



# Peruvian World class copper

2018 SUSTAINABILITY REPORT

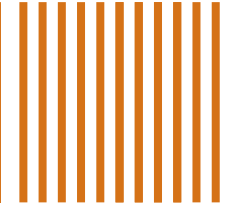
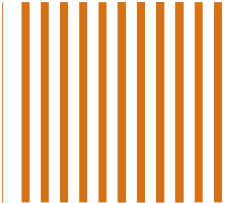





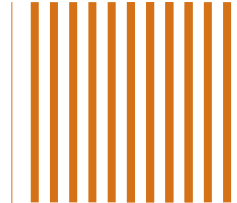
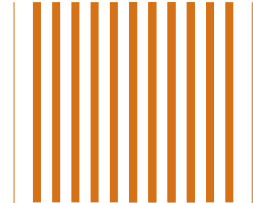


# Peruvian world class copper

2018 SUSTAINABILITY REPORT



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## Letter from the President and CEO | GRI 102-14 |

Dear Friends:

With great satisfaction we present the 2018 Sustainability Report, which renews our commitment to the excellent performance of Antamina's operations, as well as to the transparency in our economic, social and environmental performance.

I am proud to lead one of the most reputable companies in social responsibility and one of the ten great companies to work for in Peru, according to the independent surveys performed by reputable rankings. I can attest to the daily effort of all our collaborators, strategic partners and suppliers. The objective was and is one: to make Antamina a world-class Peruvian copper producer, goal that we have achieved and that we aim to sustain.

For that reason, we continue working to generate value for all our stakeholders and to fulfill our responsibilities with the Peruvian State, with which we have contributed more than US\$ 800 million in taxes and tributes only in 2018.

Our performance is based on the highest international standards, which include certifications such as ISO 14001, OHSAS 18001 and ISO 9000, among others. Likewise, ethical and compliance management is part of these standards and has involved training of our staff and active management of our ethical line, to solve possible violations to our Code of Conduct.

In the same direction, we are also adjusting our standards to the ICMM principles the most prestigious global union in the field of sustainable mining. In this way we always seek to develop our operations in accordance with ISO and OHSAS standards the Global Reporting Initiative standard, the United Nations Sustainable Development Goals and the Guiding Principles on Business and Human Rights.

As in previous reports, in this document we also give account of our specific commitment to the region that welcomes us. During 2018, more than 40% of our employees came from Ancash. We also make local purchases for about US\$ 40 million.

Our commitment to Ancash also incorporates joint work with the communities in our area of influence and with their authorities, under a multi-stakeholder model that equates everyone's role in the search for a common vision of development. We are, as a private company, an agent that joins and contributes to high impact progress. A tangible expression of this participation is that Antamina is the second investor in the work for taxes mechanism nationwide, with 41 social infrastructure projects.

Our environmental responsibility is another aspect in which we obtained good results in 2018. We registered 100% environmental compliance, we reused 99% of the water from our operations and we have been reducing greenhouse gas emissions for the third consecutive year. This performance is socialized with the communities through our participatory environmental monitoring program, which also includes the State audit entities and the main university in the region. That is why this Antamina policy has been recognized as a good practice by the UNDP and the NGO Ciudadanos al Día.

For all the reasons mentioned, I invite you to review our report, which details these and other achievements of our comprehensive performance, as well as the challenges of our industry, which we assume with the greatest commitment.

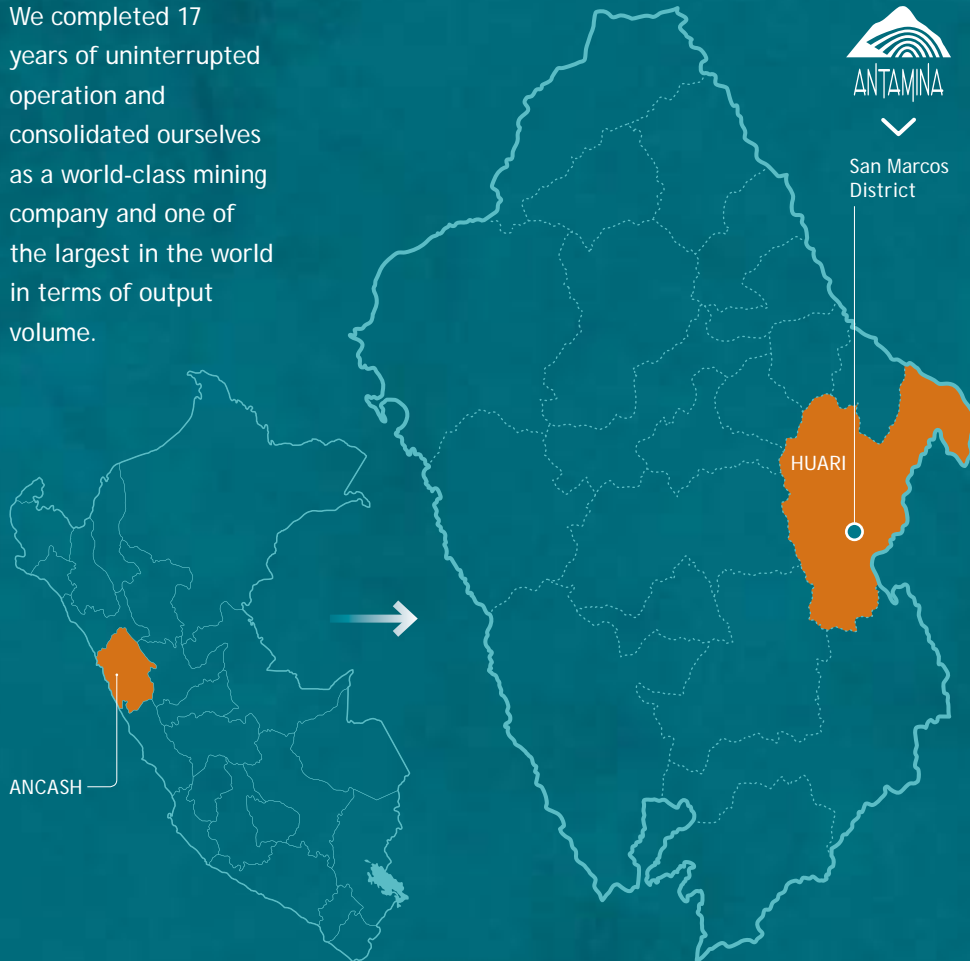
From Antamina, and together with all the great team that accompanies me, we will continue to do responsible mining with the highest international standards, from Ancash to the world.

Abraham Chahuan  
President y CEO  
Compañía Minera Antamina S. A.



## 2018 in figures

We completed 17 years of uninterrupted operation and consolidated ourselves as a world-class mining company and one of the largest in the world in terms of output volume.



We produce copper, zinc and molybdenum concentrate from the central Peruvian Andes, over 4000 m.a.s.l. We transfer them through an underground pipeline to the Punta Lobitos (Huarmey) shipping port on the Peruvian central coast and from there we export it to 15 countries (China is the main destination, since it concentrates more than 60% of our export).

▶ **766**  
employees

▶ **2015**  
operators

▶ **US\$ 39,59**  
million  
in purchases from  
more than 180 Ancash  
suppliers (of total  
purchases of the year)

▶ **100%**  
environmental  
compliance

▶ **99%**  
water reuse  
in operations

▶ **s/2791**  
million  
is the total amount of  
taxes paid in the year

▶ **Third** consecutive year  
of reducing greenhouse gas  
emissions

▶ **Second** company in  
the ranking of work for taxes  
investment (17% of the total  
investment nationwide)





In Antamina we produce copper, zinc and molybdenum concentrate.







During 2018 our excellent performance was possible thanks to the participation of 766 employees and 2015 operators.





# 1

## We are excellence. We are Antamina

We have distributed an economic value of about US\$ 3000 million during 2018 alone, our seventeenth year of operation. This achievement was obtained by maintaining high management standards.



## Global Standards Mining

We are Antamina, a polymetallic mining company that operates in the San Marcos district providence of Huari, Ancash region in the central Andes of Peru. We are owned by a group of leading mining corporations, such as BHP, Teck, Glencore and Mitsubishi.

| GRI 102-14 |

In our 17 years of operation we have characterized ourselves for seeking excellence in all areas of our management and the quality of our products, always acting in accordance with international safety, environmental and social standards.

### KEY DATA 2018

| GRI 102-2 |

#### Main products:

- Production and commercialization of mineral concentrates (type A, B and C copper, zinc, silver, molybdenum and lead / bismuth)

#### Net sales (2018):

- US\$ 3 426 578 751

#### Capitalization:

- Passive: US\$ 1 665 555 718
- Active: US\$ 5 547 030 642



### The beginning

The origins of our operation date back to the 19th century, when the famous naturalist Antonio Raimondi discovered the ore deposit that gives rise to our company. This site began its exploitation in 2001 after it was acquired from the Peruvian State by the companies Rio Algom and Inmet.



### Investment for the future

The investment we made to launch Antamina was one of the largest in Peru:

**US\$ 2 600 million**

## Peruvian copper

Peru is the second largest copper producing country in the world. This mineral, which is the product that we export most as a country, has characteristics of high conductivity of electricity and heat, so it is present in all the technological and electronic devices we know, such as mobile phones and computers.

Therefore, due to its infinite applications in the technology, construction, electronics industry, etc. copper is in high demand. For more information on its uses, visit <https://www.antamina.com/beneficios-del-cobre/>

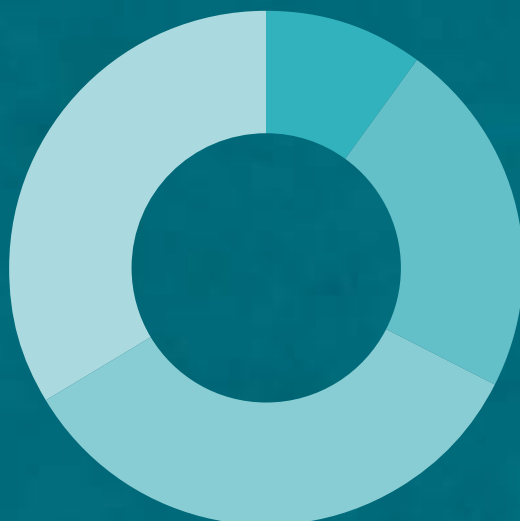
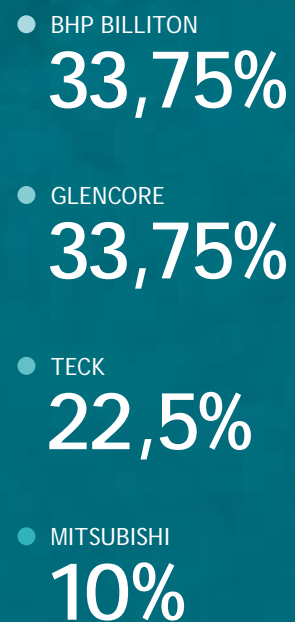




## OUR SHAREHOLDERS AND CORPORATE GOVERNANCE | GRI 102-18 |

We are a company constituted under Peruvian laws, with Peruvian workers who day by day seek to make Peru a better country. Antamina is the product of a strategic alliance of four leading companies in the global mining sector.

Our shareholders are the following: | GRI 102-5 |



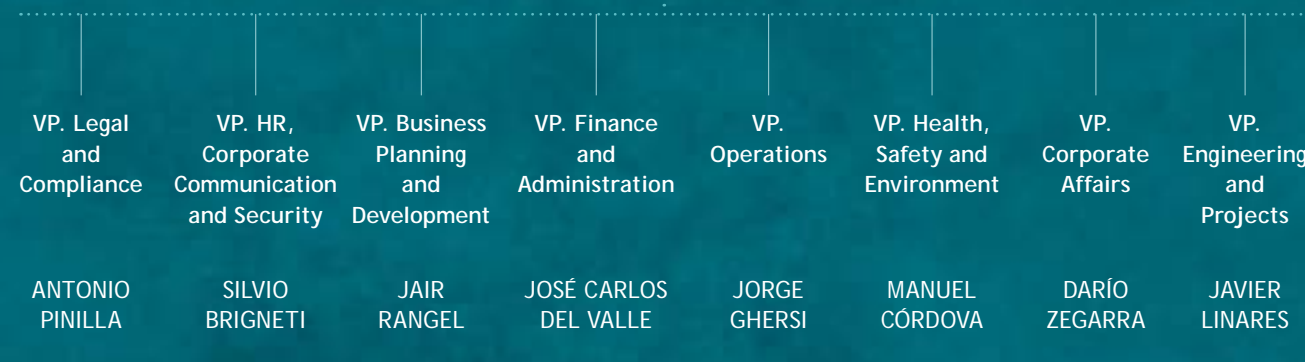
The board of Antamina is composed of nine members. The position of the chairperson of this body is rotating and is renewed annually. The board has three committees:

- Business Planning and Strategy Committee
- Finance and Audit Committee
- Advisory Committee It is composed of representatives of the four shareholders. The Advisory Committee oversees the management of the company's economic, environmental and social performance.

## Executive structure



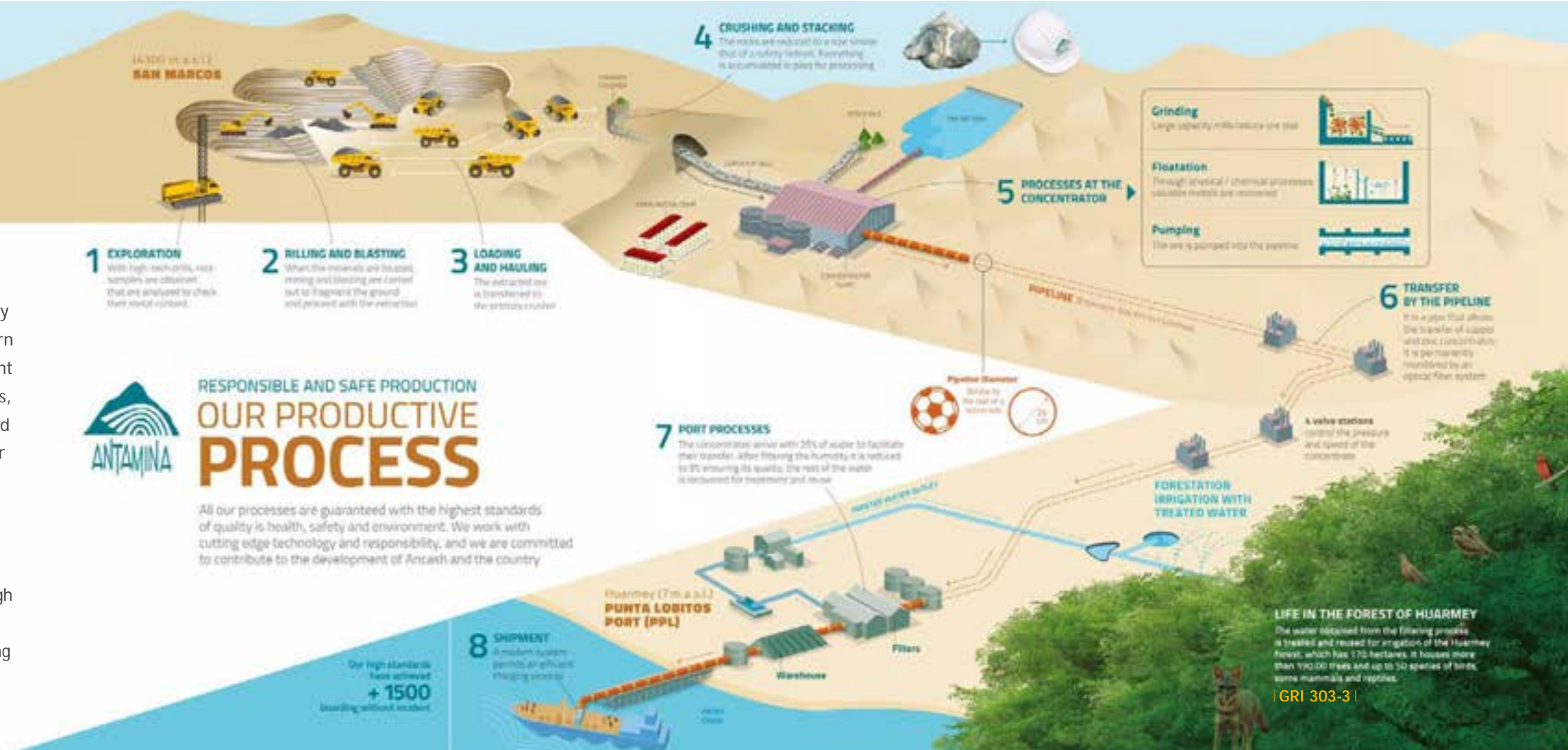
**President & CEO**  
**ABRAHAM CHAHUAN**





# Our activity

The deposit of our company is a high complexity polymetallic skarn and with different types of minerals, which are treated in a concentrator plant with one sequence per campaign. Our products are extracted through a production process consisting of eight stages, detailed below:







Our products go through an eight stage process before being distributed.







Our minerals are transported by a pipeline of more than 300 kilometers of route that starts from the Andes of the Black mountain range in Ancash until reaching the central coast of Peru. It is a high-tech system that considerably reduces the environmental and social impact, as it prevents the mobilization of heavy vehicles.

## We prevent impacts through the pipeline

The transport of our mineral balances a job based on high technology and a concern for the impact on the environment and communities. Therefore, an important part of our added value lies in building trust in our operations through efficient and sustainable transport over time, of mineral concentrates.

The benefits of transporting our production through a pipeline are considerable: 304 km are traveled underground from our mine operations to the Punta Lobitos port, without truck traffic by road (avoiding traffic accidents and noise generation), with a closed pulp transport circuit (does not emit dust) that is permanently monitored. Its use has reduced the use of fuels, as well as the carbon footprint of our operation.

| GRI 302-4 |

Production is transported through a pipeline that travels 304 km underground to the Punta Lobitos port.



## Milestones



1860

Identification of the Antamina ore deposit by Antonio Raimondi.

1952

Integration into the exploration project portfolio of Cerro de Pasco Mining Company.

1996

Privatization of the Antamina ore deposit.

1997

Culmination of exploration.

1998

EIA feasibility development and project development confirmation.

2001

Test operations, first shipment of concentrates and start of commercial production.

2010

Announcement of the expansion project that increased production by 30%.



## Organizational philosophy and main guidelines | GRI 102-16 |

We seek and achieve benefits for both our company and for the area in which we develop our operations. Our tangible and intangible resources allow us to generate value in a responsible manner.

We understand that the construction and sustainability of our reputation depends on actions that are permanent over time, because without good management we would lose important opportunities, talents, responsible partners and capital.

Two of the fundamental guidelines that govern our operations effectively are the following:

### Our mission



We achieve extraordinary and predictable outcomes in health and safety, environment, community relations, quality and efficiency, with the commitment, participation and leadership of our people.

### Our vision



Peruvian example of mining excellence in the world. Extraordinary leaders transforming challenges into successes. Working for the development of tomorrow... Today!

We also have values that are fundamental pillars of our performance and behavior:





## Strategic Value Model

In addition to our pillars, we have a strategic value model that expresses the way we implement our vision and mission.



### Our value proposition and differentiation | GRI 102-16 |

Maximize value with positive results for all interest groups.



### Our strategic processes

We reach a high degree of efficiency showing sustainable continuous improvement, with worldwide recognition.



### Our social-environmental responsibility

We efficiently articulate resources for the populations of our area of strategic influence promoting sustainable development. We proactively embrace health and safety by protecting people and property.



### Our people

We achieve extraordinary results in all areas with the commitment, participation and leadership of our people.

### Operational excellence

We implement continuous improvement processes to optimize the company's productivity while maintaining competitive costs. We fulfill the planned metal production.

### Health and safety

We have an excellent performance of the health and safety management of our operation, projects and transportation within the standards of the global mining industry, controlling critical risks, focusing on achieving zero harm and zero fatalities.

### People development

We have a motivated and competent team, aligned to the culture of Antamina.

### Our reputation

Peruvian example of mining excellence

### Value creation

Tangible and intangible



### Business development

We select and implement the best projects by adding the value offered in business cases.

### Sustainable development

We have an excellent social and environmental performance that generates favorable conditions for the development of our operation, promoting the participation of the State, communities and civil society, in order to improve the perception of welfare and quality of life of the population in our area of strategic influence.

### Our resources

Human resources, minerals, assets, supply network, information technologies, knowledge, etc.

### Forging Antamina

Constitutive act, bold statement, statement of responsibilities, values.





# Economic value generated and distributed

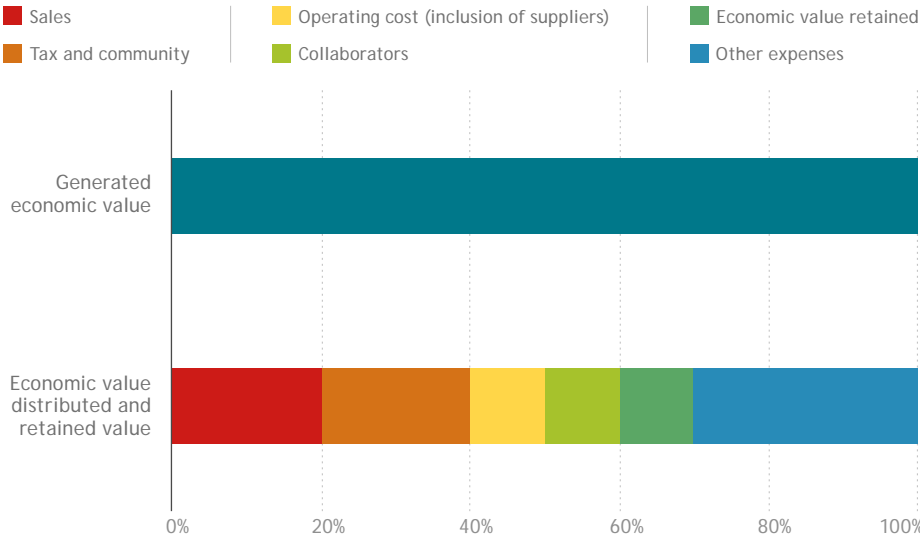
During the reporting period, our revenues exceeded US\$ 3000 million and we distributed a value of US\$ 2997 million, which were allocated to operating costs, to our collaborators, strategic partners and suppliers, taxes, social investment, etc.

| GRI 201-1 |

During 2018 we distributed an economic value of US\$ 2997.69.



Value generated, distributed and retained



Economic value in the last three years (in millions of dollars)

	2016	2017	2018
Direct economic value created (Total net income: net sales + income from financial investments + asset sales)	2390,24	3497,48	3426,58
Direct economic value created (Total expenses: operating costs, employees, taxes, community and other expenses)	-1956,10	-3020,63	-2997,69
Retained economic value (Economic value created minus distributed economic value)	434,13	476,84	428,89

We comply fully with the taxes stipulated for companies in our sector. In 2018 alone, we have contributed with the Peruvian State with US\$ 836 million in taxes and tributes. These tax obligations are broken down as follows:

| GRI 201-1 |

### Taxes paid in 2018:



Payment for Income Tax

**S/1998**  
million



Extraordinary Mining Tax

**S/302**  
million



Mining royalties

**S/356**  
million



Temporary Tax  
on Net Assets

**S/72**  
million



Supplementary Fund  
for Mining Retirement

**S/33**  
million



Contribution per  
regulation to Osinergmin

**S/17**  
million



Contribution per  
regulation to OEFA

**S/13**  
million

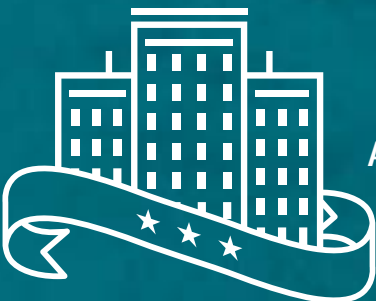




Associations and initiatives to which we belong

| GRI 202-13 |

- Procobre Organization - International Copper Association (ICA)
- International Zinc Association
- Extractive Industries Transparency Initiative (EITI)
- National Society of Mining, Oil and Energy (SNMPE)
- Peru 2021 Patronage Association
- Huaraz Chamber of Commerce
- American Chamber of Commerce of Peru (Amcham)
- Peru Canada Chamber of Commerce
- Peru Australia Chamber of Commerce
- Dialogue Group of Mining
- Peruvian Human Resources Association
- Peruvian Institute of Economy



Awards and recognitions 2018

According to the Merco business reputation study, Antamina was considered the company with the best reputation and the one with the highest recognition in corporate responsibility and governance in the mining sector.	In addition, we have been ranked within the top 10 companies of Merco Talent, ranking about the brands that have the best perception of places to work.	We have received recognition for being one of the main companies that have promoted works for taxes mechanism.	We received the Good Public Management practices certification from the Ciudadanos al día (Citizens up to date) institution, for the project "The spiral of development: taking a chance on territorial development with a multi-year and multi-sector vision", developed in the Chavín de Huántar district.	We received the Good Practices certification from the United Nations Development Program (UNDP), for multi-stakeholder participatory monitoring among Antamina, the Evaluation Agency and Environmental Control (OEFA), the National University Santiago Antúnez de Mayolo and the Juprog community in order to enhance transparency in social-environmental management.

# 2

## Antamina ADN

We have a Corporate Compliance Program aimed at preventing risks related to corporate compliance. We also have a vision of sustainable development that conceives our company as an actor in the development of Ancash and Peru.





# Sustainability for the future | GRI 102-16 |

As our vision points out, in Antamina we work in the present for a mining of the future. Our policies express the efforts to become one of the best places to develop Peruvian talent, a work space that minimizes risk factors for our people. Likewise, we work to consolidate ourselves as a company that respects national norms and environmental requirements, and for being recognized, involved in the progress of Ancash and Peru.

The purpose of these guidelines is to guarantee the sustainability of our operations and contribute to the development of our area of influence, the region and the country, building transparent relationships with public, private and civil societ institutions.

## Antamina’s main guidelines and policies

### CODE OF CONDUCT

Compliance Policies	<ul style="list-style-type: none"><li>• Corporate Compliance Policy</li><li>• Anti-Bribery Policy</li><li>• Procedure for the acceptance and delivery of gifts and courtesies</li><li>• Procedure for the Contracting of Third Parties</li><li>• Procedure to Authorize Expenses in Favor of Third Parties</li><li>• Manual of Prevention of Money Laundering and Financing of Terrorism</li></ul>
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SSMARC Policy (Health and Safety, Environment and Community Relations)

Quality Policy of Punta Lobitos Port

Information Security Policy

Risk Management Policy, Change Management and Business Continuity

Antamina Human Rights Policy

We work in the present for a mining of the future.



## Antamina and the ICMM<sup>1</sup> ten principles

The International Council on Mining & Metals (ICMM) is an organization that promotes a safe, fair and sustainable mining and metallurgical industry. It promotes ten principles on the following points:

- 1 • Transparency
- 2 • Sustainable development
- 3 • Climate change
- 4 • Respect for human rights
- 5 • Effective risk management

6 • Continuous improvement in health and safety looking for “zero harm”

7 • Responsible use of water and energy, recycling planning and waste disposal

8 • Biodiversity conservation

9 • Proactive participation with stakeholder

10 • Continuous improvement in the contribution to social welfare

Currently, our company is following alignment process with the ICMM ten

principles, as well as with the mandatory requirements of its declaration of principles. The latter are aligned with various international standards and initiatives, such as ISO standards, OHSAS, Global Reporting Initiative (GRI), United Nations Sustainable Development Goals (SDGs) and the Guiding Principles on Business and Human Rights.

| GRI 102-11 |

| GRI 102-12 |

| GRI 102-13 |

| GRI 102-16 |

We carry out continuous training on effective risk management, safety and health.



1/ For further information on the ICMM, go to <https://www.icmm.com>



## Certifications in our management system | GRI 102-11 |

In Antamina, excellence and continuous improvement translate into management systems and instruments that contribute to the increase value of our activity. The certifications by which we operate on a daily basis are proof:

- ISO 14001: Environmental Management System
- ISO 14064: Verification and Accounting of Greenhouse Gases
- OHSAS 18001: Health and Safety Management System
- ISO 9001: 2015 Quality Management System.

• ISO 17025 accreditation for our Punta Lobitos port and mine laboratories

In fact, our Integrated Management System (GIS) is certified by TÜV Rheinland of Germany. This certification covers:

- Mine
- Slurry pipeline
- Punta Lobitos Port
- External transport
- Lima Offices

Our approach to continuous improvement implies that the management system has mechanisms to incorporate

the feedback received from our stakeholders. This in order to optimize them gradually.

Since November 2018 we have the ISO 270001 international certification, which allows us the assurance, confidentiality and integrity of the data and information of our company. The scope of this standard will be extended in the coming years to more processes of the company.

### Importance



The value of a management system for an organization enables the increase in its performance by incorporating issues such as safety, quality, environment, information security, variables that are verifiable by third parties. It also integrates procedures into operations.



### In 2018



We conducted an external audit of the integrated management system with the TÜV company that did not report disconformities and instead presented 34 improvement opportunities.



## Risk management

The Integral Risk Management System of Antamina (SIGRA) allows it to identify, analyze, evaluate risks and propose controls in our operations to avoid, replace or propose different ways with which to keep risks under control. It also helps prevent them from happening again once they have been presented, due to their learning processes.

Our shareholders periodically review SIGRA, which also works under a continuous improvement approach.





# Ethics and compliance

| GRI 102-16 |  
| GRI 105-1 |

Our Code of Conduct is very clear in establishing what is expected of the behavior of its employees and its strategic partners in aspects such as the following:

- Legislation Compliance
- Bribery
- Situations that generate conflict of interest
- Provisions about gifts and courtesies
- Negotiations
- Situations of discrimination and harassment
- Confidentiality of information
- Registration of information about company assets
- Political contributions

- Commitment to sustainable development and social responsibility
- Linking with other company policies

Each member of the company, including our strategic partners, receives and reads this code at the beginning of their collaboration, subscribing their commitment to it.

Along these same lines, we regularly provide face-to-face and virtual training. They have allowed us to reinforce our objective of ethics and integrity, and also helped us to strengthen the internal policies and procedures that we have generated for the management of this approach.

In addition, in Antamina we have a Corporate Compliance Policy that establishes responsibilities (which include the board of directors) and that is linked to international standards, anti-bribery regulations and national regulations regarding the prevention of money laundering and terrorist financing.

In this regard, we conduct annual talks and prioritize the most vulnerable areas against ethical problems. In addition, we schedule a special interannual face-to-face session for strategic partners and suppliers, who sign ethical clauses that oblige them to respect the Code of Conduct, as well as all our ethical policies and procedures.

| GRI 205-2 |

## Ethical line



It is a communication channel managed by an independent third party, which aims to receive complaints about possible violations of our Code of Conduct and / or Corporate Compliance policies. This medium - which uses a voice platform, telephone attention, voice mail and / or face-to-face service - allows our workers or any third party to make a report in good faith or on the basis of a reasonable belief and thus be able to identify the Failures of our ethical behavior so that we can improve and act in a timely manner.

It should be noted that, if a complaint is sent by other means, it is also received and processed. For more information on the ethical line, you can check <https://www.lineaetica-antamina.com>

Our main interest is that Antamina employees know and access this mechanism, which is why we disseminate it in all our internal channels. The Compliance Department is responsible for receiving and managing complaints. Each of them is treated with extreme confidentiality. During 2018 we received 40 reports to the ethical line.

Depending on their thematic nature, they remain in the Compliance Area (such as issues related to confidentiality of information, political contributions, corruption, bribery or conflict of interest) or are referred to Human Resources and Security (cases of discrimination and harassment), to the Administration and Finance Area (cases of administrative or accounting infractions), etc.

### Webpage



The Antamina Code of Conduct is publicly available on our website [www.antamina.com](http://www.antamina.com) (section "Who we are").



### Ethic formation



188 people trained in person  
(24 sessions)

764 people trained virtually







# Antamina sustainable development | GRI 102-16 |

Our DNA also includes maintaining, from the beginning of our operations, a sustainable mining approach that emphasizes responsible environmental and social management. We strive to generate high impact changes in our area of influence.

## OUR SUSTAINABLE DEVELOPMENT CONCEPT:

- ... involves all civil society actors, including local governments and central government authorities.
- ... Seeks to contribute to the competitiveness of the area of operational influence (AIO), which coincides with the southern corridor of the Ancash region, assuming a social catalyst role in development processes.
- ... Emphasizes our intervention strategy in four programmatic axes: health and nutrition, education, economic development and strengthening of local management.
- ... assumes the challenges of development of the territory from a multistakeholder approach, promoting collective initiatives between the State and the private sector.
- ... Stimulates our participation in projects of high regional impact through the work for taxes mechanism.

# Antamina and the SDG | GRI 102-12 |

Our sustainability strategy is aligned with several of the United Nations Sustainable Development Goals, specifically with some goals of the following objectives:

	<b>SDG 1</b> No poverty		<b>SDG 6</b> Clean water and sanitation
	<b>SDG 2</b> Zero hunger		<b>SDG 8</b> Decent work and economic growth
	<b>SDG 3</b> Good health & Well-being		<b>SDG 9</b> Industry, innovation and infrastructure
	<b>SDG 4</b> Quality education		<b>SDG 10</b> Reduced inequalities
	<b>SDG 5</b> Gender equity		<b>SDG 16</b> Peace, justice and strong institutions
			<b>SDG 17</b> Partnerships for the goals



# Stakeholders and engagement | GRI 102-40 |

Our relationship with our stakeholders is based on a commitment so that all parties benefit from our contribution to society.

| GRI 102-16 |

To do this, year after year we update the identification of our stakeholders through secondary sources (studies, diagnoses, etc.) and through strategic analysis exercises based on the perceptions of those responsible for the relationship with each of the stakeholders.

| GRI 102-42 |

| GRI 102-43 |

INTEREST GROUP	MEANS OF ENGAGEMENT AND COMMUNICATION		MAIN EXPECTATIONS
Shareholders	<ul style="list-style-type: none"><li>Quarterly and annual reports</li><li>Advisory Committee</li></ul>		<ul style="list-style-type: none"><li>Maintain and improve the reputation in the market</li><li>Productivity for a positive return on your investment</li></ul>
Community	<ul style="list-style-type: none"><li>Dialogue and development tables (strengthen institutionalality)</li><li>Coordination spaces</li><li>Environmental committees</li><li>Participatory environmental monitoring</li><li>Communal assemblies</li></ul>	<ul style="list-style-type: none"><li>Community engagement processes under the multiactor model</li><li>Guided visits to the mine and the Punta Lobitos port</li><li>One on one meanings</li><li>Engagement</li><li>Claims Management</li></ul>	<ul style="list-style-type: none"><li>Contribution to the local economy</li><li>Respect for human rights</li><li>Social development projects</li></ul>
Environment	<ul style="list-style-type: none"><li>Engagement with Stakeholders</li><li>Access to environmental information</li><li>Technical visits to operations</li><li>Mechanisms for conflict resolution and consultation with the participation of local and national authorities</li><li>Environmental committees</li><li>Participatory monitoring</li><li>Presentation of environmental performance reports to local and regional authorities</li><li>Environmental quality reports to OEFA, DGAAM and ANA</li></ul>		<ul style="list-style-type: none"><li>Environmental performance</li><li>Respect for environmental ecosystems</li><li>Correct management of environmental impacts</li><li>Greenhouse Gases (GHG) Report</li><li>Communication of monitoring results</li></ul>
Government	<ul style="list-style-type: none"><li>Dialogue and development tables</li><li>Coordination meetings and collaborative spaces</li></ul>		<ul style="list-style-type: none"><li>Compliance with national regulations</li><li>Suitable approach mining canon</li></ul>
Strategic partners	<ul style="list-style-type: none"><li>Transporters Committee</li><li>Web page</li><li>MASSC Strategic Partners Committee (environment, health, safety and communities)</li><li>Suppliers Excellence Program</li><li>Exporting Ancash Program</li><li>Annual Performance Evaluation</li></ul>		<ul style="list-style-type: none"><li>Improvement of safety, health and environmental practices</li><li>Capacity development of small local suppliers</li><li>Recognition of good practices</li></ul>
Collaborators	<ul style="list-style-type: none"><li>Bimonthly Magazine <i>Forjando Antamina</i></li><li>Intranet</li><li>Web page</li><li>Digital channel (instead of a bulletin board)</li><li>Digital newsletters</li></ul>	<ul style="list-style-type: none"><li>Communications and corporate announcements</li><li>Infographics</li><li>Comic books</li><li>Yanacancha Radio</li><li>Audiovisual production</li></ul>	<ul style="list-style-type: none"><li>Recognition for optimal performance</li><li>High standards of health, safety and welfare</li><li>Good working environment</li></ul>



# 3

## Talent at its max

We are one of the ten best places to work in Peru. We care about strengthening the human capital of Ancash: more than 40% of our workforce is from the region. In 2018 alone, we made local purchases for about US\$ 40 million.





# Human capital

Our most important asset is our people, both collaborators and strategic partners. We focus on offering a value proposition that maximizes the talent of our employees and in extending our culture of excellence to the specialized companies that work as part of our operations.

At the close of 2018 we had 766 employees and 2015 directly employed operators, and more than 4700 employees of our strategic partners. The majority of our employees (72%) are between 30 and 50 years old (2013), and 42% of the total come from the Ancash region (1181). We still have the challenge of increasing the female presence in our company: 6% of our payroll is made up of women.

| GRI 102-7 |  
| GRI 401-1 |  
| GRI 405-1 |

## Figures

In 2018 we had 2781 direct collaborators and 4743 indirect collaborators (employees of our strategic partners and third parties).



### | GRI 405-1 | Breakdown by job category, age range, place of origin and sex

| GRI 102-8 |

Employees	766	Under 30 years old	129	Ancash	1181	Men	2616
		30 to 50 years old	2013				
Operators	2015	Above 50 years old	639	Other regions	1600	Women	165

### | GRI 102-8 | Breakdown of contracts by age range and place of origin

| GRI 401-1 |  
| GRI 405-1 |

AGE	NEW HIRES				% TOTAL
	MEN		WOMEN		
	N.º	%	N.º	%	
Under 30 years old	17	56,92%	2	3,08%	60,00%
30 to 50 years old	37	56,92%	8	12,31%	69,23%
Above 50 years old	1	1,54%	-		1,54%
Overall total	55	84,62%	10	15,39%	100,00%

HIRING BY REGION	2018	
	N.º	%
Ancash	16	24,62%
Lima	29	44,62%
Other regions	19	29,23%
Foreign	1	1,54%
Total	65	100,00%

### | GRI 102-8 | Rotation by age range, sex, region

| GRI 401-1 |  
| GRI 405-1 |

YEAR	AGE	ROTATION				% TOTAL
		MEN		WOMEN		
		N.º	%	N.º	%	
2018	Under 30 years old	-	-	-	-	-
	30 to 50 years old	10	38,46%	4	15,38%	53,85%
	Above 50 years old	11	42,31%	1	4%	46,15%
	Overall total	21	80,77%	5	19,23%	100,00%

REGION ROTATION	2018	
	N.º	%
Ancash	3	11,54%
Lima	14	53,85%
Other regions	9	34,62%
Foreign	-	-
Total	26	100,00%





# Development, training and well-being

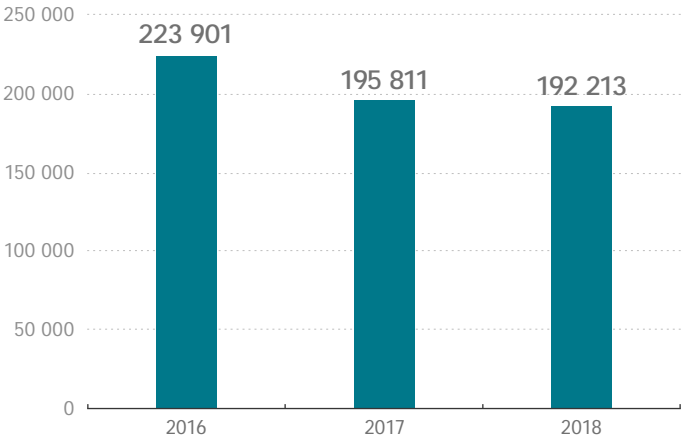
In 2018 we continued with the training in technical and behavioral aspects, based on the previously identified needs.

One of our objectives is to reduce the competency gaps of the company's personnel, so our areas achieve the goals set. In addition, we maintained the implementation of the Todos Somos Antamina 2018 program.

During 2018 we registered 192 213 hours of training Of this total, 37,63 (20%) correspond to hours of the Industrial Health and Safety program and 46,068 hours (24%) to the Todos Somos Antamina (24%) workshops. The amount invested in training during 2018 exceeded US\$ 3 million.

| GRI 404-1 |

Training hours in the last three years | GRI 404-1 |



During 2018 we continue to implement the Todos Somos Antamina program.

Best company to work



We were considered the fifth company with the highest reputation as an employer according to the Merco Talent 2018.





## We are all Antamina

During 2018, sessions were held for the management of Mine Operations, Concentrator and Maintenance, with an attendance above 70% for the first, 86% for the second and 80% for the third.

In these trainings, the maintenance of supervision agreements was emphasized, for which the leaders of these areas were empowered to give them continuity on a day-to-day basis. In addition, coaching sessions were planned for the supervision of the areas of Mine Operations and Concentrator. Its execution will continue in the year 2019.

The trainings have an attendance greater than 70%.







# Performance Management and Recognition

During 2018, the periodic measurement of performance continued with the new evaluation scale. The management of half-year feedback and continuous feedback was emphasized through conversations with supervision.

Likewise, the performance evaluation of the operators was continued through the Value Based Management tool. This measurement allows for feedback conversations between supervisors and workers, so that those in the lowest quartiles have the opportunity to improve their performance.

743 employees successfully completed their performance evaluation in 2018 and obtained the corresponding feedback.

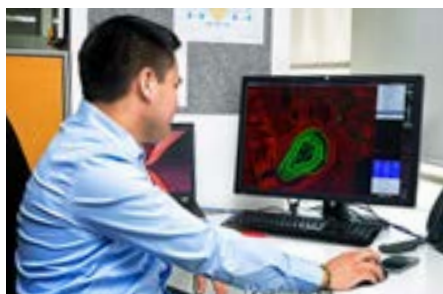
BENEFITS BY LAW <sup>2</sup>	ADDITIONAL BENEFITS	
	FOR OPERATORS, EMPLOYEES AND STAFF	ONLY FOR OPERATORS
<ul style="list-style-type: none"><li>• Health care insurance (complex and simple layer) in EPS</li><li>• Complex health care insurance in EsSalud (not covered by EPS)</li><li>• Economic benefits by EsSalud</li><li>• Maternity</li><li>• Lactation</li><li>• Burial</li><li>• Temporary disability to work</li><li>• Health care insurance for unemployment (latency)</li><li>• SCTR Health Insurance</li><li>• SCTR Pension Insurance</li><li>• Life Insurance by Law from the fourth year of work</li><li>• Gratuity of National Holidays (a salary)</li><li>• Christmas bonus (a remuneration)</li><li>• Compensation for time of services (CTS)</li><li>• Use of lactarium in Lima, Punta Lobitos port (PPL) and mine</li></ul>	<ul style="list-style-type: none"><li>• EPS health plan for holder, spouse and children up to 28 years of age and 11 months inclusive</li><li>• Life Insurance and Group Life, additional to the legal requirements and in force from the first day of work</li><li>• Oncologic insurance as part of EPS policy</li><li>• Scholarships for higher education for workers' children</li><li>• Accident insurance plus life in EsSalud, covered by the company</li><li>• Education bonus (half salary)</li><li>• Quarterly Productivity Bonus</li><li>• Recognition bonus for perfect attendance</li><li>• Recognition for high performance</li><li>• Payment for work on rest days at a surcharge of 2.25 soles (the law states it is 2)</li><li>• Special loan of up to four salaries in urgent cases</li><li>• Subsidy to family members of workers who have suffered an accident or emergency for accommodation, food and transportation expenses</li><li>• Priority to direct family members of workers to fill vacancies of professional interships</li><li>• Priority to direct family members of workers to fill vacancies at the worker's termination due to retirement, death and permanent disability</li><li>• Permission with payment of three days plus the end of the distance in cases of unforeseen surgical intervention and severity of the spouse or cohabiting partner, parents or children</li><li>• Permission with payment of four days plus the term of the distance in case of death of the spouse or cohabiting partner, parents or children</li><li>• mother, spouse or cohabiting person is in a serious or terminal state or who suffers an accident that puts his life in serious danger</li><li>• 30-day paid leave for pregnant mothers in compensation for daily breastfeeding</li><li>• Transfer from mine or PPL to Lima or Huaraz to the worker who must attend a family emergency</li></ul>	<ul style="list-style-type: none"><li>• Additional bonuses according to special working conditions (risk work, night work, work on height, day lunch box, cold lunch box, replacement in higher job position, Labor Day, Miner's Day)</li><li>• Allocations for housing and service time</li></ul>

<sup>2/</sup> We do not have employees under part-time contracts. Those who are hired on a fixed and intermediate term have the same amount of benefits. The only differences we can find in terms of benefits is what we offer to skilled workers as operators versus qualified ones as employees.



In 2018, the second edition of the Bravo Awards were also held, an occasion to recognize outstanding performance for staff and operators. 80 employees and 213 operators were recognized; in total, 8% of the company's population.

We also implemented the Performance Improvement program, which provides support to employees based on their annual performance evaluation. The objective is to accompany them in improving compliance with their specific objectives.



In 2018, 80 employees and 213 operators were recognized with the Bravo Awards.





# Labor Relations

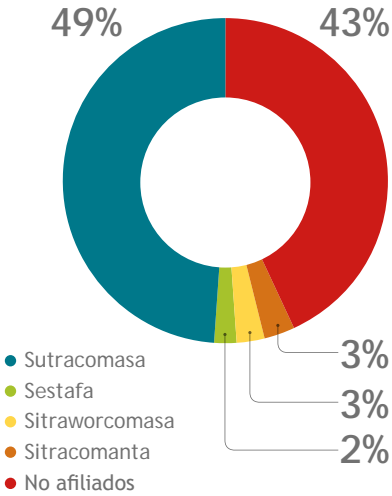
In accordance with our Human Rights Policy, we fully respect the right of our workers to free association and collective bargaining.

The company currently has four unions<sup>3</sup>. The Sutracomasa is the first one created in our company and is the majority union, with whom we have signed five collective agreements. Thus we have achieved important goals, based on dialogue, without stoppages or strikes.

At the end of 2018 we have four registered unions:

| GRI 407-1 |

Percentage breakdown of direct employees associated with unions



Our Labor Relations Department is responsible for maintaining constant and open communication with workers, as well as ensuring compliance with current legislation and procedures and regulations established by Antamina. We have effective mechanisms to guarantee this communication: monthly and bi-monthly meetings with the representatives of the workers' unions. They address different issues with the aim of improving the work environment, social welfare, health, food, accommodation, transportation, among others.

The collective agreement signed with the Sutracomasa covers all collective bargaining workers, as it is the union with the highest representation in the bargaining field. This agreement was valid in the period from August 1, 2015 to July 31, 2018, when we started the new negotiation process to reach a sixth agreement for three more years. As of December 2018, we continue in this negotiation process.

| GRI 102-41 |



The base salary of employed women is 0.84 in relation to that of employed men. The ratio is 1.00 in the labor category of operators. The wage gap within our company is low compared to that presented by the national market (40%). However, we are working to reduce these differences.

| GRI 405-2 |

3/ Sutracomasa (majority), Sestafa, Sitraworcomasa and Sitracomanta.

## Supply | GRI 102-9 |

Our supply management is based on the planning, implementation, purchase, flow control and timely and efficient storage of inputs, products and services, from suppliers to the mine or to the Punta Lobitos port.

Our supply chain consists of stages that allow us to obtain high quality products and services so that they can be used in the production process we handle, as well as contributing efficiently to the social development of our local suppliers. This process begins with the national or international supplier, continues

with the participation of the carriers and ends with the consumption of the good or service in one of our units.

| GRI 301-1 |

It is important to highlight that for the import of products we have international freight agents, who collect the products requested from our suppliers at a global scale. These products are transported by sea, land or air. In the 2018 period, our carriers made 50 111<sup>4</sup> trips, of which 38 468 were cargo trips. A total of 19,006 136.92 km<sup>5</sup> were traveled without reporting accidents.

## Origin of suppliers and purchases

In 2018 we maintained commercial relationships with 1310 suppliers and generated a value of US\$ 1085.64 million.

Of this amount, US\$ 927.69 were purchases made from national suppliers. In turn, of that figure US\$ 39.59 million corresponded to purchases from 187 suppliers from Ancash.

Purchases from foreign suppliers (139) reached US\$ 118.37 million. 34% came from the United States, 23% from Chile and 11% from Canada (the balance of 18 other countries).



4/ This number of trips applies only to Lima-mine or Punta Lobitos land trips, adding personnel and cargo transportation.  
5/ Includes transportation of personnel and cargo.





# Standards in the value chain | GRI 102-9 |

We use contractual models with high standards so that supplier companies can commit to develop and maintain ethical behavior in our business relationship. For our company it is essential to know that suppliers comply with Antamina's policies, as well as the current legal framework.

We also have formal complaint options, with exclusive ways to deal with events that violate the Code of Conduct. Complaints can be made in writing, via email or telephone. For these reasons, considering that we comply with and promote compliance with current re-

gulations and laws on the part of our suppliers, the chances of violation of human or labor rights decrease considerably. Along these same lines, we execute an annual program of administrative audits for contractors.

| GRI 414-1 |

This action helps us verify compliance with labor, social, contractual and social security regulations. This is how, in addition, we ensure the non-hiring of minors. In Antamina we warn that the responsible environmental performance of our contracting partners is also our performance.

The aforementioned is strengthened with other initiatives, such as the Operational Environmental Management Plan (Standard DC-027 PMAO), which facilitates the identification of environmental aspects in the tasks developed by our strategic partners and the implementation of environmental controls in each activity.

Finally, we care about respecting the right to freedom of association between suppliers and subcontractors.

## Provider development

We strengthen the capacities of local suppliers through the Ancash Export Program, which consists in the development of suppliers in the region in different areas.

It is a program focused on the empowerment of suppliers because it accompanies them in the realization of a route that allows them to reach competitiveness and insertion capacity to the local, national and international market.





# Health and safety performance

Since the beginning of our operations, we have been building an organizational culture in which the health and safety of our workers are fundamental values. Our goal is to prevent, minimize and control any occupational risk by designing suitable jobs. Therefore, our main motto is “zero occupational diseases, zero injuries and zero accidents”.

| GRI 403-3 |

We have the OHSAS 18001 international certification and health and safety programs that start by identifying and managing occupational and safety risks. These are reinforced by induction and basic training to our workers, in such a way that they support the company’s priorities.

For new workers there is a theoretical and practical induction in the field for four days. This training, essential for our employees to endorse our way of working, is in charge of a responsible supervisor.

During 2018 we put emphasis on staff training, which took place for a total of 6791 hours. This contributed to the occurrence of only one recordable accident.

## Health indicators

CATEGORY / YEARS	2016	2017	2018
Frequency rate of occupational diseases	0	0	0
Number of accidents related to fatigue	8	8	6
% implementation of selected control projects	89%	92%	95%
% availability of control projects implemented	90%	95%	98%

## Safety indicators | GRI 403-2 |

CATEGORY / YEARS	2016	2017	2018
Casualties	0	0	0
Lost time injuries	0,30	0,33	0,51
Lost days	61	57	21
Lost days - strategic partners	108	46	159
Total recordable injury frequency rate	1,75	1,26	1,27
Total recordable injury frequency rate - strategic partners	1,96	1,27	1,86
Incidence rate of occupational diseases index	0	0	0
Severity index of occupational diseases index	0	0	0

## 2018 Summary of safety activities

PRIMASS <sup>6</sup> SAFETY AND TRAINING AREA ACTIVITIES	TOTAL
1 Safety talks	160
2 Incident reports to the Primass system	11
3 Recordable incidents (am-ctp-casualties)	1
4 Scheduled Inspections	173
5 Critical Risk Inspections	9
6 Man hours of training	6791

6/ Primass: Environmental, Health and Safety Incident Reporting Program.

## Guidelines

Our health and safety programs are framed within the highest international standards, national regulations and Safety, Environment, Community Relations and Human Rights Policy. In addition, it aligns with our Internal Occupational Health and Safety Regulations.

## Security Training

During 2018 we focused our training on different topics, such as risk maps; meaning and use of codes, signals and colors; safety with hand and power tools; work at heights; identification, monitoring and control of occupational agents; occupational medical surveillance; fatigue and drowsiness control; emergency response; electrical hazards; among others.



# 4

## We all build development

We are the second company in the *ranking* of total investment on works for taxes, with S/ 748.9 million corresponding to 41 social infrastructure projects (17% of the total nationwide).



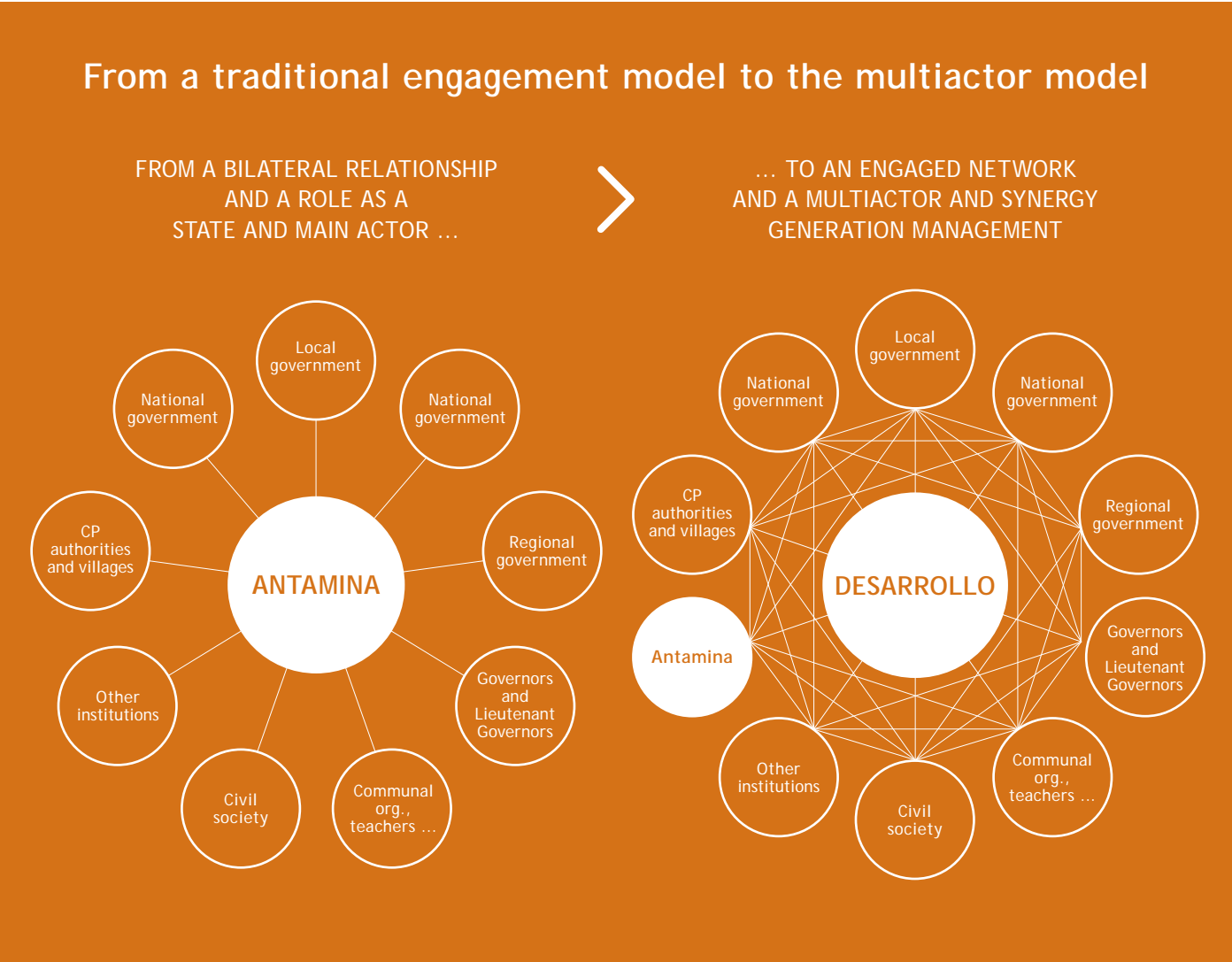
# Social and community management approaches

Sustainable development is one of the key strategic objectives of our performance. We seek to achieve a positive social impact through the active participation of all those involved in the development of our area of influence and of Ancash: the State, Communities and civil society.

The strategy to implement this objective is the multiactor model. This model drives articulated work and equates the role of all participants in the search for the sustainability of communities, in addition to strengthening the management capacities of

the territories. In this way, private companies become a true catalyst for territorial competitiveness, initiating a fundamental change in the strengthening of institutionality and closing the socioeconomic gaps of the territory, which has an impact on the Local population's quality of life.

The interest of engaging to the social actors in our areas of influence motivates us to work with this model. This implies a change in the traditional way of bilateral relations<sup>7</sup> with the communities, to bet on a model that promotes all those involved to work in coordinated manner.



7/ A bilateral model places the company at the center of the relationship with organizations and communities.





AREAS OF INFLUENCE | GRI 413-1 |

The management of social and community expectations requires transparency and clarity. Our area of operational influence is made up of 20 districts in six provinces of Ancash (Huarmey, Recuay, Huari, Bolognesi, Ocros and Antonio Raymondi).

In order to respond to the demands of these sectors and build development processes together, we have internally organize ourselves into five territorial management units (UGT)<sup>8</sup>. In them, the installation of development spaces for the gestation of ideas and the search for consensus based on relationships of respect, transparency and trust have been promoted.

SOCIAL MANAGEMENT STRUCTURE | GRI 413-1 |

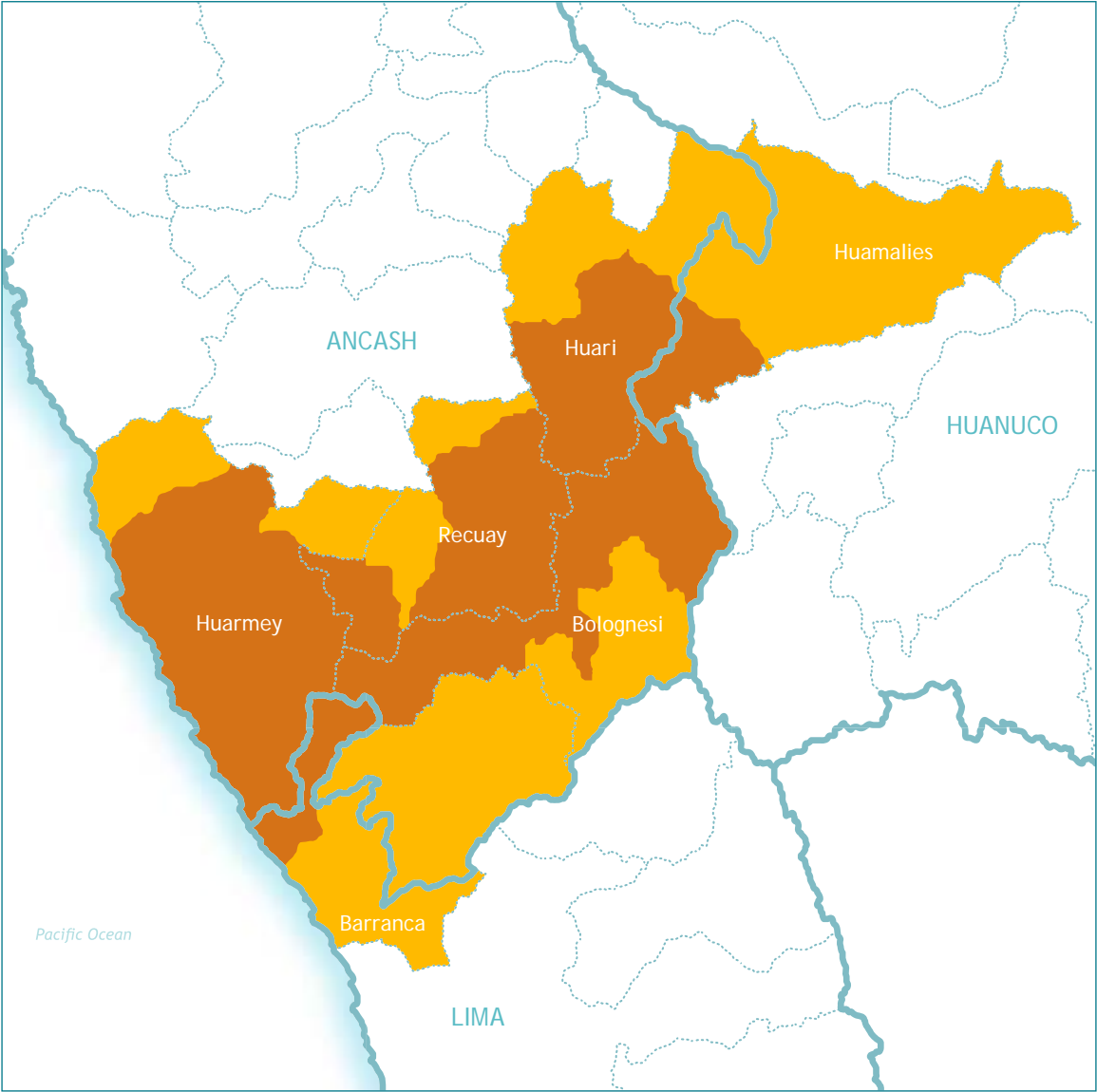
The UGT are responsible for the coordination of the dialogue and development tables established with the communities and their authorities in the following locations:

- Development table in San Marcos
- Tourism round table in Chavín
- Province of Bolognesi round table
- Huallanca District round table
- Llata Development round table
- Mancomunidad Municipal del Valle de Fortaleza and del Santa round table
- Catac Development table

Approximately  
**120 000**  
inhabitants, are the  
range that Antamina has in its area of influence.

8/ Territorial Management Units (UGT): UGT Mina, UGT San Marcos, UGT Huallanca-Llata, UGT Valle Fortaleza and UGT Huarmey.

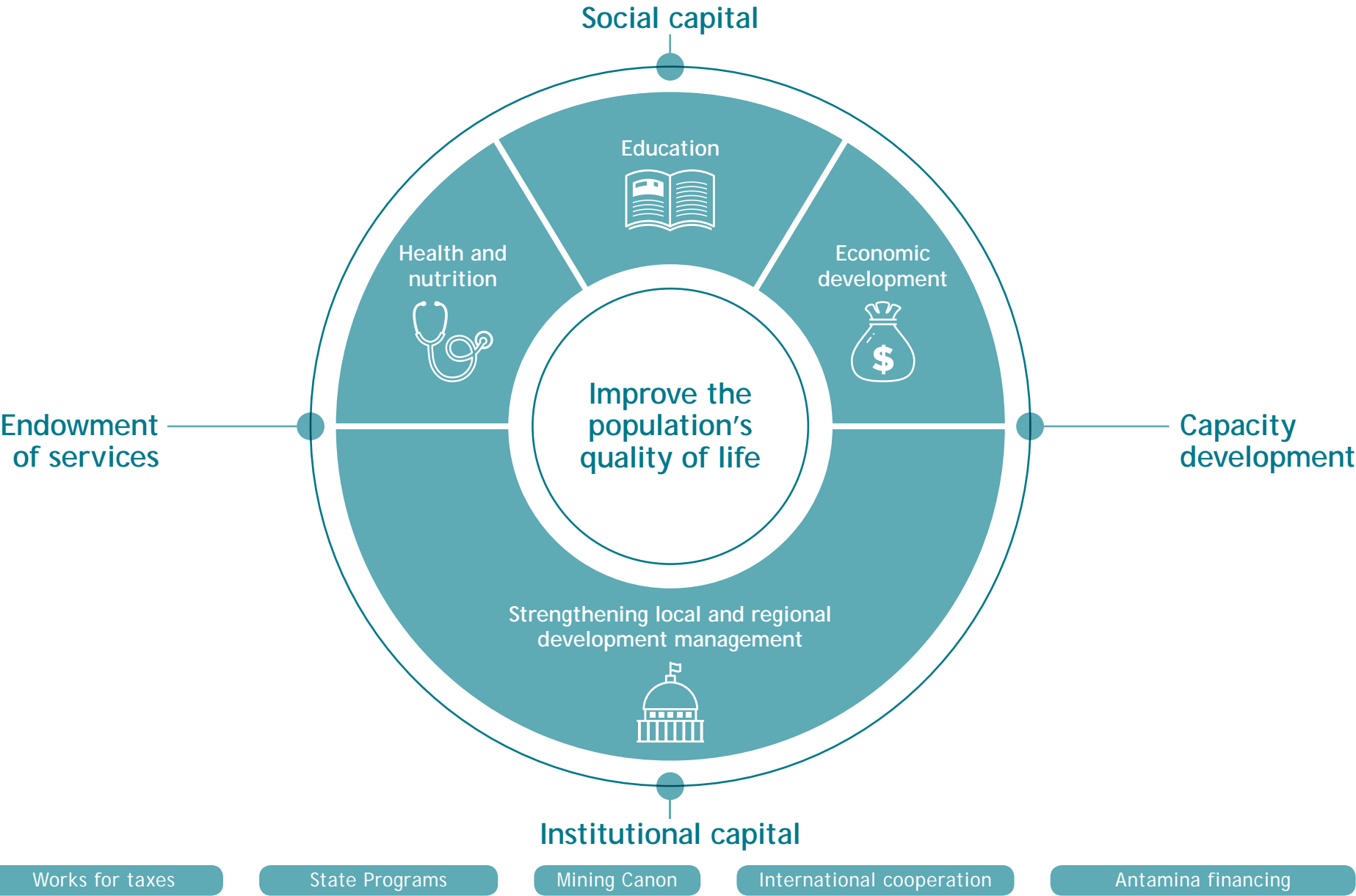
Antamina operational influence area | GRI 413-1 |





# Intervention axes

Our social investment, executed under the multiactor model, is focused on four areas of intervention: education, health, local economic development and strengthening local and regional development management. In addition, we participate in high impact projects for regional development and competitiveness through the work for taxes mechanism<sup>9</sup>.



<sup>9/</sup> Modality of execution of investment to build large infrastructures prioritized by the localities. In accordance with the current regulatory framework, this mechanism allows you to exchange part of your income tax for public use infrastructure works.





Antamina's investment and the resources mobilized within the framework of the multi-stakeholder model have improved the access and quality of health and education services in our areas of influence, while the economic development axis has allowed productivity and articulation to improve to the market. All this can be seen reflected in the following results:

#### CLOSING GAPS: SOCIAL AND PRODUCTIVE INFRASTRUCTURE

**880 families** have accessed health facilities with better capacities, due to the equipment support to the Huarmey Hospital and the Juprog health post, as well as support with health professionals.

**743 families** were benefited by 212 irrigated hectares that allowed them to carry out two agricultural campaigns a year.

**275 producers** benefited from access to four productive infrastructures in co-management with the State and local producers.

**8,5 km** of neighborhood roads were maintained in the rural communities of Santa Cruz de Pichiu, Yaruwilca, Ututupampa and Llacuash.

#### CAPACITY DEVELOPMENT TO IMPROVE COMPETITIVENESS

**2500 producers** improved their income by an average of 30% through the strengthening of their capacities and the formation of 32 producer organizations.

**135 youth members** from different communities in our area of influence had access to higher university and technical studies.

#### STRENGTHENING OF SOCIAL AND INSTITUTIONAL CAPITAL

The Development Commitment was signed with an 80% participation of candidates from 19 electoral districts.

**24 leaders** of organizations in our area of influence with development proposals actively participate in electoral stands.

**17 districts** participated in multi stakeholder spaces at the local level that have allowed us to propose the Huarmey Fishing round Table, Bolognesi round Table, Antonio Raymondi round Table of Health and Education, Chavín Tourism round Table, San Marcos, Huallanca and Llata Development round Table.

**1448 persons** visited the Punta Lobitos port and the Huarmey forest (Antamina afforestation) during 2018.



In addition, we have developed different projects that improve the families quality of life from the communities:

| GRI 203-1 |

| GRI 413-1 |

Improvement of family income through the raising of guinea pigs

Scope	Districts of San Marcos, Chavin de Huantar, Huachis and San Pedro de Chana, province of Huari (Ancash).
Objective	To improve the production of guinea pigs, supporting the overcoming of the main technical limitations and optimizing the commercialization capacities.
Goals	154 new permanent jobs 7% female leadership in family upbringing

Ancash Effect: Quality learning in regular basic education

Scope	Districts of San Marcos, Chavin de Huantar, Huachis and San Pedro de Chana, province of Huari (Ancash).
Objective	In partnership with Enseña Peru and other companies in the mining sector, we seek to promote a transformation of the educational community by promoting local institutions to establish their educational priorities and guarantee equity and reduce inequalities.
Goals	<ul style="list-style-type: none"><li>• The quality of learning has improved in 37 schools in the districts of San Marcos, Chavín de Huántar, Huachis and San Pedro de Chaná, province of Huari (Ancash).</li><li>• The number of students who finished the year with an appropriate level for their grade increased from 10% to 48%.</li><li>• The number of students with a school delay of more than one year of study was reduced from 90% to 18%.</li></ul>

Competitive development of the value chain of milk and dairy products

With an associative business model that has a collective brand for the market, we promote the competitive development of the milk value chain and its derivatives. This initiative was implemented in partnership with the Canadian Embassy, the Prodicom Program, the Socodevi NGO, the National Agrarian Innovation Program (PNIA) and local governments.

Alternative Business Development

Objective	Develop a portfolio of alternative businesses that allow the reactivation of social capital based on ancestral networks of collaborative work focusing on competitiveness and access to fair markets, women’s participation, environmental sustainability, inequality reduction and the generation of sustainable income.
Goals	50 weavers export to France, Japan and the United States. Each weaver receives 9600 soles for each campaign, approximately.



Our social investment, executed under the multiactor model, is focused on education, health, local economic development and strengthening local and regional development management.





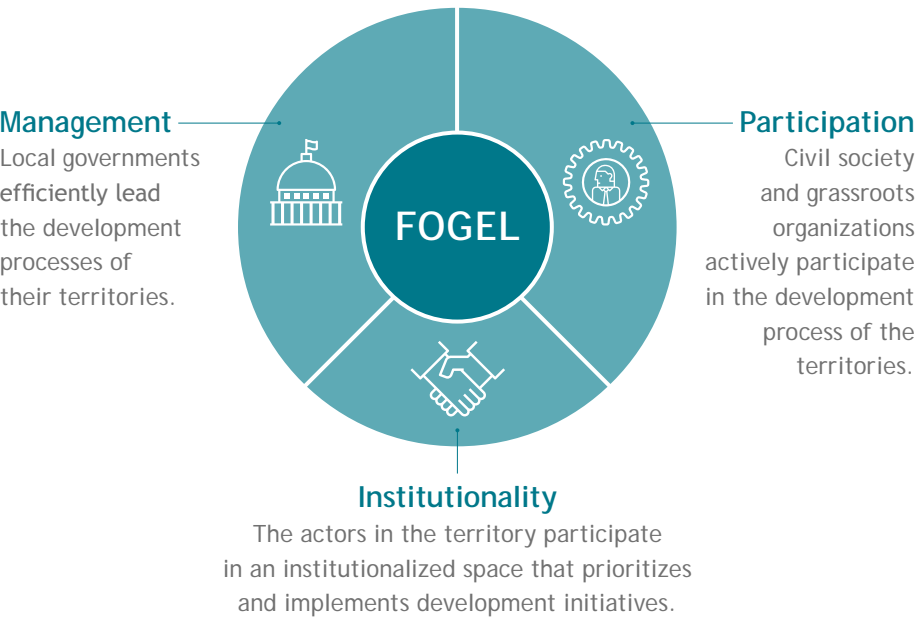
# Strengthening local management

The strategic initiative we have in order to engage the communities in our area of influence channels many of our efforts and approaches to community development: the Strengthening of Local Management (Fogel).

This initiative has made possible dialogue spaces possible together with concerted agendas and coordinated activities, based on the prioritization of the development of each locality.

In addition, local governments, leaders of social organizations, communities and institutions of the 20 districts of our area of intervention are involved.

## Fogel management model



For this year we have had the following results:

Scope	12 districts of Ancash
Objective	Strengthen the democratic process, ensuring better conditions of information and dialogue, as well as an adequate transfer and continuity of the best municipal management practices.
Goals	12 districts have municipal management reports, transfer certificates and multi-year programs 2019-2022.

| GRI 203-1 |  
| GRI 413-1 |

56 public investment projects are accompanied by the Fogel team.

## Educational innovation laboratories in the San Marcos district

These projects have been formulated by educational institutions and then selected to receive technical and economic support for their execution. The beneficiaries are students, teachers, families and the educational community in general. In that line, at the end of the year 2018 the 1st District Meeting of Educational Innovation was held.

On the other hand, our social management has been recognized by the organization Citizens up to Date (CAD) with the certification Good Practices in Public Management 2018 for the project “The spiral of development: a commitment to territorial development with a multi-year and multi-sector vision”, which takes place in Chavin de Huantar (Ancash).

This project stems from our multi-stakeholder approach with the objective of promoting tourism as an effective development opportunity that impacts the improvement of families quality of life.



# Complaint Management

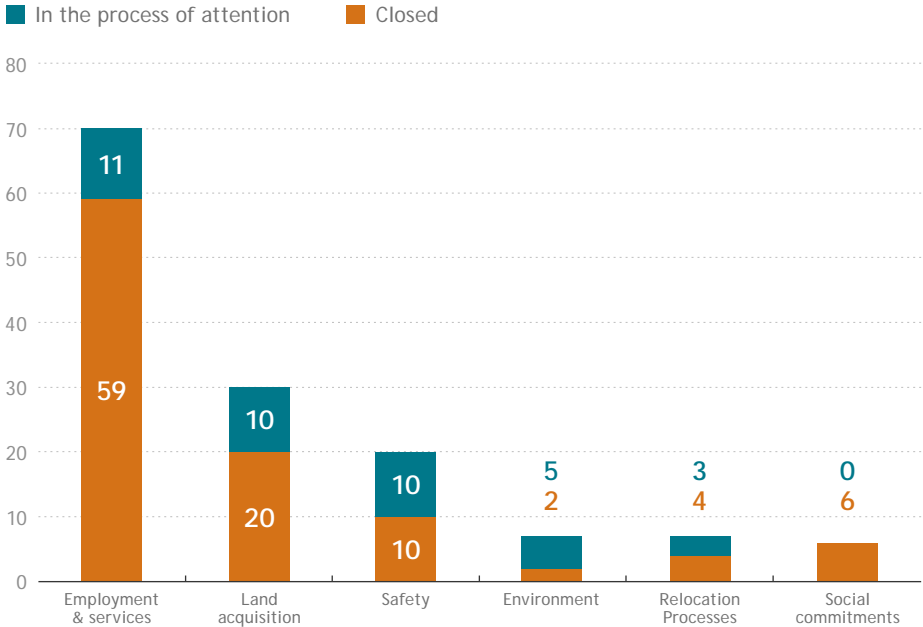
The Vice Presidency of Corporate Affairs, through the Social Management Area, is responsible for the complaints handling procedure. This process receives any written or oral statement, for which the claimant considers that he has suffered some type of harm due to the company’s activities.

When these manifestations of harm are recorded, they are immediately considered as complaints, since they generate an expectation in the claimant, who feels that the case merits compensation, clarification, a warning or amendment from us, due to the situation that has motivated said communication.

During 2018, a total of 140 complaints were registered, of which 101 were attended or closed and 39 ended the year in the process of attention.

Here are the most frequent categories of complaints. First, “Employment and services” mainly includes complaints associated with employment opportunities and service provision with our local contractors, suppliers and strategic partners. The other issues are associated with complaints for land acquisition processes, safety, environment, relocation processes and monitoring of social commitments acquired in dialogue spaces.

Attention of complaint



## Attention



Attention of complaints requires the participation of different areas of the company, such as Environment Legal and Compliance, Social Management, Operations and Communication, among others.



| GRI 413-1 |





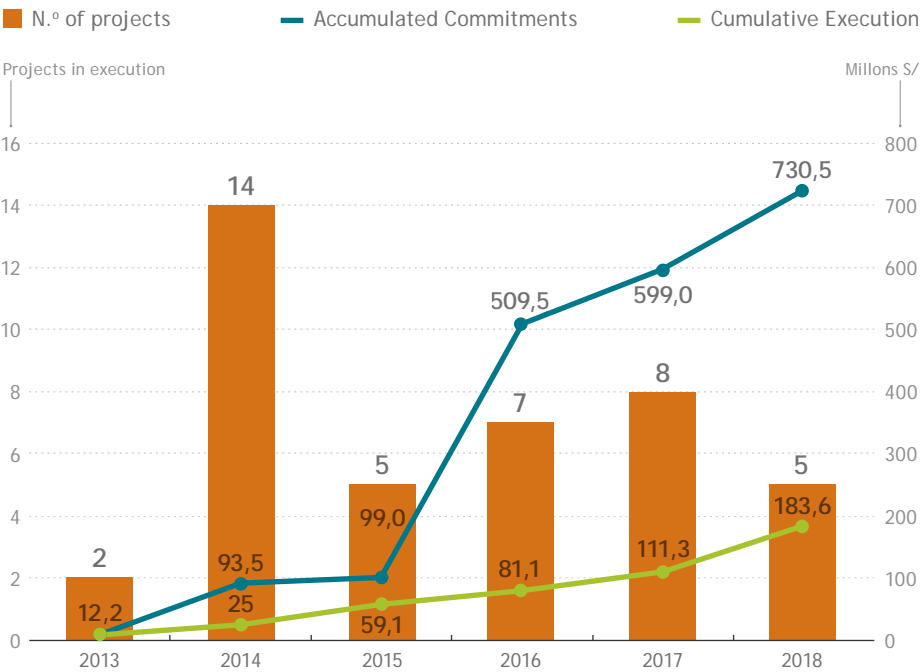
# Works for taxes (Obras por impuestos) | GRI 413-1 | | GRI 203-1 |

In 2018 alone, our company committed an investment of S/ 131.5 million in five work for taxes projects. Hence, in the accumulated, we are the second company in the ranking of total investment on works for taxes, with S/ 730.5 million, corresponding to 41 social infrastructure projects committed (17% of the total 12 nationwide)<sup>10</sup>.

The work for taxes projects in which we are involved benefit more than 400,000 people and generate more than 3,200 jobs. Additionally, we manage a portfolio of 67 projects for an amount exceeding S/ 1 billion, which contracts must be signed in the coming years.

In 2018, we disbursed S/ 72.33 million in the execution of works, which represents the highest amount executed in a year. With this, the accumulated investment executed at the end of 2018 was S/ 183.6 million. This year the execution of five projects of a total of 41 awarded. It should be noted that

Projects in execution (Amounts expressed in millions of soles)



execution of three were be noted that these projects are completed. That is, at the end of the only those executed under the work year 23 projects were completed, out for taxes mechanism.

The work for taxes projects in which we are involved benefit more than 400,000 people and generate more than 3,200 jobs.

10/ Source: Proinversion



## Female entrepreneurship | GRI 413-1 |

### Stories behind the projects

The story of Nilda Cadenas is the story of thousands of producers who participate in our productive development projects. She is the current president of the Agricultural Cooperative Antonio Raymondi (Coopaar) and has become an example for her locality, since she went from being a traditional breeder of guinea pigs to being a producer that already has two sheds that allow her to produce and sell more of 1500 units of this animal.

The impulse of Nilda began when she was a beneficiary of the project “Improving the income of the guinea pig-producing families of Antonio Raymondi, Bolognesi province, Ancash”, an initiative financed by our company and executed together with the Employment Fund program.

This project empowered women for the first time in the area of Valle Fortaleza and led them to start productive work and generate their own income. The initiative achieved the formation of the Coopaar cooperative, from which Nilda was elected president by the producers in the area.

Nilda's story also reveals that our commitment to technical training was essential to make way for productive entrepreneurship. “Many producers are encouraged to continue to learn and improve our technique of raising small animals. I got it thanks to my enthusiasm to be present at all the training workshops,” says the president of Coopaar.

Currently, the Antonio Raymondi Agricultural Cooperative (Coopaar) has an abattoir (guinea pig slaughterhouse) and markets its products in the cities of Huacho, Barranca and Huaraz.

Nilda Cadenas is today a symbol of female entrepreneurship in Valle Fortaleza, because she represents the women who strive to achieve their goals.





# 5

## Environmental commitment

We maintain 100% compliance with our environmental obligations. In addition, | GRI 307-1 | we continue to strengthen our supervision of internal standards (PMAO and ICA) and have improved our waste management and maximized water reuse above 99% in our concentrator plant.







# Environmental approach

We are developing in a global industry that has been making significant investments and efforts to comply with current environmental legislation (maximum permissible limits, environmental quality standards, etc.). In this sense, in Antamina we prioritize the mitigation of impacts and the fulfillment of the commitments established in our Environmental Impact Assessment<sup>11</sup>.

We are an open pit mine whose potential impacts are identified and monitored,

with controls established to minimize them.

In addition to our environmental guidelines present in the Health, Safety and Environment Policy, in Antamina we have an Environmental Management System (EMS) that is recertified every year, based on ISO 14001:2015<sup>12</sup> and the Operational Environmental Management Plan, which involves not only 100% of our areas, but also all our strategic partners.

The SGA monitors the management of environmental and legal commitments, as well as the associated permits and licenses, and contributes to the efficiency of water and energy consumption, and the management of waste, hazardous materials, transportation, discharges, emissions and monitoring, among other relevant aspects of environmental performance.

## The transport of copper concentrate and its low environmental impact

As mentioned in previous sections, the installation of the pipeline that transports the ore we produce is based on our commitment to care for the environment and respect for the well-being of the surrounding communities.

Along these lines, this modern underground transport system avoids the likelihood of incidents in the transport of concentrates by road, by sending them through a controlled and monitored pipeline, also reducing fossil fuel consumption, reducing interaction with other users of the national highway, and increasing its availability for the use of third parties.

The pipeline runs along the AN-111 (Antamina-Yanashalla), PE-3NE (Yanashalla-Conococha), PE-16 (Conococha-Panamericana Norte) and the Panamericana Norte until reaching the port in Huarney.

### Achievements

✓ The environmental compliance index (ICA) recorded levels above 90%, considering the environmental performance of the operational and support areas, including its strategic partners.



### Opportunities

✓ During 2018, we reduced environmental incidents by 39% and improved the recycling of our waste by 40%. This will allow us to optimize the environmental performance of our strategic partners.



11/ Environmental monitoring, environmental services, environmental management of Punta Lobitos port operations (PPL), environmental, socio-environmental and compliance projects.  
12/ In 2018 we successfully migrated our GHS to the new version of the ISO 14001: 2015 environmental standard.



# Resource consumption and environmental control

## WATER

We use water responsibly, for which we respect the right of communities in our area of influence to access safe water sources.

The strategy proposed in our Water Management Plan allows us to obtain this input throughout the year through an artificial dam that captures the rain during the periods of greatest rainfall. That is, we do not compete for water resources from bodies of water. In addition, we are always in search of new alternatives that allow us to further optimize efficient water management.

| GRI 303-1 |

Water use percentage in the mineral concentration process | GRI 303-3 |

YEAR	% FRESH WATER	% WATER IN PROCESS (RECYCLED)
2016	0,83	99,17
2017	0,86	99,14
2018	0,93	99,07

# 99%

## of water

is reused in our concentrator plant, which has allowed us to reduce the need to consume fresh water.

## Participatory monitoring

An important feature of our monitoring process is the participatory approach, since the presence of communities and authorities allows legitimizing these processes.

Participatory monitoring programs are part of our Citizen Participation Plan, and thus are stipulated in our environmental management instruments. Likewise, we promote the participation of State institutions, such as the National Water Authority (ANA), the Presidency of the Council of Ministers (PCM), the Environmental Assessment and Control Agency (OEFA), the Ministry of Energy and Mines (Minem), among other.





ENERGY

In Antamina we mainly use electrical energy sources from the National Interconnected Electric System (SEIN). On few occasions, or in contingency situations, we use generator sets.

Since 2014 we have the policy of saving energy and fossil fuel consumption. This has been achieved through a more efficient use of energy during peak production hours, the reduction of haulage haul distances, the use - since 2015 - of better quality fuel (lower presence of sulphides), the reduction of use of water pumping systems in the discharge process, among others.

| GRI 302-4 |

Evolution of energy consumption | GRI 302-1 |  
| GRI 302-3 |

SOURCE OF ENERGY	2016		2017		2018	
	MW/H	GJ	MW/H	GJ	MW/H	GJ
Electricity (interconnected system)	965 729,596	3 476 626,54	959 748,3	3 455 093,92	967 634,9	3 483 485,64



We have a policy of saving energy and fossil fuel consumption since 2014.





# Residues and effluent

For our waste management, we combine collection methods, separation systems, recovery and use of them with measurement and awareness campaigns.

Thanks to this we have increased our recycling rate and we have reduced the costs of collection, transportation and final disposal of waste. Thus, our optimal waste management has allowed us to comply with current legislation on the subject and reduce the environmental impact.

Regarding the water used by our operations, after a treatment process we return it to the environment, as established by the regulations of maximum permissible limits in force (DS 010-2010 MINAM). Along these lines, during 2018 there was 100% compliance with the law parameters on dumping and receiving bodies.

We currently have water discharge points located in the following places:

- Ayash ravine
- Antamina ravine

| GRI 306-1 |

This process is complemented by the reuse of water from the pipeline operations at the Punta Lobitos port (PPL):

	2016	2017	2018
Water reuse in PPL (mm³)	1,37	1,34	1,23

## Waste management | GRI 306-2 |

SOLID WASTE MANAGEMENT		2017	2018	TOTAL
1	Commercialization of used oil	618 822 gal	535 588 gal	-13,5%
2	Commercialization of metallic residues	5100 TM	5329 TM	+4,5%
3	Paper and cardboard recycling	209,01 TM	242,14 TM	+15,9%
4	PET recycling (bottles and caps)	4,42 TM	6,14 TM	+38,9%
Disposal of hazardous solid waste		1094 TM	884 TM	-19,2%
Disposal of non-hazardous solid waste (East dump disassemble)		1921 TM	1924 TM	+0,15%

We are committed to optimal waste management.





Finally, we have a quality monitoring program that consists of taking samples of our discharges and receiving bodies, to analyze them in certified laboratories. The monitoring of our dumping allows us to guarantee 100% compliance with current regulations, with the participation of laboratories certified by the National Institute of Quality (Inacal).



The monitoring of our discharge allows us to guarantee 100% compliance with current regulations.

Inventory of greenhouse gases (GHG)

| GRI 305-1 |  
| GRI 305-2 |



Antamina’s GHG corporate inventory calculates and verifies our annual emissions. This identification is based on the Kyoto Protocol (CO2, CH4, N2O, HFC, PFC and SF6) and ISO 14064-1 and the GHG Protocol. It also aligns with the National GHG Inventory that countries report to the United Nations Framework Convention on Climate Change (UNFCCC).

Inventory verification is carried out on a biannual basis by a qualified and independent entity, which allows confirming whether the GHG inventory is an adequate representation of the company’s operations situation. In this sense, for two consecutive years we have been working with the international certification company SGS.

Emissions of tCO<sub>2</sub> equivalent by scopes: 2014-2018



Controls

Regarding the haulage transport of waste, we have controls that reduce emissions of particulate matter. These Controls are monitored from five states that allow verification air quality.

- Sprinkler irrigation
- Improvement of the tank fleet and the heron network for irrigation
- Use of additives for dust control







# Biodiversity and land management

Our 2018 biodiversity monitoring results record that there are no affectation patterns attributable to the single Antamina operation. Likewise, in the rivers no change in the quality of the waters has been identified that alters the subsistence of the species that live there.

Our flora and fauna monitoring strategy is based on the evaluation of the different existing vegetation units, using specific methodologies and ecological indicators.

| GRI 304-3 |

## Monitoring

According to the results obtained, there are no significant changes in the ecological indicators that may indicate impacts of Antamina's operations in the areas adjacent to our operations.

At the end of 2018, the biodiversity monitoring of the Condorcocha lagoon was completed, which was monitored for 15 years.



Biodiversity monitoring focuses on hydrobiology, flora and fauna, as well as soil and vegetation.





## Closing Plan Status

A closure plan consists of activities that will be implemented throughout the life cycle of the mine in order to meet the specific objectives of closure, which depend on each project and are approved by the competent authority. These activities may include social management plans, progressive closure during the operation, final closure and post-closure. In the case of Antamina, this plan includes the mine, power transmission lines, the pipeline and the Punta Lobitos port.

In 2009, the Ministry of Energy and Mines approved our closure plan, which has had two updates in accordance with the Law on Mine Closure and its regulations. In January 2018, the second update was approved, through Directive Resolution No. 012-2018-MEM-DGAAM. The latter occurred after six years of the first update, approved in 2012.

Our goal is to develop different technical studies of the main components, in order to optimize and update the closure measures. In order for this process to be viable, we have been annually establishing the corresponding financial guarantees.

| MM10 |

## Other environmental initiatives 2018

- Environmental Education Program. It was implemented in schools with the Tierra de Niños methodology by the NGO ANIA.
- Signing of the agreement to donate recyclable solid waste with NGOs to generate social benefits (Aniquem, Children's Villages).
- Comprehensive environmental evaluation monitoring with OEFA (2017-2018): the OEFA, the communities and the Santiago Antúnez de Mayolo National University (Unasam) of Áncash participated.

Our work in environmental matters has received the following awards:

- Recognition by the NGO Ciudadanos al Día (CAD) and UNDP for the multi-stakeholder practice of participatory environmental monitoring with the Juprog community in the company of Unasam and OEFA.
- Recognition of the NGO Aniquem for the recycling of cardboard for the benefit of Peruvian children affected by burns.



## About this report

Compañía Minera Antamina S. A.  
www.antamina.com

This report summarizes our economic, social and environmental performance, and is aimed at all our stakeholders in order to communicate our sustainable management.

Period covered by this report: from January 1 to December 31, 2018.

Standard used In accordance with the standards of the Global Reporting Initiative (GRI), Essential option<sup>13</sup> and the GRI Sectorial Supplement for Mining and Metals.

Period covered by the last report: 2017

Report preparation cycle: annual

External verification This document has not been submitted to external verification or to some audit mechanism.

Any questions or requests for additional information about this report, can be directed to communications@antamina.com

| GRI 102-1 |  
| GRI 102-5 |  
| GRI 102-45 |

| GRI 102-1 |

| GRI 102-50 |

| GRI 102-54 |

| GRI 102-51 |

| GRI 102-52 |

| GRI 102-56 |

| GRI 102-53 |

### Materiality

To define the contents, we validate the materiality process developed for the previous edition of this document. In that analysis, the impacts of our processes and expectations were identified.

#### 1 ↓

- We reviewed the 2017 Sustainability Report.
- We reviewed Antamina's 2018 management documents.

| GRI 102-46 |

#### 2 ↓

- Through primary and secondary information (documents), we identified the sustainability impacts of 2018.
- We identified expectations through the secondary information collected.
- We applied the materiality principle of the GRI.

#### 3 ↓

- We prioritized sustainability issues according to the relevance of the impacts and the maturity of the expectations.
- We applied the materiality principle of the GRI.

#### 4 ↓

- We validated the GRI issues prioritized with the Corporate Communication Management area.
- We used the principle of completeness.

This is how they identified  
17 material matters:

| GRI 102-44 |  
| GRI 102-47 |

#### Economic

- Economic performance
- Indirect economic impacts
- Anti-corruption

#### Social

- Employment
- Health and Safety at Work
- Training and teaching
- Diversity and equal opportunities
- Freedom of association and Collective negotiation
- Local communities
- Closure plans

#### Environmental

- Materials
- Energy
- Water
- Biodiversity
- Emissions
- Effluents and residues
- Environmental compliance

13/ Regarding the previous year, it has not undergone major changes in its elaboration methodology. | GRI 102-49 |

## GRI content index

STANDARD GRI	CONTENT	NUMBER OF PAGES OR DIRECT RESPONSE	OMISSION
GRI 101: Fundamentals 2016			
General contents (Essential option)			
GRI 102: General Contents	102-1: Name of the organization	See cover	No
	102-2: Main brands, products and services	9, 11	No
	102-3: Headquarters location	<ul style="list-style-type: none"> <li>• Lima headquarters: Av. El Derby 055, Torre I, Piso 8 - Santiago de Surco</li> <li>• Huaraz headquartes: Calle Celso Bambarén 1065, Plazuela Belén</li> <li>• San Marcos headquarters: Plaza de Armas s/n</li> <li>• Huarmey headquarters: Calle Alberto Reyes 249, Huarmey</li> </ul>	No
	102-4: Location of operations	9	No
	102-5: Property and legal form	10	No
	102-6: Markets served	Our sales go to China (more than 60%), Spain, Japan, South Korea, Germany, Belgium, Chile, Bulgaria and eight other countries.	No
	102-7: Organization size	28	No
	102-8: Information on employees and other workers	28	No
	102-9: Supply Chain	34-35	No
	102-10: Significant changes in the organization and its supply chain	During the reported year there were no significant changes in the company or in the supply chain.	No
	102-11: Principle or precautionary approach	22-23	No
	102-12: External initiatives	22, 25	No
	102-13: Association Membership	19, 22	No
	102-14: Statement by senior executives responsible for decision making	4	No
	102-16: Values, principles, standards and norms of conduct	15-16, 21-22, 24-26	No



STANDARD GRI	CONTENT	NUMBER OF PAGES OR DIRECT RESPONSE	OMISSION
	Governance		
	102-18: Corporate governance structure	10	No
	Participation of stakeholders		
	102-40: List of stakeholders	26	No
	102-41: Collective negotiation agreements	33	No
	102-42: Identification and selection of interest groups	26	No
	102-43: Focus on stakeholder participation	26	No
	102-44: Key issues and concerns mentioned	55	No
	102-45: Entities included in the consolidated financial statements	55	No
	Reporting practices		
	102-46: Definition of the report contents and the coverage of the subject	55	No
	102-47: Subject Matter List	55	No
	102-48: Restatement of information	There have been no restatements since the previous sustainability report.	No
	102-49: Changes in reporting	There were no changes in the preparation of this sustainability report with respect to the previous one.	No
	102-50: Period covered by the report	55	No
	102-51: Date of the last report	55	No
	102-52: Reporting cycle	55	No
	102-53: Contact point for questions about the report	To know more details about this report and about Antamina, you can write to Corporate Communication Management: <a href="mailto:communications@antamina.com">communications@antamina.com</a>	No
	102-54: Declaration of preparation of the report in accordance with GRI standards	56	No
	102-55: GRI content index	56-63	No
	102-56: External verification	5	No



STANDARD GRI		CONTENT	NUMBER OF PAGES OR DIRECT RESPONSE	OMISSION
Subject matter				
Economic performance				
GRI 103: Management Approach 2018	103-1: Explanation of the material topic and its Boundary	17-18		No
	103-2: The management approach and its components	17-18		No
	103-3: Evaluation of the management approach	17-18		No
GRI 201: Economic performance 2018	201-1 Direct economic value generated and distributed	17-18		No
Indirect economic impacts				
GRI 103: Enfoque de gestión 2018	103-1: Explanation of the material topic and its Boundary	38-43, 45		No
	103-2: The management approach and its components	38-43, 45		No
	103-3: Evaluation of the management approach	38-43, 45		No
GRI 203: Indirect economic impacts 2018	203-1: Infrastructure investments and services supported	41-43, 45		No
Anti-corruption				
GRI 103: Management Approach 2018	103-1: Explanation of the material topic and its Boundary	22-24		No
	103-2: The management approach and its components	22-24		No
	103-3: Evaluation of the management approach	22-24		No
GRI 205: Anti-Corruption 2018	205-1: Operations assessed for risks related to corruption	24		No
	205-2: Communication and training about anti-corruption policies and procedures	24		No



STANDARD GRI	CONTENT	NUMBER OF PAGES OR DIRECT RESPONSE	OMISSION
Materials			
GRI 103: Management Approach 2018	103-1: Explanation of the material topic and its Boundary	34	No
	103-2: The management approach and its components	34	No
	103-3: Evaluation of the management approach	34	No
Energy			
GRI 103: Management Approach 2018	103-1: Explanation of the material topic and its Boundary	13, 48, 50	No
	103-2: The management approach and its components	13, 48, 50	No
	103-3: Evaluation of the management approach	13, 48, 50	No
GRI 302: Energy 2018	302-1: Energy consumption within the organization	50	No
	302-3: Energy Intensity	50	No
	302-4: Reduction of energy consumption	13, 50	No
Water			
GRI 103: Management Approach 2018	103-1: Explanation of the material topic and its Boundary	48-49	No
	103-2: The management approach and its components	48-49	No
	103-3: Evaluation of the management approach	48-49	No
GRI 303: Water 2018	303-1: Water withdrawal by source	49	No
	303-3: Water recycled and reused	11, 49	No





STANDARD GRI	CONTENT	NUMBER OF PAGES OR DIRECT RESPONSE	OMISSION
Biodiversity			
GRI 103: Management Approach 2018	103-1: Explanation of the material topic and its Boundary	48, 53	No
	103-2: The management approach and its components	48, 53	No
	103-3: valuation of the management approach	48, 53	No
GRI 304: Biodiversity 2018	304-3: Habitats protected or restored	53	No
	MM10: Closing plans	54	No
Emissions			
GRI 103: Management Approach 2018	103-1: Explanation of the material topic and its Boundary	13, 48, 52	No
	103-2: The management approach and its components	13, 48, 52	No
	103-3: Evaluation of the management approach	13, 48, 52	No
GRI 305: Emissions 2018	305-1: Direct (Scope 1) GHG emissions	52	No
	305-2: Energy indirect (Scope 2) GHG emissions	52	No
Effluents and residues			
GRI 103: Management Approach 2018	103-1: Explanation of the material topic and its Boundary	48, 51	No
	103-2: The management approach and its components	48, 51	No
	103-3: Evaluation of the management approach	48, 51	No
GRI 306: Effluents and residues 2018	306-1: Water discharge by quality and destination	51	No
	306-2: Residues by type and disposal method	51	No
	306-3: Significant spills	In 2018 there were no significant spills.	No

STANDARD GRI	CONTENT	NUMBER OF PAGES OR DIRECT RESPONSE	OMISSION
Environmental compliance			
GRI 103: Management Approach 2018	103-1: Explanation of the material topic and its Boundary	47-48	No
	103-2: The management approach and its components	47-48	No
	103-3: Evaluation of the management approach	47-48	No
GRI 307: Environmental compliance 2018	307-1: Non-compliance with environmental laws and regulations	47	No
Employment			
GRI 103: Management Approach 2018	103-1: Explanation of the material topic and its Boundary	28-33	No
	103-2: The management approach and its components	28-33	No
	103-3: Evaluation of the management approach	28-33	No
GRI 401: Employment 2018	401-1: New employee hires and employee turnover	28-33	No
	401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees	28	No
Health and Safety at Work			
GRI 103: Management Approach 2018	103-1: Explanation of the material topic and its Boundary	36	No
	103-2: The management approach and its components	36	No
	103-3: Evaluation of the management approach	36	No
GRI 403: Occupational Health and Safety 2018	403-1: Workers representation in formal joint management-worker health and safety committees	100% of our workers are represented in our Occupational Health and Safety Committees.	No
	403-2: Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	36	No



STANDARD GRI	CONTENT	NUMBER OF PAGES OR DIRECT RESPONSE	OMISSION
GRI 403: Occupational Health and Safety 2018	03-3: Workers with high incidence or high risk of diseases related to their occupation	36	No
Training and teaching			
GRI 103: Management Approach 2018	103-1: Explanation of the material topic and its Boundary	28-32	No
	103-2: The management approach and its components	28-32	No
	103-3: Evaluation of the management approach	28-32	No
GRI 404: Training and teaching 2018	404-1: Average hours of training per year per employee	29	No
Diversity and equal opportunities			
GRI 103: Management Approach 2018	103-1: Explanation of the material topic and its Boundary	28-33	No
	103-2: The management approach and its components	28-33	No
	103-3: Evaluation of the management approach	28-33	No
GRI 405: Diversity and equal opportunities 2018	405-1: Diversity of governance bodies and employees	28	No
	405-2: Ratio of basic salary and remuneration of women to men	33	No
Freedom of association and collective bargaining			
GRI 103: Management Approach 2018	103-1: Explanation of the material topic and its Boundary	28-33	No
	103-2: The management approach and its components	28-33	No





STANDARD GRI	CONTENT	NUMBER OF PAGES OR DIRECT RESPONSE	OMISSION
GRI 103: Management Approach 2018	103-3: Evaluation of the management approach	28-33	No
GRI 407 Freedom of association and collective bargaining 2018	407-1: Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	33	No
Local communities			
GRI 103: Management Approach 2018	103-1: Explanation of the material topic and its Boundary	38-46	No
	103-2: The management approach and its components	38-46	No
	103-3: Evaluation of the management approach	38-46	No
GRI 413: Local Communities 2018	413-1: Operations with local community engagement, impact assessments, and development programs	39, 41-46	No
Supplier social evaluation			
GRI 103: Management Approach 2018	103-1: Explanation of the material topic and its Boundary	28, 34-35	No
	103-2: The management approach and its components	28, 34-35	No
	103-3: Evaluation of the management approach	28, 34-35	No
GRI 414: Social evaluation of suppliers 2018	414-1: New suppliers that were screened using social criteria	35	No



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