

ENVIRONMENTAL POLICY

Our approach for environmental management arises from our Group's Environmental Policy, which is aligned with international environmental standards, including ISO 14001. The policy requires that our operations carry out detailed reviews of risk evaluations and appropriately identify mitigation actions.

OBJECTIVES

We are aware of the environmental impact caused by our activity and we make great efforts to clearly identify this impact. This helps us to find and implement the best measures to prevent, eliminate, control and/or mitigate these effects and compensate our impact whenever necessary.

We strive to manage our business in a responsible manner, in harmony with the environment, as part of the commitment with the sustainable development of the regions and local communities where we operate. Our objective is to preserve the long-term feasibility of the natural environment in our areas of operation.

ENVIRONMENTAL MANAGEMENT PLANS

Based on detailed reviews on risk evaluations and detailed studies of environmental impacts, our operations establish environmental management plans that are focused in avoiding, minimizing or compensating the impacts produced by our operations; the efficient use of resources; preserve protected areas and their biodiversity; and ensure closure planning and rehabilitation.

The operations update these plans during each phase of their life cycles and they incorporate them in the general risk records and administration plans.

SITE CLOSURE

Throughout the life of each of our operations, they must establish a closure plan, which must be continually updated, including the corresponding financial stipulations. When the appropriate time arrives, we will make sure that our host communities understand these closure plans and we will monitor the social risks and the opportunities associated to the closure.

ENVIRONMENTAL INCIDENTS AND FINES

We are committed to the elimination of environmental incidents and avoid incurring fines, penalties or lawsuits. We classify incidents in a scale of five points, from catastrophic (category 5); serious, moderate and minor, up to insignificant (category 1). Any incident is reviewed and depending on its impact is classified as 4 or 5, falls under the responsibility of top management. The lessons learned are shared with the whole Group and we also report and record the incidents with high risk potential (HPRI or events that could have resulted in a serious environmental incident).