
G4-29	G4-30	G4-31	G4-32
G4-33	G4-34	G4-35	G4-36
G4-37	G4-39	G4-41	G4-42
G4-43	G4-45	G4-46	G4-47
G4-48	G4-49	G4-56	G4-58

SPECIFIC CONTENT			
G4-EC1	G4-EC2	G4-EC7	G4-EC8
G4-EC9	G4-EN2	G4-EN5	G4-EN8
G4-EN10	G4-EN15	G4-EN16	G4-EN17
G4-EN18	G4-EN23	G4-EN24	G4-EN26
G4-EN29	G4-EN32	G4-EN34	G4-LA1
G4-LA6	G4-LA7	G4-LA9	G4-LA11
G4-LA12	G4-LA13	G4-LA14	G4-HR1
G4-HR11	G4-S01	G4-S08	G4-S09

This report's final review and assurance was developed considering the final PDF document accepted by the company's senior management.

According to guidelines set forth in the Global Reporting Initiative and its G4 guidelines, content such as backup documents of each of the verified indicators comply with established principles and processes for the elaboration of sustainability reporting established by GRI.



Hugo Vergara Recabal
Partner - Director
BSD Consulting Group



Mr. Jorge
CEO CMDIC

Dear Mr. Gómez, in relation to our work to assure and assess Compañía Minera Doña Inés de Collahuasi's commitments for 2015 and to determine commitments for 2016 included in this sustainability report, we present you the following conclusions and comments:

1. Sustainability and relations with stakeholders.

In an adverse context for the great mining copper industry that can last for many years, we believe CMDIC's effort to determine and strengthen policies and sustainability management at an organizational and operational level, as well as its better integration in business strategy to be outstanding. Also, positive expectation and attitude towards Collahuasi's responsibility and quality of relations could be learnt and appreciated in direct interviews to local suppliers and leaders of community organizations. Requirements for better communication mechanisms and problem solving, as well as good availability and alert in relation to the next EIA process to extend Collahuasi's operations are explicitly stated. However, it was impossible to get to know the concerns and availability of direct employees and contractors.

2. Assurance of commitments 2015 and determination of commitments 2016.

24 commitments related to operational results and their management, occupational relations, occupational health and safety, environment and commitment to local relevant stakeholders were determined for the year 2015. From 18 commitments, there was a compliance assurance of 100% (75% of total); 1 commitment complied in 75% (4.1%); 2 complied in 50% (8.3%) and 3 not complied commitments (12.5% of



total). Although lower compliance was expected for the year 2015 -due to demands related to costs, reorganization processes and internal adjustments- compliance was bigger than in 2014 (72.7%) and 2013 (59%), allowing to infer a more stable consistency and level of achievement in relation to compliance of commitments.

2. Determination of commitments for the year 2016.

Commitments for 2016, 26, the same as in 2015, were determined by the relevant managements with the involvement of the CEO for their final review and acceptance. Most commitments represent efforts to improve processes and internal results, as well as relations with local stakeholders. The need to obtain a successful result on the EIA is present.

Finally, in relation to CMDIC's public commitments reflected on the sustainability report, their determination is estimated to be an opportunity to include and align sustainability policies and challenges in Collahuasi and, therefore, greater participation and internal responsibility must be promoted in this respect. Secondly, we reaffirm the proposal to involve and include organizations and/or representatives of direct employees and contractors, communities and local suppliers in the determination of commitments of their concern, providing greater depth and value to such commitments.



GILBERTO ORTIZ S.
RED PUENTES
June 2016

TABLE OF GRI CONTENT

Pursuant to the extension of some GRI indicators, on the report's online version you may find additional information under "Schedules: GRI Supplemental Information", including the page number.

GENERAL BASIC CONTENT		
GENERAL BASIC CONTENT	PAGE NO. (OR LINK)	EXTERNAL ASSURANCE
STRATEGY AND ANALYSIS		
G4-1	P. 3	Verified; p. 101
G4-2	P. 18-23, 32	Verified; p. 101
PERFIL DE LA ORGANIZACIÓN		
G4-3	Flap	Verified; p. 101
G4-4	Flap	Verified; p. 101
G4-5	Flap; p. 9. The head office is located in Santiago de Chile (Av. Andrés Bello 2687, 11th floor). There is another office in Iquique (Baquedano 902).	Verified; p. 101
G4-6	Flap. The company concentrates its operations in Tarapacá Region, Chile.	Verified; p. 101
G4-7	Flap; p. 9.	Verified; p. 101
G4-8	P. 11	Verified; p. 101
G4-9	Pp. 10 (partial), 14-15 (partial), 67 (partial). Annex Complementary Information, p. 115.	Verified; p. 101
G4-10	Annex Complementary Information, pp. 115, 116.	Verified; p. 101
G4-11	P. 75	Verified; p. 101
G4-12	P. 12	Verified; p. 101
G4-13	Pp. 28, 36, 38, 68	Verified; p. 101
G4-14	P. 33	Verified; p. 101
G4-15	P. 33	Verified; p. 101
G4-16	P. 45	Verified; p. 101
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES		
G4-17	This report relates to a single entity, Minera Doña Inés de Collahuasi, as is the case for the 2015 Financial Statements available at: www.collahuasi.cl	Verified; p. 101
G4-18	Pp. 24-25	Verified; p. 101
G4-19	Pp. 24-25	Verified; p. 101
G4-20	Annex Complementary Information, p. 120.	Verified; p. 101
G4-21	Annex Complementary Information, p. 120.	Verified; p. 101
G4-22	P. 27	Verified; p. 101
G4-23	Pp. 15, 68, 74	Verified; p. 101
STAKEHOLDER ENGAGEMENT		
G4-24	Pp. 42-43	Verified; p. 101
G4-25	P. 42	Verified; p. 101
G4-26	Pp. 44, 76, 83, 90	Verified; p. 101
G4-27	Pp. 25, 90	Verified; p. 101
REPORT PROFILE		
G4-28	Back cover	Verified; p. 101
G4-29	Sustainable Development Report 2014, published in August 2015.	Verified; p. 101
G4-30	Back cover	Verified; p. 101
G4-31	Flap	Verified; p. 101
G4-32	Back cover, pp. 100-103.	Verified; p. 101
G4-33	Back cover, pp. 100-103.	Verified; p. 101
GOBIERNO		
G4-34	P. 36	Verificado; pg. 101
G4-35	Pp. 36, 39	Verificado; pg. 101
G4-36	P. 38	Verificado; pg. 101
G4-37	P. 44	Verificado; pg. 101
G4-39	P. 36	Verificado; pg. 101
G4-41	P. 35	Verificado; pg. 101

GENERAL BASIC CONTENT	PAGE NO. (OR LINK)	EXTERNAL ASSURANCE
G4-42	P. 36	Verified; p. 101
G4-43	P. 39	Verified; p. 101
G4-45	P. 40	Verified; p. 101
G4-46	P. 40	Verified; p. 101
G4-47	P. 39	Verified; p. 101
G4-48	P. 39	Verified; p. 101
G4-49	P. 39, 76	Verified; p. 101
G4-51	Directors are officers from shareholder companies. They do not perceive monetary compensations for being part of the Board of Directors.	Not verified.
ETHICS AND INTEGRITY		
G4-56	P. 35	Verified; p. 101
G4-57	P. 76	Not verified.
G4-58	P. 76	Verified; p. 101

SPECIFIC BASIC CONTENT		
DMA AND INDICATORS	PAGE NUMBER (OR LINK)	EXTERNAL ASSURANCE
CATEGORY: ECONOMIC		
MATERIAL ASPECT: ECONOMIC DEVELOPMENT		
G4-DMA	P. 26	Not verified.
G4-EC1	P. 46	Verified; p. 101
G4-EC2	P. 60	Verified; p. 101
G4-EC5	Annex Complementary Information, p. 120.	Not verified.
G4-EC6	Annex Complementary Information, p. 120.	Not verified.
G4-EC7	Pp. 47, 4-5	Verified; p. 101
G4-EC8	Pp. 93, 4-5	Verified; p. 101
MATERIAL ASPECT: PROCUREMENT PRACTICES		
G4-DMA	Pp. 92, 94	Not verified.
G4-EC9	P. 94	Verified; p. 101
CATEGORY: ENVIRONMENT		
ASPECTO MATERIAL: MATERIALES		
G4-EN1	Annex Complementary Information, p. 114.	Not verified.
G4-EN2	P. 64. Annex Complementary Information, p. 114.	Verified; p. 101
MATERIAL ASPECT: ENERGY		
G4-DMA	P. 58	Not verified.
G4-EN3	P. 61	Not verified.
G4-EN4	P. 61. Annex Complementary Information, p. 109.	Not verified.
G4-EN5	P. 59. Annex Complementary Information, p. 109.	Verified; p. 101
G4-EN6	P. 58	Not verified.
MATERIAL ASPECT: WATER		
G4-DMA	P. 54	Not verified.
G4-EN8	P. 54. Annex Complementary Information, p. 108.	Verified; p. 101
G4-EN9	P. 54. Annex Complementary Information, p. 108.	Not verified.
G4-EN10	Pp. 14-15, 54. Annex Complementary Information, p. 108.	Verified; p. 101
MATERIAL ASPECT: BIODIVERSITY		
G4-DMA	P. 62	Not verified.
G4-EN11	P. 62	Not verified.
G4-EN12	P. 62. Annex Complementary Information, p. 111.	Not verified.
MM1	Annex Complementary Information, p. 110.	Not verified.
MM2	Annex Complementary Information, p. 110.	Not verified.
G4-EN13	P. 63. Annex Complementary Information, pp. 112-113.	Not verified.
G4-EN14	P. 63. Annex Complementary Information, p. 113.	Not verified.



ÍNDICE DE CONTENIDO GRI

DMA AND INDICATORS	PAGE NUMBER (OR LINK)	EXTERNAL ASSURANCE
MATERIAL ASPECT: EMISSIONS		
G4-DMA	P. 60	Not verified.
G4-EN15	Pp. 14-15, 60. Annex Complementary Information, p. 109.	Verified; p. 101
G4-EN16	P. 60. Annex Complementary Information, p. 109.	Verified; p. 101
G4-EN17	P. 60. Annex Complementary Information, p. 109.	Verified; p. 101
G4-EN18	P. 60. Annex Complementary Information, p. 109.	Verified; p. 101
G4-EN19	P. 60	Not verified.
G4-EN20	Annex Complementary Information, p. 109.	Not verified.
G4-EN21	Annex Complementary Information, p. 109.	Not verified.
MATERIAL ASPECT: EFFLUENTS AND WASTE		
G4-DMA	P. 64	Not verified.
G4-EN22	Annex Complementary Information, p. 108.	Not verified.
G4-EN23	P. 64	Verified; p. 101
MM3	P. 64. Annex Complementary Information, p. 114.	Not verified.
G4-EN24	P. 53 (partial). Annex Complementary Information, p. 114.	Verified; p. 101
G4-EN25	Annex Complementary Information, p. 114.	Not verified.
G4-EN26	Pp. 56, 63. Annex Complementary Information, p. 110.	Verified; p. 101
MATERIAL ASPECT: COMPLIANCE		
G4-DMA	P. 53	Not verified.
G4-EN29	P. 53	Verified; p. 101
ASPECT: TRANSPORT		
G4-EN30	Annex Complementary Information, p. 110.	Not verified.
ASPECT: GENERAL		
G4-EN31	Annex Complementary Information, p. 114.	Not verified.
MATERIAL ASPECT: SUPPLIER ENVIRONMENTAL ASSESSMENT		
G4-DMA	Pp. 92-93	Not verified.
G4-EN32	P. 92	Verified; p. 101
G4-EN34	P. 65	Verified; p. 101
CATEGORY: SOCIAL		
SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK		
MATERIAL ASPECT: LABOUR		
G4-DMA	P. 66	Not verified.
G4-LA1	P. 68 (partial). Annex Complementary Information, p. 116.	Verified; p. 101
G4-LA3	Annex Complementary Information, p. 116.	Not verified.
MATERIAL ASPECT: LABOR RELATIONS		
G4-DMA	P. 74	Not verified.
G4-LA4	Advance notice periods are not specified in the Collective Agreement. Notwithstanding, information regarding significant changes in the organization is released with at least 7 days' advance notice.	Not verified.
MM4	P. 75	Not verified.
MATERIAL ASPECT: OCCUPATIONAL HEALTH AND SAFETY		
G4-DMA	P. 78	Not verified.
G4-LA5	Annex Complementary Information, p. 119.	Not verified.
G4-LA6	P. 79. Annex Complementary Information, p. 119.	Verified; p. 101
G4-LA7	P. 81. Annex Complementary Information, p. 119.	Verified; p. 101
G4-LA8	Assisting to occupational tests is compensated with payment of 1 day of work. Life and health complementary insurances are included in the collective bargaining agreements. Also, the offer of preventive tests was improved in 2015.	Not verified.
G4-LA9	Pp. 15 (partial), 70. Annex Complementary Information, p. 117.	Verified; p. 101
MATERIAL ASPECT: TRAINING AND EDUCATION		
G4-DMA	P. 70	Not verified.
G4-LA9	P. 70	Not verified.
G4-LA10	P. 70	Not verified.
G4-LA11	P. 72. Annex Complementary Information, p. 117.	Verified; p. 101



DMA AND INDICATORS	PAGE NUMBER (OR LINK)	EXTERNAL ASSURANCE
G4-LA12	P. 73 (partial). Annex Complementary Information, pp. 117-118.	Verified; p. 101
G4-LA13	P. 13.	Verified; p. 101
MATERIAL ASPECT: EVALUATION OF SUPPLIER LABOUR PRACTICE		
G4-DMA	P. 92	Not verified.
G4-LA14	P. 92	Verified; p. 101
G4-LA16	Annex Complementary Information, p. 118.	Not verified.
SUB-CATEGORY: HUMAN RIGHTS		
MATERIAL ASPECT: INVESTMENT		
G4-HR1	P. 33 (partial). Annex Complementary Information, p. 118.	Verified; p. 101
MATERIAL ASPECT: NON-DISCRIMINATION		
G4-DMA	P. 33	Not verified.
G4-HR3	The same as in the last two previous years, no incidents of this type were recorded. Annex Complementary Information, p. 118.	Not verified.
G4-HR4	Freedom of association is not verified for suppliers.	Not verified.
G4-HR5	Collahuasi complies with all Chilean Labour Legislation. Purchase orders include clauses that require compliance with legal regulations in force in Chile. Contracts stipulate that no underage persons may be employed; this is made valid from the beginning of services through the accreditation of identification documents of all persons entering the site.	Not verified.
G4-HR6	Same as G4-HR6	Not verified.
G4-HR7	100% of safety personnel is provided the Collahuasi's Internal Order, Health and Safety Regulations and Environmental Policy. Both documents explicitly refer to "understanding and accepting principles set forth in the Universal Declaration of Human Rights".	Not verified.
MM5	Pp. 82, 89	Not verified.
G4-HR10	Collahuasi has no pre-classification of human rights. However, the company follows such rights, as it has been set forth under G4-HR1. Furthermore, the company does not carry out an audit specifically on human rights matters to its contractors and distributors, but it performs periodic audits on documental matters related with labour law, service agreements and safety issues. The company also demands its supplier companies to comply with legal and regulatory applicable laws. This is expressly stated on service agreements.	Not verified.
G4-HR11	P. 92 (partial)	Verified; p. 101
G4-HR12	Annex Complementary Information, p. 118.	Not verified.
SUB-CATEGORY: SOCIETY		
G4-DMA	P. 82	Not verified.
G4-S01	P. 83	Verified; p. 101
G4-S02	There were no conflicts in relation to the use of the land, nor to customary law.	Not verified.
MM6	There were no conflicts in relation to the use of the land, nor to customary law.	Not verified.
MM7	There were no conflicts in relation to the previous issue.	Not verified.
MATERIAL ASPECT: ARTISANAL AND SMALL SCALE MINING		
MM8	There is no artisanal mining in the company's operational sites, nor in its surroundings.	Not verified.
MATERIAL ASPECT: RESETTLEMENT		
MM9	There were no community resettlements.	Not verified.
MM10	In 2014, a Mine Worksite Closure Plan was filed with the National Geology and Mining Service (SERNAGEOMIN) according to new legislation, which considers valuating the Closure Plan being analysed by the authorities.	Not verified.
G4-S08	Pp. 53, 76	Verified; p. 101
G4-S09	P. 92 (partial)	Verified; p. 101
MM11	P. 64	Not verified.

GRI SUPPLEMENTARY INFORMATION

ENVIRONMENT

WATER

GRI INDICATOR/ G4	DESCRIPTION	2013	2014	2015
G4-EN8	Efficiency in consumption of raw water concentration (litres of consumed water/mineral ton of concentrate)	0.589	0.57	0.587
	Consumption of water per source (thousand m ³ of consumed water)			
	Groundwater (1)	29,845	29,807	27,228
	Salt flat Coposa basin (2)	20,998	20,577	18,371
	Salt flat Michincha basin (2, 3)	8,847	9,230	9,008
	Mine pit water	5,991	5,997	5,641
	Sea	0	0	0
	Industrial	0	0	0
	Total	35,836	35,804	33,020
	Raw water consumption (thousand m ³ of consumed water)	33,147	32,707	30,082
	Extracted flow due to wing failure (l/s)	14	14	15
G4-EN9	Water sources that have been affected due to water abstracted by Collahuasi. Number	Coposa and Michincha salt flats basins.		
	Water sources, near to Collahuasi, which have been classified as (national or international) protected areas. Number	Water sources in Collahuasi's surroundings are represented by the Coposa and Michincha salt flats, and Yabricollita, Jachu Ujina and Represa meadowland.		
		Flow evolution of water sources near Collahuasi Litres/second		
	Jachucoposa spring (natural) Annual average litres	41,7	43,6	46,2
	Jachucoposa spring (natural), Water General Directorate (DGA) measurement	Measurement made on 01/08/14 However, DGA has not informed measurement results yet.	DGA should not make measurements.	Measurement made in January 2015. However, to the closing date of the report, DGA still did not inform measurement results. DGA should have not made measurements in January 2016.
	Jachucoposa Measurement Station (natural + mitigation) Annual average litres	61.2	62.6	66.2
	Michincha Measurement Station (mitigation) Annual average litres	4.9	4.9	4.9
	Huinquintipa Measurement Station (natural) Annual average litres	6.8	7.7	8.5
G4-EN10	Water recirculation from tanks and thickeners Thousand m ³ recirculated water	107,684	138,013	136,977
	Volume of recirculated water to process recirculated water % in relation to total used water	79%	80%	79.4%
WASTEWATERS AND SPILLS				
Total wastewater discharged by type and destination				
	Treated sewage m ³ treated as activated sludges, sent to evaporation ponds	316,650	296,694	244,350
G4-EN22	Residual water m ³ treated by dissolved air flotation, sent to evaporation ponds	748,371	758,180	796,684
	Water reused for irrigation m ³ treated by reverse osmosis and nanofiltration, used to irrigate Puerto Patache Forestry Plantation.	239,516	111,848	79,116

1: Includes water extraction from COPOSA and MICHINCHA basins

2: Coposa and Michincha are endorheic (closed) basins, surrounded by mountains and volcanoes higher than 5,000 meters high.

3: Includes water from infiltration wells which belong to water recovered from tailings dams.



ENERGY

GRI INDICATOR/ G4	DESCRIPTION	2013	2014	2015	
G4-EN5	Output of fine copper (1) Gigajoules/ton of fine copper produced	22.61	22.52	22.72	
	Mine Gigajoules/ton moved	0.0223	0.0213	0.0227	
	Sulphides Gigajoules/ton input	0.0764	0.0785	0.0842	
	Oxides Gigajoules/ton input	0.0507	0.0483	0.0555	
	FUEL CONSUMPTION CONTRACTORS (SCOPE 3)				
G4-EN4	Diesel Litres	13,605,093	13,153,235	11,945,831	
	Diesel Gigajoules	491,416	475,095	431,483	
FUEL CONSUMPTION					
G4-EN4	Collahuasi total fuel consumption (scope 1) Oil Gigajoules	5,552,453	5,759,981	6,041,299	
	HFO Gigajoules	63,185	83,053	311	
	Liquefied petroleum gas (LPG) Gigajoules	56,714	48,382	50,065	
	Petrol Gigajoules	4,800	5,006	3,855	
	Total electricity consumption Gigajoules	4,686,411	4,916,097	4,631,151	
	Total	10,363,563	10,812,518	10,726,681	
	CARBON FOOTPRINT				
	G4-EN15	Total Scope 1 Emissions (Direct emissions) tCO ₂ e	470,021	489,227	561,928
G4-EN16	Total Scope 2 Emissions (Indirect emissions) tCO ₂ e	1,049,265	1,107,488	1,016,432	
G4-EN17	Total Scope 3 Emissions (Other emissions) tCO ₂ e	383,674	472,276	453,535	
G4-EN18	Intensity of greenhouse gas (GHG) emissions COPPER CATHODES	0.3824	0.4341	0.4580	
	Intensity of greenhouse gas (GHG) emissions COPPER CONCENTRATE 2 emitted / tons of COPPER CONCENTRATE	1.2028	1.1934	1.1743	
	Intensity of greenhouse gas (GHG) emissions MOLYBDENUM CONCENTRATE 2 emitted / tons of MOLYBDENUM CONCENTRATE	1.2094	1.1952	1.1763	
G4-EN15 G4-EN16 G4-EN17	Greenhouse gas (GHG) emissions COPPER CATHODES	155,152	155,040	145,542	
	Greenhouse gas (GHG) emissions COPPER CONCENTRATE tCO ₂ emitted	1,735,668	1,894,701	1,870,697	
	Greenhouse gas (GHG) emissions MOLYBDENUM CONCENTRATE	12,140	19,249	15,657	
G4-EN20	Emissions of ozone-depleting substances	260	294	373	
G4-EN21	NOX, SOX and other significant air emissions				
	CO ₂	427,043	444,638	508,223	
	CH ₄	23	24	28	
	N ₂ O	142	148	178	
	tCO ₂ e	470,021	489,227	561,928	

GRI SUPPLEMENTARY INFORMATION

GRI INDICATOR/ G4	DESCRIPTION	2013	2014	2015
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations and transporting members of the workforce.			
	Emissions due to air travel	1,896	1,737	1,413
	Emissions due to transport of personnel	4,604	4,049	3,924
	Total transport emissions	4,604	5,786	5,337

1: Includes copper processes of oxides and sulphur.

BIODIVERSITY

GRI INDICATOR/ G4	DESCRIPTION	2013	2014	2015
G4-MM1	Total area devoted to mining operation Hectares	22.61	22.52	22.72
	Total area of land altered due to company's operations and not yet rehabilitated in the reporting period (3) Hectares	0.0223	0.0213	0,0227
	Total area of land recently rehabilitated in the reporting period (3) Hectares	0.0764	0.0785	0,0842
G4-MM2	Sites identified as requiring biodiversity management plans Number	Three: Chiclla Wetland, Jachucoposa Wetland and Irruputuncu Volcano (in 2014 queñoas plantations were moved to Pabellón del Inca Mountain, for hectares still not planted until program closing).		
	Sites with plans implemented Number	Three: Chiclla Wetland, Jachucoposa Wetland and Irruputuncu Volcano (in 2014 queñoas plantations were moved to Pabellón del Inca Mountain, for hectares still not planted until program closing), all corresponding to the Cordillera Facilities.		
G4-EN26	Identification, size, state of protection and value of biodiversity of water masses and habitats significantly affected by company's spills and runoffs.	Collahuasi has committed, in different reports and environmental impact assessments, not to discharge liquid wastes into any body of water, whether continental or marine. The only areas of the production process that generate liquid industrial waste are molybdenum recovery and copper concentrate filtration, at Collahuasi Shipping Terminal; these waste substances are treated in the liquid industrial waste treatment plant (nanofiltration + reverse osmosis) generating permeate and rejected water. Permeate water is reused in molybdenum productive process and to irrigate forestry area. Rejection water, on the other side, is directed to the DAF plant (dissolved air flotation) where metals it still may have are removed and then disposed of in evaporation ponds.		



G4-EN12: DESCRIPTION OF SIGNIFICANT IMPACT OF COLLAHUASI'S ACTIVITIES, PRODUCTS AND SERVICES ON BIODIVERSITY IN PROTECTED AREAS AND AREAS OF HIGH BIODIVERSITY VALUE OUTSIDE PROTECTED AREAS.

SECTOR	IMPACT	STRATEGIES/MEASURES DEPLOYED	DESCRIPTION OF STRATEGY	PROGRESS
Jachucoposa Wetland	Loss of vegetation cover due to drop in groundwater level.	Seasonal monitoring, seasonal irrigation, replanting and field studies.	Implementation of adaptive Management Plan to restore the ecosystem.	Elaboration and adaptation of management plan is continued to improve the ecosystem condition and restore it to its original condition.
Michincha Salt Flat	Loss of vegetation cover due to drop in groundwater level.	Seasonal monitoring and committed mitigation.	This activity is aimed at strengthening the company's Mitigation and Compensation Program.	Seasonal monitoring of the salt flat is continued, identifying maintenance of the ecosystem and its related species, which are strongly related to water availability.
Capella Wetland	Loss of wetland.	Twice-yearly monitoring in Chiclla meadowland compensation area for transplanting wetland species.	"Ongoing work to strengthen the compensation program which includes maintenance of terraces, cleaning and marking of the area, among other activities."	n/a
Punta Patache	No impact in this area.	Monitoring of physical-chemical and population aspects of the area in order to identify the condition of the coastal system in the port area.	"These programs enable monitoring of the coastal system's population and communities, comparing the results with physical-chemical information in order to identify changes on natural systems that could affect or threaten the coastal ecosystems' species. Monitoring programs in the area: a. Bird and Marine Mammal monitoring in Collahuasi's Shipping Terminal area of influence. b. Study of the marine otter in Punta Patache's area of influence. c. Monitoring of environmental conditions in the coastal ecosystem in Patache."	n/a

SECTOR	PROGRESS
Jachucoposa Wetland	Elaboration and adaptation of management plan is continued to improve the ecosystem condition and restore it to its original condition.
Michincha Salt Flat	Seasonal monitoring of the salt flat is continued, identifying maintenance of the ecosystem and its related species, which are strongly related to water availability.
Capella Wetland	N/A
Punta Patache	N/A

GRI SUPPLEMENTARY INFORMATION

SECTOR	ANSWERS FROM THE INTERVENING AREA	WORK WITH AUTHORITIES	MANAGEMENT PLAN	PROGRESS
Jachucoposa Wetland	Measurement by the authority of recovery of vegetation cover. Implies continuing with scientific studies to restore the ecosystem to its initial condition.	"Meetings and work in the field with authorities to adequate the monitoring system."	Preparation and adjustment of the Management Plan as requested by the authorities on the understanding of increasing the scope of the studies carried out in order to restore the ecosystem to its initial condition.	Elaboration and adaptation of management plan is continued to improve the ecosystem condition and restore it to its original condition.
Chiclla Wetland	Establishment of vegetation and improvements in water supply.	No joint actions.	"Maintenance of terraces to reduce speed of water flow and cleaning and marking of the area as well as improvements in the wetland's irrigation system through canalization of water and re-establishment of vegetation."	Advance on maintenance of wetland transplanted areas, continuously improving system of water channelling, terrace cleaning, area revegetation and marking of the area.
Irruputuncu Volcano	Improvements in plantation and installation of drip irrigation to optimize water use.	"Presentation of current status of reforestation program at International Queñoa Conference, which took place in the city of Arica in September 2013, organized jointly with the National Forest Service (CONAF)."	Identification of new sectors for reforestation and preparation of management plan for new areas.	Management Plan for Pabellón del Inca mountain with the same work mechanism and plantation by drip irrigation, due to safety issues with people who attended the Irruputuncu Volcano.

SECTOR	PROGRESS
Jachucoposa Wetland	Elaboration and adaptation of management plan is continued to improve the ecosystem condition and restore it to its original condition.
Chiclla Wetland	Advance on maintenance of wetland transplanted areas, continuously improving system of water channelling, terrace cleaning, area revegetation and marking of the area.
Irruputuncu Volcano	Management Plan for Pabellón del Inca mountain with the same work mechanism and plantation by drip irrigation, due to safety issues with people who attended the Irruputuncu Volcano.

G4-EN13: COLLAHUASI INSTALLATIONS THAT ARE IN PRIORITY BIODIVERSITY CONSERVATION SITES.

SECTOR	ADJACENT OPERATIONAL INSTALLATIONS	LOCATION OF INSTALLATIONS IN RELATION TO PROTECTED AREAS	TYPE OF OPERATION	VALUE OF PROTECTED AREA	PROGRESS
Coposa Salt Flat and Jachucoposa Wetland	Coposa Norte well field	17 km to north	Water withdrawal	Priority conservation site	Same as prior information
Michincha Salt Flat	Michincha well field	5 km to north	Water withdrawal	Conservation of biodiversity.	Same as prior information
Ujina Carcanal	Oxides plant, leach pads and Ujina waste rock dump	35 m to south	Production	Conservation of biodiversity.	Same as prior information
Jachu Ujina and Represa Wetlands	Concentration plant	2.7 km to southwest	Production	Site protected by National Water Board (DGA).	Same as prior information
Irruputuncu Volcano	Coposa Norte and Portezuelo well fields	Coposa Norte: 20 km to north; Portezuelo: 6 km to south.	Water withdrawal	Queñoas tree compensation areas.	Queñoa tree compensation area which is modified during 2015 season to Pabellón el Inca mountain.
Punta Patache	Collahuasi Shipping Terminal	1 km to northeast.	Shipment port - Molybdenum plant	Priority conservation site	Same as prior information



SECTOR	PROGRESS
Coposa Salt Flat and Jachucoposa Wetland	Same as prior information
Michincha Salt Flat	Same as prior information
Ujina Carcanal	Same as prior information
Jachu Ujina and Represa Wetlands	Same as prior information
Chiclla Wetland	Same as prior information
Irruputuncu Volcano	Queñoa tree compensation area which is modified during 2015 season to Pabellón el Inca mountain.
Punta Patache	Same as prior information

Habitats restored by Collahuasi

PROTECTED/RESTORED HABITAT	STATUS	CONDITION OF AREA	SIZE OF AREA	PROGRESS
Jachucoposa Wetland	Restoration underway	Good	8 hectares	Restoration underway
Michincha Salt Flat	Restoration underway	Acceptable	3 hectares	Restoration underway
Jachu Ujina and Represa Wetlands	Without intervention	Good	23.8 hectares	Without intervention
Chiclla Wetland	Restoration underway	Good	1.8 hectares	Restoration underway
Irruputuncu Volcano	Restoration underway	Good	60.3 hectares	Queñoa tree compensation area which is modified during 2015 season to Pabellón el Inca mountain.

PROTECTED/RESTORED HABITAT	PROGRESS
Jachucoposa Wetland	Restoration underway
Michincha Salt Flat	Restoration underway
Jachu Ujina and Represa Wetlands	Without intervention
Chiclla Wetland	Restoration underway
Irruputuncu Volcano	Queñoa tree compensation area which is modified during 2015 season to Pabellón el Inca mountain.

G4-EN14: SPECIES MONITORED IN HABITATS AFFECTED BY OPERATIONS.

PROTECTED/RESTORED HABITAT	STATUS
Coposa Salt Flat	Flamingos and vicuñas
Michincha Salt Flat	Vicuñas
Chiclla Wetland	Wetlands (1.8 hectares)
Irruputuncu Volcano	Queñoas (84 hectares)
Punta Patache	Marine otters, sea lions

PROTECTED/RESTORED HABITAT	PROGRESS
Coposa Salt Flat	Same as prior information.
Michincha Salt Flat	Same as prior information.
Chiclla Wetland	Same as prior information.
Irruputuncu Volcano	Same as prior information.
Punta Patache	Same as prior information.

GRI SUPPLEMENTARY INFORMATION

OTHER ENVIRONMENTAL ISSUES

GRI INDICATOR/ G4	DESCRIPTION	2014	2015
ENVIRONMENTAL EXPENDITURES			
G4-EN30	Cost of waste treatment, treatment of emissions and remediation USD	6,456,435	6,616,884
	Cost of environmental prevention and management USD	7,559,977	2,587,965
WASTES			
G4-MM3, EN24	Massive Mining Wastes Tons		
	Sterile material from mine	184,985,278	163,050,047
G4-EN25	Weight (tons) of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	All hazardous waste generated by Collahuasi is transported and treated by Chilean companies. In 2014, a total of 2,894 tons of hazardous waste were transported from the Cordillera Facilities and Collahuasi Shipping Terminal where they were collected by GESAM, Transportes Moscoso y Moscoso, Transportes Alborada and Transportes Pitancura to be taken to Hidronor (Antofagasta), Soluciones Ambientales del Norte Ltda. (Sierra Gorda), Recicladora Ambiental (Calama), Crowan (San Antonio), Inacesa (Antofagasta) and Cementos Bio Antofagasta.	Hazardous wastes generated in both worksites are sent to Hidronor Chile, who receives solid hazardous wastes, and whose plant is located in Antofagasta. Liquid hazardous wastes are sent to Cementos Bio plant in Antofagasta, transported by Alborada company. Solid hazardous wastes are transported by Veratrans company. In 2015, 3,372 total tons of hazardous wastes were sent for treatment.
DISCHARGES			
G4-EN24	Total number of significant accidental spills		
	Number		
	Category 1		
	Category 2	4	2
	Category 3		
	Category 4		
	Category 5		
	Volume of significant accidental spills m ³	2,370	600

GRI INDICATOR/ G4	DESCRIPTION	2013	2014	2015
MATERIALS USED				
G4-EN1	Sulphuric acid Tons	77,571	50,786	68,382
	Steel balls Tons	37,534	37,538	36,771
	Mining oil Litres	2,738	N/A	2,368
	NaSH Tons	2,848	2,921	678
	Flocculants Tons	563	439	739
	Tires Units	737	920	0%
G4-EN2	Percentage of recycled materials Total recycled materials / Total used materials x 100	37.5%	37.5%	42.4%



WORK

MINING AND HUMAN CAPITAL

GRI INDICATOR/G4	DESCRIPTION	2013	2014	2015
EMPLOYMENT				
G4-9	Number of employees (indefinite and fixed-term contract)			
G4-10	Total	2,740	2,640	2,241
	Men	2,658	2,556	2,165
	Women	82	84	76
	Tarapacá Region	1,286	1,217	1,007
	Metropolitan Region	194	207	186
	Other regions in Chile	1,260	1,216	1,048
	Other countries	0	0	
	Less than 30 years of age	317	267	211
	Between 30 and 50 years of age	2,098	1,988	1,677
	Over 50 years of age	325	385	353
	Total number of contractors' employees	4,553	4,722	4,225
G4-10	Employees by type of contract, gender, place of origin and age			
	Permanent employment contract			
	Total	2,677	2,581	2,198
	Men	2,597	2,499	2,124
	Women	80	82	74
	Tarapacá Region	1,238	1,180	971
	Metropolitan Region	190	204	184
	Other regions in Chile	1,249	1,197	1,043
	Other countries	0	0	0
	Less than 30 years of age	272	211	169
	Between 30 and 50 years of ae	2,082	1,986	1,676
	Over 50 years of age	323	384	353
	Fixed-term contract			
	Total	63	59	43
	Men	61	57	41
	Women	2	2	2
	Tarapacá Region	48	37	36
	Metropolitan Region	4	3	2
	Other regions in Chile	11	19	5
	Other countries	0	0	0
	Less than 30 years of age	45	56	42
	Between 30 and 50 years of ae	16	2	1
	Over 50 years of age	2	1	x
	Apprentices			
	Total	69	29	18
	Men	69	29	18
	Women	0	0	0
	Tarapacá Region	50	29	18
	Metropolitan Region	0	0	0
	Other regions in Chile	19	0	0
	Other countries	0	0	0
	Less than 30 years of age	69	29	18
	Between 30 and 50 years of ae	0	0	0
	Over 50 years of age	0	0	0

GRI SUPPLEMENTARY INFORMATION

GRI INDICATOR/ G4	DESCRIPTION	2013	2014	2015	
G4-10	Seconded contract				
	Total	5	2	2	
	Men	5	2	2	
	Women	0	0	0	
	Tarapacá Region	0	2	0	
	Metropolitan Region	5	0	2	
	Other regions in Chile	0	0	0	
	Other countries	0	0	0	
	Less than 30 years of age	0	0	0	
	Between 30 and 50 years of age	4	2	2	
	Over 50 years of age	1	0	x	
	G4-LA1	Total number of new employee hires			
Total		243	138	129	
Men		241	126	122	
Women		2	12	7	
Tarapacá Region		122	74	95	
Metropolitan Region		24	24	17	
Other regions in Chile		97	40	17	
Other countries		0	0		
Less than 30 years of age		131	92	101	
Between 30 and 50 years of age		102	39	25	
Over 50 years of age		10	7	3	
Rate of new employee hires. % of total employees		8,6% (243/2.814)	5,0% (138/2.740)	5,7% (129/2.261)	
Number of employees leaving the organization					
Total		220	175	446	
Men		209	164	432	
Women		11	11	14	
Tarapacá Region		94	70	188	
Metropolitan Region		33	24	59	
Other regions in Chile		93	81	199	
Other countries		0	0		
Less than 30 years of age		15	12	33	
Between 30 and 50 years of age		169	135	307	
Over 50 years of age		38	28	106	
Average employee turnover. % of employees leaving the organization/ total annual average of employees.		8.1% (269/2,814)	6.7% (175/2,602)	18.1% (446/2,458)	
G4-LA3		Return to work and retention rates after parental leave, by gender			
		Total number of employees who were entitled to parental leave	109	117	90
		Men	97	103	79
	Women	12	14	11	
	Total number of employees who exercised their right to parental leave	109	117	90	
	Men	97	103	79	
	Women	12	14	11	
	Total number of employees who returned to work after parental leave ended	108	116	90	
	Men	96	103	79	
	Women	12	13	11	
	Total number of employees who returned to work after parental leave ended who were still employed twelve months after their return to work	101	112	82	
	Men	90	99	71	
	Women	11	13	11	



GRI INDICATOR/ G4	DESCRIPTION	2013	2014	2015
TRAINING AND DEVELOPMENT				
G4-LA9	Average hours of training per employee per year (h/employee)			
	Total	54.62	14.31	31.239381
	Men	55.43	14.30	30.860348
	Women	28.74	14.50	42.131579
	Executives	19.38	17.64	10.076923
	Supervisors	32.39	21.79	20.534447
	Operators/maintenance personnel	63.86	11.87	35.609422
	Total training hours (thousand hours)	153,964	38,384	70,601
	Amount invested in training (thousand USD)	3,194	1,206	1,600
G4-LA11	Percentage of employees receiving regular performance and career development reviews. Base: Indefinite contracts in force as of 31 Dec.			
	Total	99%	99%	99%
	Men	99%	99%	98%
	Women	100%	96%	100%
	Executives	97%	96%	97%
	Supervisors	99%	99%	99%
	Operators/maintenance personnel	0	N/A	N/A
DIVERSITY AND EQUAL OPPORTUNITY				
G4-LA12	Composition of corporate governance bodies and breakdown of employees By post and gender:			
	President and Vice-president			
	Men	9	9	9
	Women	1	1	
	Managers and Superintendents			
	Men	117	103	85
	Women	8	7	9
	Professionals			
	Men	565	512	417
	Women	69	73	62
	Operators, administrative and similar personnel			
	Men	2,041	1,933	1,654
	Women	4	3	5
	By post and age:			
	President and Vice-president			
	Less than 30 years of age	0	0	0
	Between 30 and 50 years of ae	6	5	5
	Over 50 years of age	4	5	4
	Managers and superintendents			
	Less than 30 years of age	0	0	0
	Between 30 and 50 years of ae	100	82	72
	Over 50 years of age	25	28	22
	Professionals			
	Less than 30 years of age	57	39	23
	Between 30 and 50 years of ae	488	449	380
	Over 50 years of age	89	97	76
	Operators, administrative and similar personnel			
	Less than 30 years of age	329	228	188
	Between 30 and 50 years of age	1,508	1,453	1,220
	Over 50 years of age	208	255	251



GRI SUPPLEMENTARY INFORMATION

GRI INDICATOR/ G4	DESCRIPTION	2013	2014	2015
G4-LA12	By age and gender:			
	Less than 30 years of age			
	Men	375	255	205
	Women	11	10	6
	Between 30 and 50 years of age			
	Men	2,042	1,930	1618
	Women	60	60	59
	Over 50 years of age			
	Men	315	371	342
Women	11	14	11	
G4-HR3	Total number of incidents of discrimination and corrective actions taken	ND	0	0
GRIEVANCE MECHANISMS ON LABOUR PRACTICES				
G4-LA16	Total number of grievances about labour practices filed, addressed and resolved through formal grievance mechanisms in the reporting period	9	2	11
	Internal stakeholders (workers and unions)	5	1	4
	External stakeholders (suppliers, community representatives, authorities, etc.)	4	1	7
	Total number of grievances about labour practices filed through formal grievance mechanisms before the reporting period and resolved during the reporting period	4	4	0
	Internal stakeholders	3	3	0
	External stakeholders	1	1	0
GRIEVANCE MECHANISMS ON HUMAN RIGHTS				
G4-HR12	Total number of grievances on human rights filed, addressed and resolved through formal grievance mechanisms in the reporting period	0	10	14
	Internal stakeholders	0	8	4
	External stakeholders	0	2	10
	Total number of grievances on human rights filed before the reporting period and resolved during the reporting period.	0	0	1
	Internal stakeholders	0	0	0
	External stakeholders	0	0	1
HUMAN RIGHTS				
INVESTMENTS AND HUMAN RIGHTS				
G4-HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening.	Although there are no explicit clauses, as from 16 December 2013, contract documents include the company's Sustainability Policy which internalizes matters relating to human rights.		



OCCUPATIONAL HEALTH AND SAFETY

GRI INDICATOR/G4	DESCRIPTION	2013	2014	2015
SAFETY				
G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees %	100%	100%	100%
G4-LA6	Fatalities Number			
	Men	0	0	0
	Women	0	0	0
	Collahuasi	0	0	0
	Total workers from contractor companies	0	0	0
	Projects	0	0	0
G4-LA6	Lost time injuries			
	Collahuasi	4	4	11
	Total workers from contractor companies	13	9	6.56
	Projects	0	3	1
G4-LA6	Lost days rate for men	2.23	14.09	9.35
	Lost days rate for women	0	0	16.44
	Accident rate men	0.14	0.14	0.11
	Accident rate women	0	0	0.37
OCCUPATIONAL HEALTH				
G4-LA7	Workers with high incidence or high risk of occupational diseases	16 workers with impact on hearing that must be controlled to prevent evolution into occupational disease.	2.2%. 41 workers with impact on hearing that must be controlled to prevent evolution into occupational disease. Total number of workers with disorder is divided by total workers exposed to noise (1860), by 100. 0.77% 19 workers with high levels of hemoglobin. Total number of workers with disorder is divided by total workers exposed to geographical altitude informed by HR (2461), by 100	0 0
G4-HR7	Percentage of safety personnel trained on company's policies or procedures on human rights	100% of safety personnel is provided Collahuasi's Internal Order, Health and Safety Regulations and Sustainability Policy. The following explicit reference is made in both documents: "Understand and accept principles set forth in the Universal Declaration of Human Rights".		

GRI SUPPLEMENTARY INFORMATION

COMMUNITY

GRI INDICATOR/ G4	DESCRIPTION	2013		2014		2015	
LOCAL MONTHLY WAGE							
G4-EC5	Ratios of standard entry level wage by gender and minimum monthly wage (MMW)	Standard entry level wage	Relation with MMW	Standard entry level wage	Relation with MMW	Standard entry level wage	Standard entry level wage
	Apprentices	420,000	+ 100%	420,000	+ 87%	482,000	+ 100%
	Trainees	795,470	+ 379%	843,748	+ 275%	877,447	+ 264%
	Operators	949,658	+ 379%	1,007,294	+ 275%	1,047,525	+ 264%
LOCAL EMPLOYMENT							
G4-EC6	Percentage of senior management hired from the local community at significant locations of operation		0%		0%		0%

G4-20, G4-21: COVERAGE OF EACH MATERIAL ASPECT WITHIN AND OUTSIDE THE ORGANIZATION

MATERIAL ISSUE	COVERAGE: WHERE DO THE IMPACTS OCCUR?	
	WITHIN COLLAHUASI	OUTSIDE COLLAHUASI
ESTRATEGIA Y GOBIERNO		
• Business strategy	X	
• Environmental-social and risk management compliance.	X	
• Corporate governance.	X	
• Ethics and human rights.	X	X (contractors)
SOCIETY		
• Relations with the community.	X	
• Support for regional and local development.	X	
ENVIRONMENT		
• Water (sustainable extraction, efficiency).	X	
• Energy and climate change (energy efficiency, carbon footprint, NCRE).	X	
• Biodiversity.	X	
• Wastes and odor.	X	
• Environmental incidents.	X	
EMPLOYMENT		
• Occupational health and safety.	X	X (contractors)
• Labor relations.	X	X (contractors)
• Occupational quality of life.	X	X (contractors)
• Talent attraction and retention.	X	
• Development.	X	
• Contractors' and suppliers' sustainability.		X



COMPAÑÍA MINERA DOÑA INÉS DE COLLAHUASI

Iquique Offices

Avenida Baquedano 902
Iquique, 1st Tarapacá Region, Chile
Telephone: +56 57 2417 777
Postal Code: 1100960

Pica Offices

Blanco Encalada 260
Iquique, 1st Tarapacá Region, Chile
Telephone +56 57 2741 258
Postal Code: 117007

Santiago Offices

Avenida Andrés Bello 2687, 11th floor
Las Condes, Santiago, Chile
Telephone: +56 2 2362 6500
Fax: +56 2 362 6562
Postal Code: 7550611
www.collahuasi.cl

Sustainable Development Report 2015 - Compañía Minera Doña Inés de Collahuasi

Senior Management:

Corporate Affairs Management

Content development:

Corporate Citizenship

Design:

Interfaz Diseño

Photograph:

Archivo Collahuasi

Print:

Ograma Impresores

July 2016

PRINTED ON STONE PAPER

FREE OF CELLULOSE

FREE OF PVC

MINERAL ORIGIN



COLLAHUASI

Accionistas CMDIC



GLENCORE

