



**MINERA ALUMBRERA
YMAD - UTE**

A GLENCORE MANAGED COMPANY

Minera Alumbarrera

Sustainability Report 2014

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Questions or comments

This report shares our performance with you. We will appreciate your comments to pursue our continuous improvement process.

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Please send us your comments electronically to informe2014@glencore.com.ar or by (prepaid postage) mail to Apartado especial N° 140 Correo Central 1000 Buenos Aires, Argentina www.alumbrera.com.ar

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A Word from our General Manager



RAÚL MENTZ
Minera Alumbraera General Manager



As a leading large-scale miner in Argentina, our business approach has been linked from the very beginning to sustainable development with a view to foster social and economic development and at the same time preserve the environment.

Ever since Bajo de la Alumbraera start-up 17 years ago, mining investment has grown in Argentina. Similarly, the economic, environmental and social challenges faced during such period clearly reveal our strong management practices.

Our extensive experience and long-term commitment allowed us to build on and capitalise our know-how including an Argentine team which has acquired new skills and competencies to lead even other group operations. Along the road, we have also learnt to maintain ongoing and open relationships with local communities based on respect for diversity.

This report has been prepared in line with the Global Reporting Initiative (GRI) G4 Guidelines, the world's most widely used sustainability reporting framework.

Minera Alumbraera has been supporting the United Nations Global Compact (GC) since 2004. This voluntary initiative is based on universal principles to foster organisational responsibility. We report on our endorsement to the GC's Ten Labour, Human Rights, Environmental and Non-Corruption Principles, including the progress made during the reporting period.

Background

There have been significant changes to the world mining industry during 2014. Although the recent mining expansion focused on the demand for raw materials from Asia, it is now declining. This was particularly observed after the world financial crisis of 2008, with a stronger impact as from 2011, including rocketing operational and capital costs.

The reduced investment worldwide thus coupled with the local economic scenario and the life span of Bajo de la Alumbraera operations, which is coming to an end.

Mine closure is expected for the near future. We are the first local miner ever to face such a challenge, including social and environmental factors.

Throughput

Alumbraera's production was 9% below budget for 2014 as a result of a landslide on the main access ramp to the open pit in August 2014, which deterred ordinary mining operations. As a result to our ongoing monitoring programme and the state of the art technologies employed, these geotechnical events had been predicted with no further impact on our workforce.

PREVIOUS STUDIES ENABLED US TO CONFIRM THE FEASIBILITY OF BAJO EL DURAZNO (BED) DURING 2014. BAJO EL DURAZNO IS A GOLD AND COPPER DEPOSIT SITUATED 4KM AWAY FROM BAJO DE LA ALUMBRERA.

BED production will be integrated into existing processes and will expand reserves for 2015 and 2016 to improve Alumbraera's life span during such period.

Full business operations are expected for 2015, including 70 jobs for the residents of nearby communities as well as the procurement of local goods and services.

Safety, Environment and Community Management

High safety standards have been maintained during 2014 by achieving our zero-fatality goal and benchmarking our overall performance against leading miners in the world.

In October 2014, our Lost-Time Injury Frequency Rate was zero, with the last lost-time incident recorded in October 2013. A similar result was attained in November with our Disabling Injury Severity Rate (including lost work days). Both goals had been set for 2014.

Our Total Recordable Injury Frequency Rate (measured per million hours throughout a year) was 1.06. It was above our 0.8 goal for 2014. Although this goal could not be achieved, it was set again for 2015.

The recertification of our Environmental Management Standard under the ISO 14001 Standard up to 2017 was a major achievement. This allows us to maintain good performance both at the mine and offsite facilities in Tucumán and Santa Fe as well as at our concentrate railway transport operations.

MOREOVER, OUR RESOURCE CONSUMPTION LEVELS -INCLUDING WATER, ENERGY AND DIESEL FUEL- HAVE BEEN AS PLANNED. THIS REFLECTS COMPLIANCE WITH THE ECO-EFFICIENCY INDICATORS SET.

The major infrastructure works developed by Alumbreira in neighbouring communities have had a significant impact. Key community works for 2014 include the refurbishment of Andalgalá and Aconquija hospitals, the Santa María sports centre and Concepción maternity ward in Tucumán. These facilities are now available to and serve around 100,000 local people. The cost of these community works now comes to USD4.7 million and has been funded by Alumbreira over the last three years.

Future outlook

There are 7,000 million people on earth and by 2020 a further 700 million are expected. Growing economic activities have an impact worldwide associated to increased raw material requirements for infrastructure development or energy generation. Although the use of raw materials supports development and improves the standard of living of local

communities, the sustainable production and consumption of raw materials is also a must. The entire civil society is actually involved in this global challenge as we must all find the answers to the new paradigms.

As an industry, we have the opportunity to provide long-term solutions to social needs in order to ensure a better future, under a management framework that provides for the protection of natural resources and delivers shared value.

At Minera Alumbreira, we support the development of products including manual and mechanical work, creativity, innovation and technology. The mining industry is a prime mover of other sectors since it provides the raw materials required by other industries to ensure local development. It is the source of development and has a powerful impact on other industries.

Of note, the properties of copper improve the efficiency of host products, playing a key role in the transport, computer and telephone industries. Additionally, it supports global sustainability since it is 100% recyclable.

The challenges of the mining industry include financial, environmental and social aspects. At the international level, investment in greenfield mining projects has declined. In environmental terms, the climate change invites businesses to look for new and improved methods to mitigate the impacts associated to the value chain. And in social terms, a growing number of businesses are engaged in the discussion of the issues associated to mining impacts and accountability for these, in addition to the efforts for open communication and stakeholder liaison made by the industry.

As a leading miner operating under the highest environmental standards, we are now faced with a major opportunity to open a new path into a better future for the benefit of all. We will pursue our stakeholder liaison efforts with a view to ensure an in-depth discussion of future prospects for our society.

”

¹ For additional information, visit to the “Health and Safety” chapter in this report.



Minera Alumbreira

At Minera Alumbreira, we are committed to fostering the sustainable management of our business as part of our responsible mining approach.

We aim at strengthening local social development and economic growth where results go beyond the life of the mine.

Biologist Gonzalo Padilla
and land surveyor Nicanor
Elizondo biologically
monitoring the Vis Vis Valley.

Key sustainability data for 2014

ECONOMIC CONTRIBUTION (in USD)	2012	2013	2014
Division revenue	881,868,055	703,733,965	1,006,441,989
Division EBIT	286,633,724	163,969,781	166,465,620
Employee salaries and benefits	33,690,039	43,785,217	52,124,418
Royalties and taxes	262,220,670	239,436,299	360,038,841
Corporate Social Involvement	4,244,133	4,637,089	3,838,503
Apprenticeships, scholarships and training	465,574	324,878	573,717

CORPORATE GOVERNANCE AND ETHICS	2012	2013	2014
Total value of financial and in-kind contributions to political parties	0	0	0
Percentage of security personnel trained in human rights	100%	100%	100%
Percentage of suppliers and contractors screened on human rights	0	0	0

OUR PEOPLE	2012	2013	2014
Total workforce	2,497	2,488	2,385
Permanent employees	1,489	1,440	1,396
Full-time contractors	1,008	1,048	989
Total employees under collective agreements	956	952	969
Percentage of employees hired from local area	45.3%	47.6%	50%
Fatalities	0	0	0
Total Recordable Injury Frequency Rate (TRIFR)	1.52	0.66	1.06
Lost Time Injury Frequency Rate (LTIFR)	0.34	0.16	0
Disabling Injury Severity Rate (DISR)	0.35	13.45	0
Health and safety prosecutions	0	0	0
Health and safety fines	0	0	0
Occupational illnesses	0	0	0
Average hours of training per employee	166 hours	232 hours	131 hours

OUR COMMUNITY	2012	2013	2014
Community complaints	7	2	0
Community resettlement	0	0	0

ENVIRONMENT	2012	2013	2014
Direct energy use	824,522,640 kWh	865,822,900 kWh	847,376,421 kWh
Total energy use	868,826,012 kWh	898,017,854 kWh	852,235 kWh
Total water use	20,981,000 m ³	24,506,878 m ³	23,451,000 m ³
Total water recycling and reutilisation	63,841,000 m ³	64,562,000 m ³	62,324,000 m ³
Direct greenhouse gas emissions (CO ₂ equivalent per million tonnes moved)	1.61	1.78	1.71
Land disturbed	54.62 ha	63.52 ha	65.82 ha
Land rehabilitated	14.34 ha	0 ha	2.72 ha
Category 3 incidents	0	0	0
Category 4 incidents	0	0	0
Category 5 incidents	0	0	0
Prosecutions	0	0	0
Fines	0	0	0



Name of publication
2014 Sustainability Report



Geographic scope
Bajo de la Alumbreira is situated in Catamarca and includes operating facilities in the provinces of Tucumán and Santa Fe.



Reporting period
Year 2014. Indicators from previous years have also been included for comparison purposes.



Release frequency
Annual.
This is our 11th sustainability report.



International guidelines

- Global Reporting Initiative G4 Guidelines.
- UN Global Compact Principles.
- AccountAbility's AA1000SES Standard.
- Argentine Business Council for Sustainable Development Guidelines.



Reporting process
Different areas and businesses of Minera Alumbreira have been involved. An internal audit was conducted in 2014 and its results were measured against the best international practices.



Materiality assessment
Material issues were reviewed during roundtable discussions and through an annual perception survey. As a result new topics to be further developed and a new approach –transparency and anti-corruption– have been included.



Roundtables
A face-to-face meeting was held in Buenos Aires and another in Catamarca, with 70 stakeholder representatives in attendance.

Mine Operations Supervisor Daniel Andreola monitoring performance of heavy equipment.



Scope of this report

This is Minera Alumbreira's 11th Sustainability Report which features our economic, social and environmental performance programmes and initiatives in Argentina.

This publication is intended as our annual report to society on the way we operate, while meeting our stakeholders' expectations.

The information reported includes Minera Alumbreira's operations during 2014 and results from previous years for comparison purposes. All monetary values are expressed in USdollars unless otherwise stated.

At the Annual General Meeting held on May 20, 2014, the corporate name GlencoreXstrata plc was changed to Glencore plc.

International Standards

This report was prepared in accordance with the procedures and measurement models of our parent company, Glencore plc. It is also based on internationally renowned sustainability standards. This year we used the new Global Reporting Initiative (GRI¹) G4 Guidelines applying the "material" compliance criteria and the GRI Mining and Metals Sector Supplement.

It also features the advanced Communication on Progress 2014 (COP) to report our compliance with the 10 United Nations Global Compact Principles² on human rights, labour practices, environment, and non-corruption.

In engaging with our stakeholders, we use the AccountAbility AA1000 Stakeholder Engagement Standard (AA1000SES)³.

Likewise, we introduced the guidelines recommended by the Argentine Business Council for Sustainable Development (CEADS)⁴, an international business organisation fostering economic progress based on environmental protection and social development.



View of the Concentrator Plant where mined rock is crushed and milled.

¹ For additional information, visit www.globalreporting.org

² For additional information, visit www.unglobalcompact.org

³ For additional information, visit <http://www.accountability.org/standards/index.html>

⁴ Local branch of the World Business Council for Sustainable Development (WBCSD).

Reporting process

All Minera Alumbra areas and business units have been involved in the reporting process, following the international guidelines and procedures stated above.

The report is published in two formats and languages, including 3,500 copies printed in Spanish as well as an English translation. Both versions are available online at www.alumbra.com.ar

Although the report has not been externally verified, Minera Alumbra was audited by Glencore in November 2014.

INDICATORS HAVE BEEN MEASURED AGAINST BEST PRACTICE AS WELL AS GROUP POLICIES AND PROCEDURES.

The auditors examined the data gathered by Minera Alumbra, the classification procedures and disclosure of sustainability goals and performance indicators. The following conclusions are reflected in the report:

- **Best practice**

Even more rigorous controls have been implemented to monitor contracts entered into with Minera Alumbra, consisting of more effective communications with corporate management and greater control over budget, including key actions to ensure efficient contractor services.

- **Risk management**

Alumbra manages risks efficiently by implementing a wide-range process applicable to all operational areas as well as at the contract management level. Any specific contract-related risks identified are dealt with before contract execution. All employees are trained on risk identification and mitigation techniques, and annual online training sessions are conducted to ensure that our employees are aware and undertake their responsibilities. Contractors are also informed of Alumbra's risk management policies upon contract award.

- **Internal controls**

Internal controls are efficiently applied to contract management processes, but stronger controls are required to continue improving such processes.



Heavy equipment can carry up to 220 tonnes of rock.

If you have any questions or comments about this report, please contact us at

informe2014@glencore.com.ar

Materiality assessment*

In order to define the 2014 Sustainability Report content, we analysed topics that are material to Minera Alumbra and the mining industry based on the principles set out by the GRI G4 Guidelines.

- Stakeholder involvement
- Sustainability context
- Materiality
- Thoroughness

This analysis was intended to review a list of the most relevant topics defined in previous years so as to continue reflecting key issues that may influence the decisions of our stakeholders while addressing the significant impacts of our organisation.

The material topics were reviewed and defined based on the process set out by the GRI G4 Guidelines consisting of four steps: Identification, Prioritisation, Validation and Review.



* Discussion of those aspects reflecting our significant economic, environmental and social aspects or those which substantially influence on stakeholder assessments and decisions.

⁵ For more information on the roundtable results, see "Roundtables" below.



Growing aromatic seeds under our Production Development Programme in Belén, Catamarca.

Relevant topics for Minera Alumbarrera



HEALTH AND SAFETY

We take a precautionary approach to ensure the health and safety of our employees and the community.

- Safety Leadership Development Programme.
- Hazard and Potentially Hazardous Activities (PHA) management.
- Training on attitudinal issues.
- Prevention of occupational illnesses at the workplace.
- Learning from high risk incidents.
- Training on road safety for employees and local residents.



HUMAN RIGHTS

We respect human rights in our relations with employees, contractors, business partners and local communities.

- No discrimination.
- No child labour.
- Freedom of association.
- No forced labour.
- Occupational health and safety.
- Grievance mechanisms.
- Safety measures.



ENVIRONMENT

We aim at minimising impacts of our operations and promoting initiatives to foster global climatic conditions.

- Environmental management system: conservation, monitoring, risk management and remediation.
- Water and effluent management.
- Resource utilisation.
- Land use.
- Biodiversity.
- Greenhouse gas emissions and mitigation actions.
- Use and footprint of materials.
- Waste management.
- Freight and employee transportation impact management.
- Expenditure in the use and research of future technologies and alternative power sources.
- Mine closure management.



HUMAN RESOURCES

We foster personal development through teamwork, ongoing training, a healthy workplace, growth opportunities and a favourable work environment.

- Improvements in the selection and recruitment of employees from neighbouring communities.
- Employee training and development.
- Respect for workforce diversity.
- Review of the work environment.
- Maximisation of the professionalism and employability of our people.
- Labour relations with trade unions.



VALUE CHAIN

We seek to bring social and economic benefits to our stakeholders through programmes and actions leading to increased and progressive involvement of local participants in our value chain.

- Local job creation.
- Promotion of local production activities with comparative advantages.
- Promotion of local vendors.
- Partnership with local authorities to apply revenues derived from mining operations to develop sustainable activities.
- Mine closure management.



COMMUNITIES

We seek that social expenditure in local communities brings benefits to the entire production chain, strengthens social development and economic growth with long-term ongoing results.

- Stakeholder engagement.
- Partnering with civil society organisations and the public sector.
- Community programme and large infrastructure works.
- Development of the local culture, health, education and social aspects.
- Developing and assessment of sustainable production projects.
- Site visits.



TRANSPARENCY AND NON-CORRUPTION

We work within a framework of values including policies and processes to ensure ethics, transparency and non-corruption practices across our operations.

- Glencore plc Business Practice: sustainability management system.
- Purpose and values.
- Code of Conduct.
- Non-corruption Policy.
- Responsible corporate governance.
- Regulatory compliance.
- Public policy.

Roundtable

During 2014 our stakeholders were invited to join in face-to-face roundtables to gather their opinions, suggestions and constructive feedback regarding the 2013 Sustainability Report with a view to improve future editions.

To this end, the AA1000 Stakeholder Engagement Standard (AA1000SES), the first world stakeholder engagement standard developed by AccountAbility, was used to integrate engagement processes into our business strategy and practices.

Key stakeholder representatives, Minera Alumbraera leaders and an external facilitator who served as moderator were in attendance to the meetings held in Catamarca and Buenos Aires.



Participants of the roundtable in Buenos Aires exchanging ideas to improve some technical aspects of the report.

TECHNICAL DATA SHEET OF OUR 2014 ROUNDTABLES

Venue	September 12 in Buenos Aires September 23 in Catamarca
Number of participants	70 (19 in Buenos Aires and 51 in Catamarca)
Participating stakeholders	Businesses and business organisations, suppliers, public sector, universities, partners, media, NGOs and education sector, and professional councils.

Quotes

"We thank Minera Alumbraera for its efforts to support local vendors and producers. They are doing a great job, but we ask for stronger commitment to continued support, especially because we are concerned about mine closure. Once again, thank you for your support to all our people".

Catamarca Roundtable Participant.

"It is important to join this initiative to discuss stakeholder views and thus support the development of this industry, which is so important for the Argentine economy".

Buenos Aires Roundtable Participant.



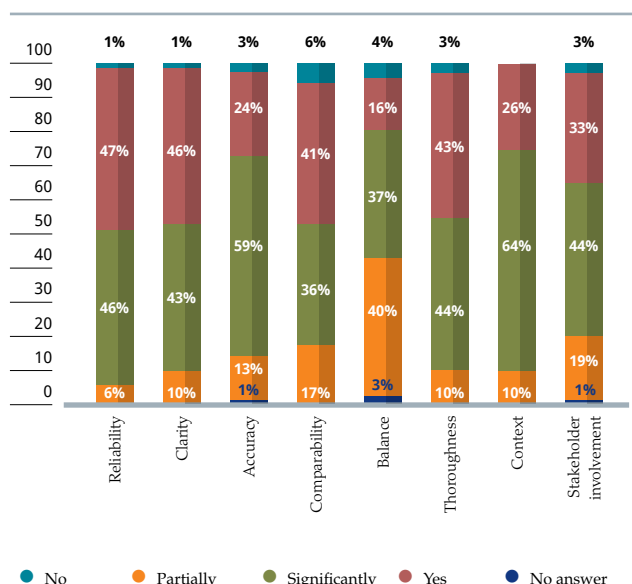
Participants of the roundtable in Catamarca giving constructive feedback in a respectful manner.

Review of technical aspects of the report

Through individual and group exercises, participants reviewed our 2013 Sustainability Report, pointing out the strengths and improvement opportunities.

First, participants from both locations considered whether the Report clearly showed stakeholder involvement, whether the information was presented considering a broader context of sustainability in the mining industry and whether the report was thorough enough and also examined the quality of the information. Whereas report reliability, context, clarity and thoroughness were the highest rated criteria, improvement opportunities were identified for data balance, stakeholder involvement and comparability.

Assessment of the 2013 Report. Buenos Aires and Catamarca in %.



Source: Minera Alumbraera

Strengths and improvement opportunities

It is important to point out that the participants from both locations valued the opportunity as well as our amenability to arrange the meeting and our willingness to listen to stakeholder suggestions.

97%

respondents stated that the report was 'quite' and 'very' helpful to know Minera Alumbra's commitment to sustainability.

As to the report, 73% considered that it was 'quite' interesting, while 27% thought that it was 'very interesting'. Along this line, respondents valued data presentation and communication efforts and expressed that the information was clear and easy to read. They also indicated that the chapter summaries improved their understanding and they believed that including mine closure data was positive.

The survey also included improvement opportunities, which in Catamarca were related to the direct impact of our operations on local communities and in Buenos Aires they focused on the technical aspects of the report.



Operator conducting monitoring activities at the flotation room in the Concentrator Plant.

73%

regarded our report as 'quite' interesting.

GENERAL SUGGESTIONS TO IMPROVE MINERA ALUMBRERA SUSTAINABILITY REPORTS

IMPROVEMENT OPPORTUNITIES	MINERA ALUMBRERA RESPONSE
Mine Closure Provide further information on mine closure by addressing economic, social and environmental aspects and explaining actions to mitigate its impacts.	In this edition of the report, the subject was further developed and additional information about our mine closure approach was provided. The "Commitment to Sustainable Development" chapter explains the socio-economic aspects of Mine Closure while the "Environment" chapter describes into environmental management.
Allocation of mining royalties and profits Provide additional information, including municipal and provincial works funded out of mining royalties.	We aim to provide transparent information about the tax and provincial royalty revenues. Although we are not responsible for the allocation of mining revenues, we are committed to communicate stakeholder concerns to the relevant authorities.
Stakeholders Include universities and environmental NGOs and mention the discussions with the central and provincial Governments, the Environment and Sustainable Development Department and the Mining Department.	In the "Commitment to Sustainable Development" chapter, we have expanded the stakeholder engagement section, providing examples of engagement initiatives with environmental NGOs. We also maintain ongoing engagement with various government agencies in order to pursue common goals, such as mining development in Catamarca. To this end, we agreed on the common sustainable development programmes presented in this report.
A word from our General Manager Informal language should be used to describe the commitments undertaken by Minera Alumbra, without necessarily including a full summary of the actions of the year.	The focus of the latest Chief Executive Message is intended to be more stakeholder friendly.
Language Avoid technical jargon and include a glossary with specific terminology.	Efforts were made to avoid technical jargon and a glossary with specific terms has been included at the end of this report.
Length Reduce the length of the report and avoid duplicate data.	Our goal is to present thorough data to our stakeholders. However, strong efforts have been made to improve data presentation and to avoid repetition throughout the report.
Comparability Compare indicators with data from previous years and include context to ensure understanding.	We improved comparability of the quantitative indicators contained in this edition of the report and provide context for the data presented to ensure understanding.
Communication Maximise report distribution.	This edition of the report will be made available to key stakeholders. In addition to the printed edition, the report will be available at our website, the Infoalumbra blog and in specialist media.

Addressing material topics

Finally, we focused on the material topics defined by Minera Alumbraera, examining how they have been addressed in the report. They were also reviewed and prioritised.

As a result, additional factors were included for each topic and a new relevant aspect was incorporated, i.e., transparency and anti-corruption.

IMPROVEMENTS TO THIS SUSTAINABILITY REPORT

STAKEHOLDER FEEDBACK

Health and Safety

- Additional information on occupational health and safety with a specific chapter on such topic.
- “SafeWork” system progress reporting, including our own training platform, as well as involvement record and results, to ensure full acquaintance with the new system notions.
- A comparison of indicators for the last three years, and a monthly breakdown.
- Context information of health and safety performance in the mining industry.
- Results of the comprehensive road safety training programme developed for the Andalgala, Belén and Santa María towns.
- A detailed explanation of our health and safety commitment in the Value Chain chapter.
- A detailed explanation of our health training actions in the Health and Safety chapter.
- In the next editions of the Report, we will seek to include information on our actions regarding work-related stress and the impact of ordinary occupational illnesses.

Environment

- Information on environmental management practices, certifications, standards and technologies throughout the Environment chapter.
- Additional information on the Revegetation Programme and water management and use.
- Progress report on our energy crop development pilot-scale programme conducted in neighbouring communities and the energy saved as a result from an overall change in the lighting systems of Minera Alumbraera electrical rooms and buildings.
- Details on the renewal of environmental permits required to operate, including compliance with discharge standards required by the Environmental Department of Tucumán in 2014.
- Copper tonnage recycled annually and our commitment to pursue research on this matter in the About Minera Alumbraera chapter.
- Clarification of slurry pipeline safety and monitoring aspects.
- Explanation of Minera Alumbraera’s contribution to the provision of energy to nearby communities.
- Reporting on Greenhouse Gas emissions reduction initiatives.
- In future editions of this Report, we will improve the clarity and comparability of the information contained in the Environment chapter.

Community

- Report on community grievance, follow-up and resolution system, as well as the key community concerns based on the 2014 Perception Survey in the Commitment to Sustainable Development chapter.
- Detailed description of community support projects and their results in the Sustainable Communities chapter.
- Visible display of the guidelines for the projects supported by Minera Alumbraera, including sustainable development deliverables beyond mine closure.
- Additional information on the education aspects of the Sustainable Development Programme.
- Detailed explanation of Perception Survey methods.
- Expenditure breakdown by town, including quotes from programme participants and goals for 2015.

Human Rights

- New chapter about Human Rights, describing our commitment and the international initiatives which we adhere to as well as issues on which we work.
- New chapter about Transparency and Non-corruption which includes our corporate governance framework, standards and responsible management guidelines as well as the initiatives which we adhere to.

Human Resources

- Manpower breakdown, including employees from Catamarca and from the Primary Impact Area, as well as Minera Alumbraera policies to support local employment.
- Comparison of indicators for the last three years to show trends in the main employment variables.
- Description of the education and training programmes for long-term employee career development, beyond the life of the project. The performance of our employees was evaluated during 2014, and training programmes include tools to evaluate results and impact.
- Non-discrimination commitment in the Human Rights chapter.
- Minera Alumbraera commitment to diversity described in the introduction of Our People chapter.
- Detailed explanation of the methods to calculate the employment multiplier and turnover ratio.
- Information on our Internship Programme in Our People chapter.
- Specific information regarding contractors and suppliers in Our People and Value Chain chapters.

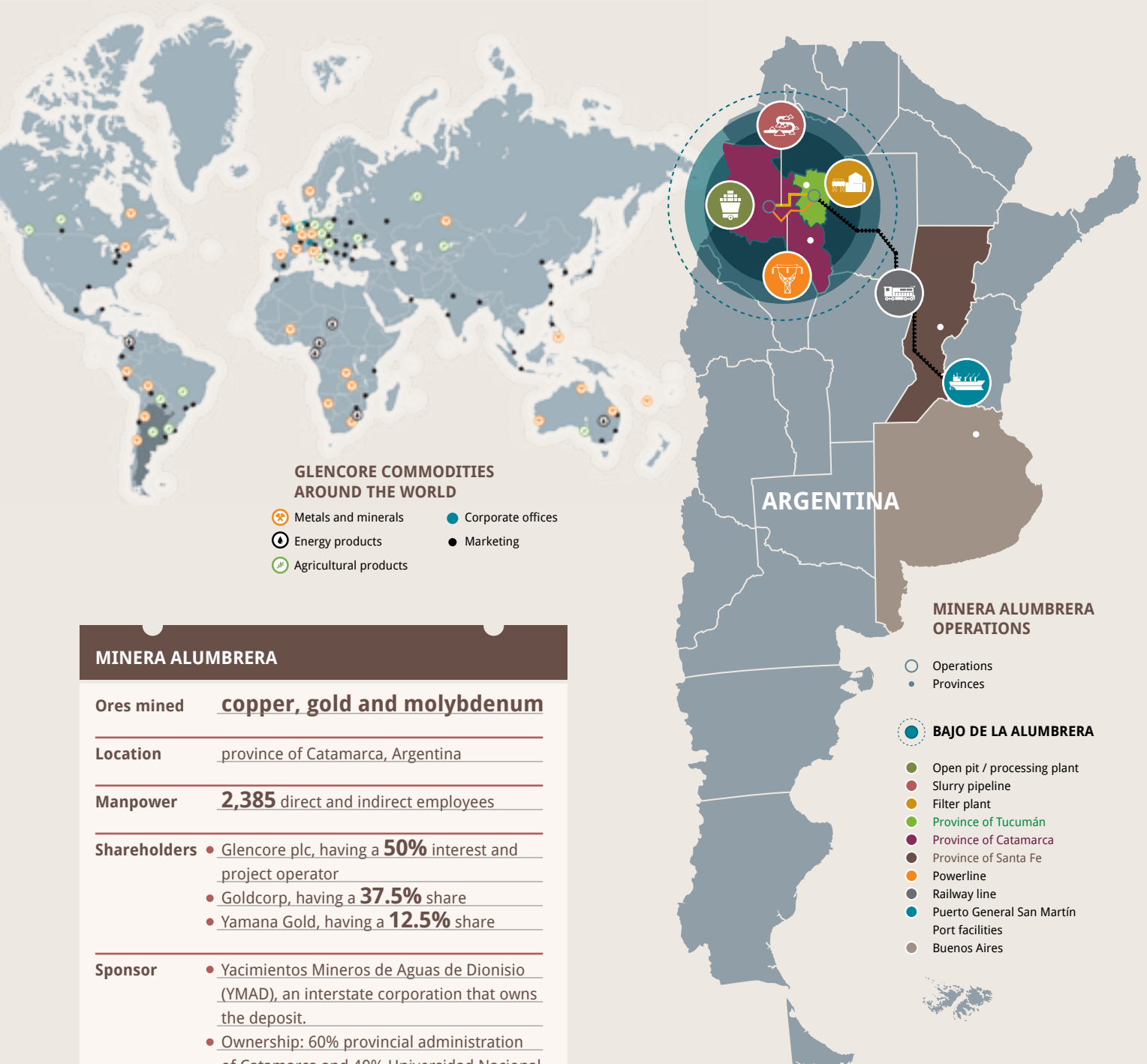
Value Chain

- Detailed information of domestic goods from the Primary Impact Area included in the Value Chain chapter.
- Explanation of our production process and the characteristics of the copper that we produce in the About Minera Alumbraera chapter.
- In future editions of this Report, we will continue including our value chain goals and the implementation of our policies under the Supplier Development Programme.

Our Sustainability Report is aimed at providing detailed information to our stakeholders in a systematic and transparent manner. This is a continuous improvement process based on the feedback from our key stakeholders and is expected to extend to future editions too.

About Minera Alumbrera

Bajo de la Alumbrera is a copper, gold and molybdenum open pit that has been operated by Minera Alumbrera since 1997. It is situated in Northwestern Catamarca, Argentina, at an altitude of 2,600 metres above sea level.



About Glencore

Glencore is one of the largest global diversified natural resource companies in the world and a major producer and marketer of over 90 commodities.

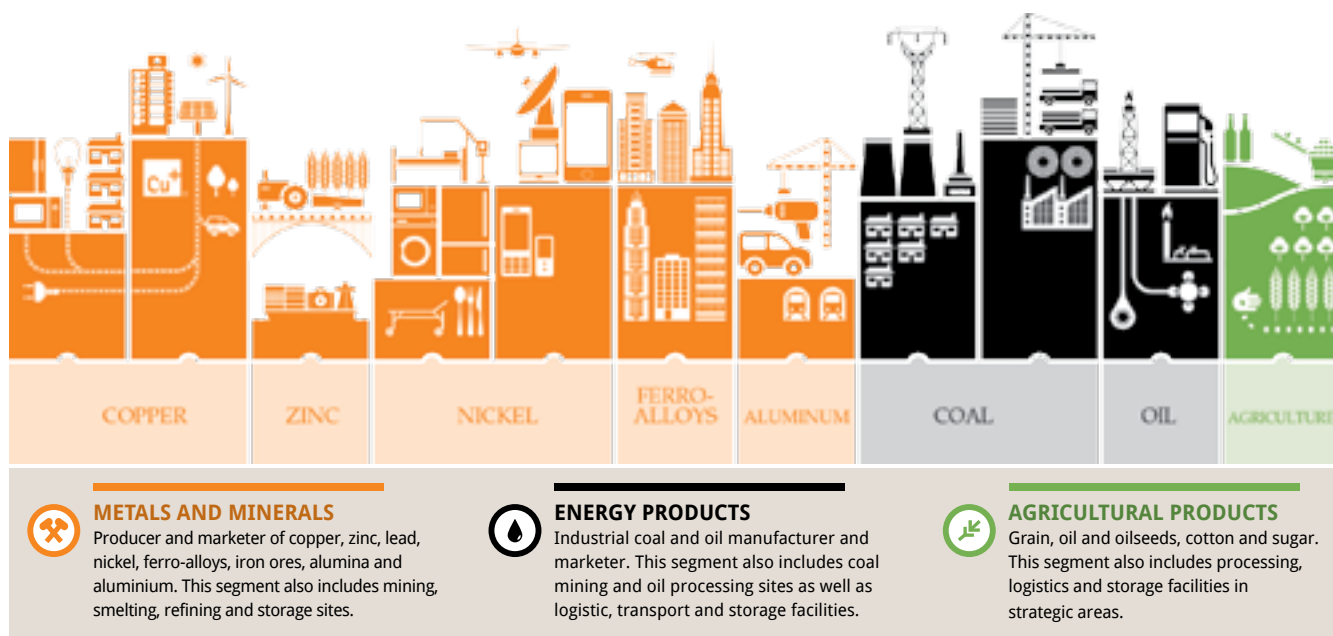
The Group operations comprise over 150 mining and metallurgical sites, oil assets as well as agricultural and livestock facilities.

With a strong position in developed and underdeveloped natural resource areas, Glencore's industrial and marketing activities are supported by a global network of over 90 offices located in over 50 countries.

Our products are processed into the automotive, steel, energy, oil and food industries. Likewise, financial, logistic and other services are also provided to manufacturers and consumers of commodities.

Glencore employs around 181,000 people, including contractors.

Glencore is structured into three business segments: metals and minerals, energy and agricultural products.



Social and economic impact¹

As pioneers of large-scale Argentine mining operations, we at Minera Alumbrera have supported the development of Catamarca and Northwestern Argentina by virtue of our strong commitment to the local communities.

Minera Alumbrera became a mining operation deriving mutual opportunities and benefits thanks to our employment, tax, mining royalty, supply chain, local supplier development, training, internship and corporate social involvement programmes.

Our activity allows for and facilitates development processes, which brings economic benefits to local communities. We play a major role in society, in particular in Catamarca and Tucumán, by improving local health, education, employment levels as well as the local standard of living and we work with local governments, communities and other stakeholders to ensure sustainable benefits.

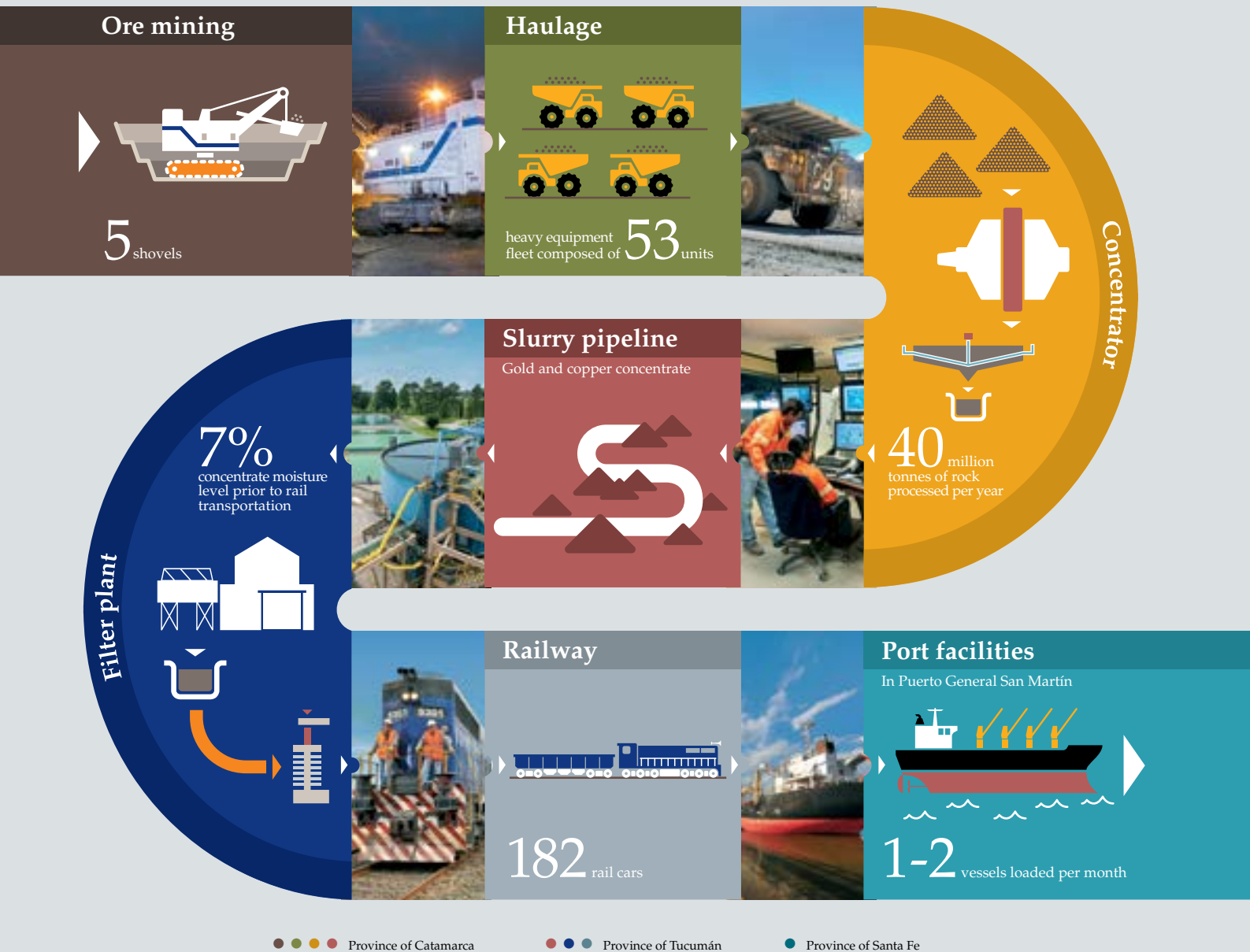
Our economic contribution also relies on our operational excellence and efficiency as well as on the commitment of our people.

KEY IMPACT INDICATORS FOR 2014

Throughput	Tonnes of copper and gold concentrate: 397,871 t Ounces of doré gold: 33,939 Tonnes of molybdenum: 1,907 t
Exports	USD1,035 billion
Employees	1,396 workers
Royalties	USD23.4 million
Salaries	USD52.1 million
	USD290.6 million fiscal revenues at the national, provincial and municipal levels
	USD2.3 billion cumulative fiscal revenues since project inception
	USD89.7 million fiscal payments to Catamarca
	USD751.7 million total contribution to the Argentine economy

¹ This report presents detailed information on the social, economic and environmental impact of our operations.

OUR PRODUCTION PROCESS



Ore is mined from the open pit using four electric shovels and is hauled to the Concentrator Plant using a fleet of 53 220-tonne haul trucks. Copper, gold and silver concentrate is pumped using water through a 317 km long and 175 mm diameter slurry pipeline across the Nevados del Aconquija mountains up to the Filter Plant in Tucumán.

The slurry pipeline includes 3 pump stations and 4 valve stations which are remotely operated and monitored 24 hours/day by an operator. A fiber-optics line has been laid along the slurry pipeline to ensure ongoing system communication and monitoring from the control room. A radio system is also available to ensure communication in the event of fiber optics failure.

To ensure system integrity 3 environmental control programmes have been put in place covering the pipeline system and components as well as the pumping equipment (internal factors) in addition to the impact of water at river crossings, geotechnical events, and human operations (external factors), subject to weekly, monthly or quarterly reviews (as applicable) by the Catamarcan Mining Department.

Electricity is supplied from El Bracho power station, in Tucumán, through a 220 kV 200 km powerline to the minesite.

At the Filter Plant, concentrate is dewatered to obtain a drier product having 7% moisture level. Then, it is railed through Nuevo Central Argentino railway using Minera Alumbrera trains to the port facilities in Puerto General San Martín, Santa Fe. Concentrate is then shipped to international markets.

Minera Alumbrera's molybdenum facility was commissioned in 2008 and such product is trucked and exported to Chile.

Gold is recovered both in concentrate and as doré gold using gravitational methods. Then, it is refined in international facilities to obtain a final product. Due to the geology of the deposit, ore is segregated from waste rock through a gravitational process in centrifugal pumps, by introducing air as small bubbles, alcohol and frothers. Ores gather on the surface of the air bubbles due to its lower specific gravity and then overflow from large vessels.

No cyanide, mercury, chromium, arsenic or lead is used for ore processing or identified in Minera Alumbrera concentrates. Our concentrates are sought in international markets for its chemistry free from the above substances. Although cyanide is not used in any Minera Alumbrera process, it may be used in an environmentally-responsible way, as in other industries (i.e. pharmaceutical, plastics, chemical) safely for human health.



COPPER

The copper² we produce is vital to our modern society and is used extensively in energy generation and distribution, building products and electronic equipment. With its growing use in green-technologies, anti-microbial applications and its ability to be recycled, copper is playing an important role in creating a sustainable future.

Properties

- High heat and electrical conductivity: up to eight times higher than other metals
- Soft and malleable
- Resistance and durability
- Anti-microbial effectiveness
- Versatility

Utilisation

Used in plates, pipes, bars, wires, thin sheets, rods, cables, engines and electrical equipment, transport (electrical and hybrid vehicles), computers, TV sets, smartphones, among others.

Environmentally friendly

Copper supports global sustainability.

- It is 100% recyclable. It is estimated that out of the 550 million tons of copper mined since 1900, 2/3 is still in existence.
- Copper recycling process requires 85% less resources than the primary processing. This is equivalent to 100 million MWh annual power savings and 40 million tons of CO₂.
- 9 million tons of copper are recycled per year. 35% of the global copper demand is satisfied out of recycled copper.
- Copper improves product efficiency by reducing CO₂ emissions into the atmosphere.

Health benefits

- Anti-microbial properties. Helps reduce hospital-acquired infections by 58% at intensive care units.
- Prevents potentially lethal infections such as the ordinary, avian and swine influenza.
- Copper surfaces can kill 99.9% of bacteria within two hours of exposure.
- Copper is an essential mineral required by our body for the absorption of iron to prevent illnesses such as anemia and to prevent the destruction of cells due to oxidation.

Curious facts



4.5 tons of copper are used in a space shuttle.



Copper accounts for about 2% of the total weight of a Boeing aircraft.



From 15 to 28 kg of copper are required for an automobile.



A high-speed train includes around 20 tons of copper components.

² Glencore is a member of the International Copper Association where research work is carried out on the impact of copper on health, energy efficiency, recycling and food.



SD approach

Create economic, social and environmental value in the community.



Engagement

We are committed to maintaining an honest and transparent relationship with our stakeholders.



Management

724

meetings with different stakeholders representing 1,527 people.

1,860

site visits; 55% of visitors from Catamarca.



Perception survey

Sixth annual survey conducted in Catamarca together with the National University of Catamarca.

- A positive vision of the future.
- Agreed-upon plans under which local needs are met with the support of Alumbraera.
- 8 out of 10 respondents are concerned about the environmental impact.



International agreements

- Minera Alumbraera adhered to the UN Global Compact (2004).
- Glencore joined the International Council on Mining and Metals (2014).
- Universal Declaration of Human Rights.



Challenges of the mining industry

Financial, social, environmental and reputational challenges: lower investments, higher costs, social conflict and climatic change.



Julio Ocampo makes symbol products under the public and private craftsmen support programme conducted in Santa María, Catamarca.

Commitment to sustainable development

At Minera Alumbraera, we are committed to managing our business in a sustainable manner, creating economic, environmental and social value to ensure the long-term viability of our operations and our host communities.

The principles of Sustainable Development (SD) are essential to our business model and guide our daily decision-making process.

Our management model is based on Glencore's corporate guidelines and values and Minera Alumbraera's culture developed by engaging with stakeholders and integrating human resources, environmental, occupational health and safety, community relations and corporate governance practices across our operations. This is a comprehensive approach that covers all the areas of the production process.

We take into consideration the impacts of our operations, as well as the risks and opportunities involved in each area of performance.

Minera Alumbraera's commitments to sustainable development

- Maintain sustainable management practices on the entire production process, while balancing economic, environmental and social aspects.
- Foster the development of the communities closest to our operations through programmes that improve local economic, social and job training capabilities.
- Examine and implement the best environmental practices to minimise the environmental impact of our operations.
- Raise employee awareness to build up a corporate culture with sustainability values that transcend our business.
- Respect and protect human rights in our area of business influence.
- Support employee integration and diversity.

Management framework

Our sustainability management system is called Glencore Corporate Practice (GCP). It includes sustainability guidelines, policies and principles and a programme that clearly states how to implement them and act in accordance with our values and achieve our main goals.

As a whole, it represents our commitment to upholding good business practices that is, complying with or exceeding applicable legal or other external requirements. It drives our approach towards social, environmental and compliance indicators and provides clear guidance on the standards we expect all our operations to achieve. The framework also provides oversight, through regular performance reporting.

Our Code of Conduct gives practical guidance on how to work in accordance with our values. Everyone who works for Minera Alumbraera must comply with the Code of Conduct.

Minera Alumbraera adheres to the initiatives and standards to which the Glencore Group subscribes, including the International Council on Mining and Metals (ICMM), the Universal Declaration of Human Rights, the UN Global Compact, and the Voluntary Principles on Security and Human Rights.

We seek to ensure that our customers, suppliers, agents, service providers and contractors maintain business practices and workplaces which comply with GCP Principles and our Code of Conduct.

Engagement with stakeholders

We believe in the importance of maintaining active engagement and dialogue with our stakeholders¹. We are committed to regular, open and accurate communication with employees, contractors, customers, suppliers, investors, associations, governments, and the surrounding communities.

We identify and engage with all stakeholders in an equitable, transparent and culturally appropriate manner in respect of their concerns and expectations about our operations.

We undertake fact-based, timely and constructive communication across a wide range of matters. Our decision-making process is supported by our engagement with all stakeholders.

Open and constructive relationships with governments ensure the awareness of the opportunities, constraints and concerns related to our operations and marketing activities on an ongoing basis. Communications with governments must only be undertaken by suitable senior management or authorised personnel and all information shared should be accurate and not misleading.

At Minera Alumbra, we undertake the following commitments to each of our stakeholders:

STAKEHOLDERS	SUSTAINABILITY COMMITMENTS
INVESTORS	Maximise the return on investment, particularly in the copper industry. We are committed to open corporate management practices.
CUSTOMERS	Supply our products, which are essential for progress, in a reliable and on-going basis.
EMPLOYEES	Promote a respectful, flexible and efficient organisation through professional development and the fulfilment of mutual duties.
SUPPLIERS	Promote a fair selection process which reflects our values and policies.
GOVERNMENT	Strictly adhere to and enforce the laws and support the professional management of efficient regulatory agencies to accomplish their mission.
TRADE UNIONS	Support responsible organisations which strive for employee welfare.
COMMUNITIES	Provide growth opportunities through training, employment and sustainable programmes.
MINING CHAMBERS AND INDUSTRY ASSOCIATIONS	Support their actions so that they represent the entire mining industry.
NGOS AND RELATED ORGANISATIONS	Liaise with organisations that strive for improved social, technical and institutional development at regional and country-wide levels.
MEDIA	Provide accurate and thorough information, through an ongoing and open dialogue.
UNIVERSITIES	Encourage favourable exchange for students directly or indirectly related to the mining industry and promote academic studies that may provide reliable data to the community, based on rigorous methods, honesty and proven scholar qualifications.



In 2014, 1,860 people visited the mine site.

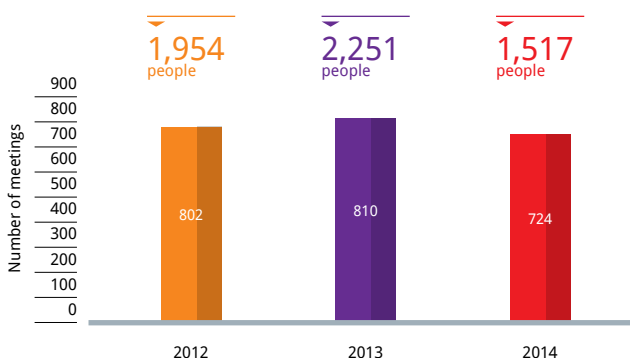
Communication management

In connecting with our social environment, we use different tools: face-to-face discussions with our neighbours, participation in locally organised initiatives and knowledge of community needs through perception surveys or roundtable discussions with local representatives.

Regarding interpersonal communication, Minera Alumbra has representatives in Andalgala, Belén, Santa María, San Fernando (Catamarca) and San Miguel de Tucumán. We also have offices in each of these towns where representatives interact with local people.

During 2014, our representatives held 724 meetings with municipal authorities, neighbours' committees, school representatives, hospital directors, irrigation boards, educators and local residents in general. The meetings were attended by 1,517 people.

Meetings with stakeholders, 2012-2014

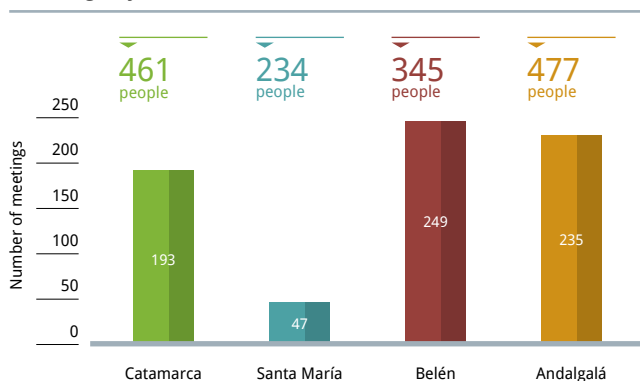


¹ Stakeholders are those directly or indirectly associated to our operations. They are featured by their accountability, influence and closeness to Minera Alumbra.

Meetings with stakeholders

Regular meetings are held with local authorities and journalists to report first-hand information and address their concerns, as well as to help promote mining operations in Argentina. In addition, we comply with the information requirements of local universities, schools, NGOs and other stakeholders.

Meetings by town for 2014



Since 2012, we have been participating in roundtables with environmentalists from Concepción and Tucumán. This is an interesting opportunity to learn about and address local concerns through face-to-face dialogue.

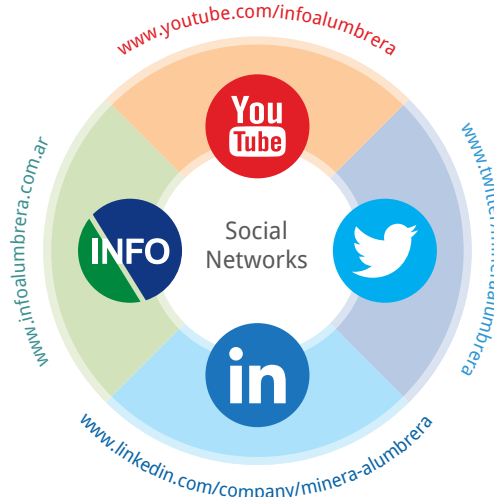
AT PRESENT, MEETINGS ARE BEING HELD WITH CONCEPCIÓN RESIDENTS TO DISCUSS THEIR CONCERNS ABOUT OUR OPERATIONS. SUCH MEETINGS ARE MODERATED BY FUNDACIÓN ECOCONCIENCIA.

Our mining process, local reforestation initiatives, urban waste treatment and the Bajo el Durazno Environmental Impact Assessment were some of the topics discussed this year.

We also reported any new developments and our management actions through the media, social networks or specific publications.

In Catamarca and Tucumán we distribute magazines containing Community Programme issues. Three annual issues are published and distributed with El Ancasti (Catamarca) and La Gaceta (Tucumán) newspapers. Besides, a special issue is distributed in each community.

Our website is a technological tool that facilitates interaction between Minera Alumbraera and our stakeholders. Since 2010, we have been using social networks to engage in the dynamic far-reaching discussions made available by this computer tool through the following channels:

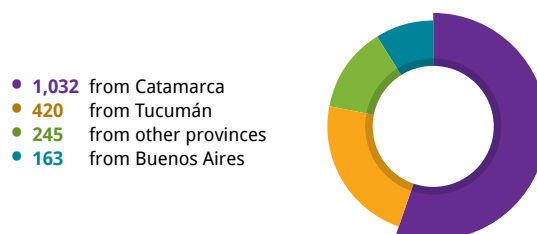


Site visits

Under our social commitment and our policy of open door communication and ongoing engagement with our stakeholders, Minera Alumbraera had visitors all year round from various organisations, especially from Catamarca. Our goal is that stakeholders learn about our operations, our production process and our efforts to protect the environment and our staff's safety.

In 2014, we had 1,860 visitors at the mine site, 55% of them coming from Catamarca (including local authorities, church representatives, local schools, legislators and university representatives).

Visits by Province in 2014



Total: 1,860 visitors

Source: Minera Alumbraera

Community concerns

Liaising with local stakeholders is crucial to the management of our business. Our work philosophy relies on building strong relationships through open and honest engagement.

In order to address community concerns, we have a system in place to record, follow up and settle the complaints raised by local stakeholders. A complaint is a request that could not be resolved by Minera Alumbraera and has been submitted to an administrative or judicial procedure. In contrast, any grievances that might be resolved by Alumbraera are called enquiries. A grievance form is available to stakeholders, but in most cases they decide to discuss the issue with an Alumbraera representative who will take the required steps to solve it.

We address the enquiries and complaints raised by our stakeholders through fair and equitable dispute and grievance resolution processes.

No formal complaints regarding our operations have been reported during 2014.

Perception survey

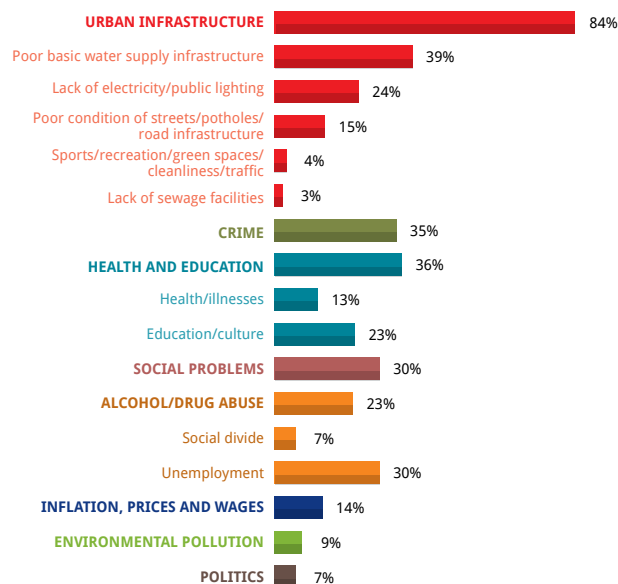
Our sixth annual perception survey was conducted in Catamarca by the National University of Catamarca in November 2014 in the districts of Santa María, Belén, Andalgalá (Primary Impact Area) and in San Fernando del Valle de Catamarca (the capital city of the province), with the participation of 1,077 respondents*.

The survey is intended to identify the opinions, views and expectations of residents in the region, the most relevant social participants, and production activities in general and mining operations, in particular.



A water extraction system was installed to support the drinking water system in San José, in the district of Santa María, to address the water supply issue raised by the community.

Main Issues Raised by the Community



Source: 2014 Perception Survey. Minera Alumbraera.

Local scenario

5 out of 10 local residents have a positive opinion of their daily life in their home towns, especially in Andalgalá. 34% of respondents claim that they are better now than years ago, and anticipate an even better future, due to local growth and development.

Crime is the second major concern for local people, although it is ranked below unemployment, inflation and social problems in the PIA towns.

Mining operations are not a main issue for Santa María residents and it is a lesser concern for people in Belén (1%) and Andalgalá (2%). Pollution is second to last among local people's concerns.

Mining operations

In terms of industries which most contribute to regional development, mining operations rank first in all the towns surveyed, followed by traditional activities such as farming and livestock raising activities. 63% of the PIA respondents acknowledge that mining operations contributed to the growth of Catamarca through job creation and revenues.

However, 7 out of 10 respondents think that pollution is the main negative impact of mining operations, followed by water supply shortage and pollution. However, 6 out of 10 are satisfied with the benefits provided by the mined ore to their everyday life.

* Sampling design, questionnaire preparation, field survey and operational activities were conducted by the UNCA. Isonomía Consultores entered, processed and analysed the results. Results are reported by UNCA, together with pollsters, who validate the results.

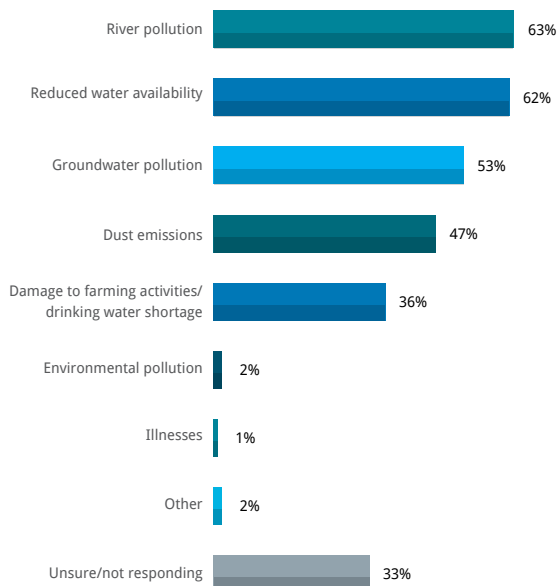
About Minera Alumbreira

Eight out of ten respondents state that Minera Alumbreira operations cause environmental impact, including river pollution and reduction of drinking water availability.

Among those who believe that such environmental impact exists, 6 out of 10 claim that they have evidence of its consequences, with illnesses² and water shortage³ ranking first.

They were asked about the consequences of Minera Alumbreira operations in terms of environmental impact.

What are the consequences of Minera Alumbreira's operations?



Source: 2014 Perception Survey. Minera Alumbreira.

Regarding how they learnt about the consequences of mining operations, 66% said that they have read about them or watched them on television, while 17% had a direct experience.

At Minera Alumbreira, we care about the local community's opinion regarding the mining industry. For a few years now, site visits from representative organisations and local and national stakeholders have been arranged so that they can learn first-hand about our operations. We believe that this

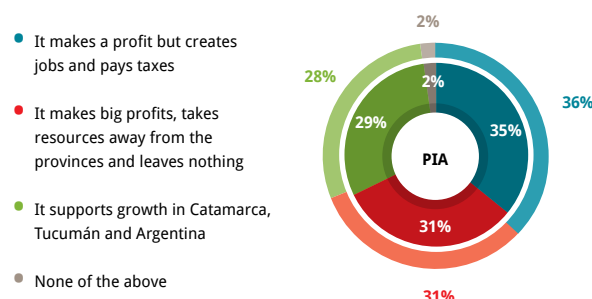
¹ In October 2010, Fundación Centro de Estudios Infectológicos (FUNCEI) run by Dr. Daniel Stamboulion conducted a research study commissioned by the Catamarca government to determine the impact of mining operations on western Catamarca, which confirmed that there was no environmental pollution caused by mining operations impacting on the health of the local people.
² A recent study of the Catamarca Water and Environment Department and the National Institute of Water (INA) confirmed that groundwater levels in Campo del Arenal are higher now than 30 years ago when there were no mining operations in the area. Therefore, there is no decrease in water reserves due to the impact of the water pumping from Campo del Arenal. It is also concluded that any variation in water levels over the years is exclusively caused by climatic periods. Study in the Santa María Valley. Groundwater Performance, 2010.

initiative makes a difference and shows that we are open and transparent about our mining process. Likewise, issues are addressed by directly engaging with local residents and regular meetings have been arranged with non-governmental organisations which do not believe in the benefits of mining operations.

Regarding the aspects to be reviewed by Minera Alumbreira, a large number of respondents, 74%, said that there was not enough environmental management data, while 50% of those aware of our environmental actions mentioned water quality monitoring. It should be noted that 76% of respondents did not know about our mine closure actions. Therefore, our aim is to expand and increasingly promote the environmental and social aspects of mine closure programmes.

As for the positive impact of Minera Alumbreira operations, most people think that we contribute to local growth and job creation.

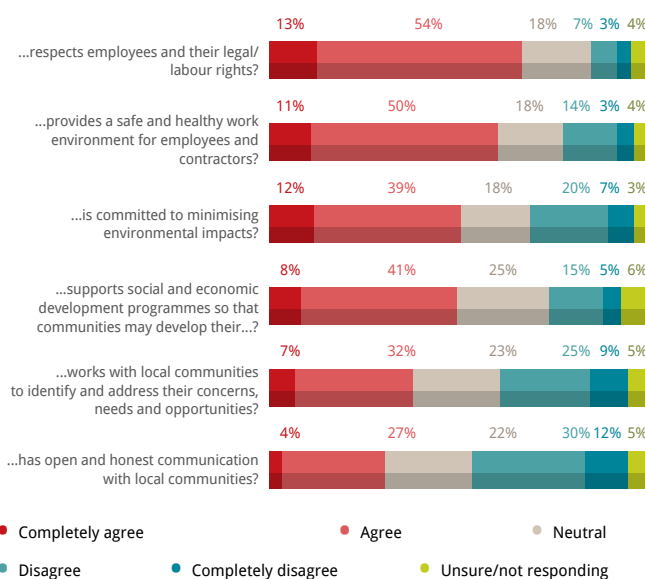
Opinion of the Positive Impact of Minera Alumbreira



Source: 2014 Perception Survey. Minera Alumbreira.

Opinion Regarding our Community Engagement

Do you think that Minera Alumbreira...



Source: 2014 Perception Survey. Minera Alumbreira.

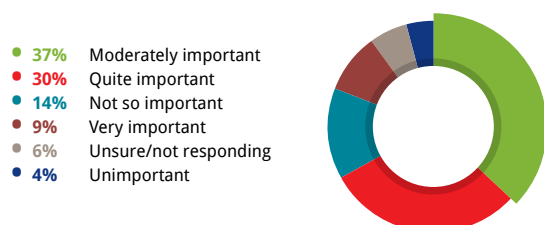


We support small-scale entrepreneurs from the impact area by providing training on partnership initiatives, accounting and safety, as well as tools and equipment.

Community programmes

Respondents were in favour of Minera Alumbrera's social investment to support health (85%), education (84%) and farming activities (47%). This engagement with the Catamarca residents help us prioritise and adapt our community programmes to meet local needs, since the survey shows our programmes are in line with the actions required by local residents. Seven out of ten people answered that the Community Programme and the major infrastructure works are moderately to significantly important for the community.

What is your opinion of the community programmes and infrastructure works developed by the Bajo de la Alumbrera project?



39%
Said that they were quite or very important

18%
Said that they were not so important or unimportant

Source: 2014 Perception Survey. Minera Alumbrera.

International agreements

In 2004, Minera Alumbrera adhered to the Global Compact (GC), a UN initiative that fosters global corporate social involvement among private companies.

This initiative promotes ten basic principles related to human rights, labour standards, environmental and non-corruption principles. This mission pursues a global framework suitable to promote sustainable growth and responsible management

activities based on business leadership practices. The GC principles are an integral part of Minera Alumbrera's business strategy.

In May 2014, Glencore joined the International Council of Mining and Metals (ICMM) and is committed to report on its sustainable development management actions annually and to comply with its policies.

The Council is an organisation led by mining industry CEOs which was established in 2001 and is committed to driving sustainable development. The ICMM brings together many of the world's leading mining and metals companies as well as national and regional associations and commodity associations which are committed to improving their sustainable development performance and the responsible production of the minerals and metals needed by society.

MINE CLOSURE

The life of Bajo de la Alumbrera is coming to an end due to the exhaustion of its reserves. Therefore, we are working on a Mine Closure Plan. This is a great challenge which will integrate environmental and social aspects with a focus on sustainable development. The environmental aspect is further explained in the "Environmental Performance" chapter while the social aspects of the plan, including our efforts in the areas of human resources, the value chain and the communities, are outlined below.

In 2014, we started an internal work project based on different approaches and goals, including data gathering, surveys and studies, programme implementation, and plan disclosure. Since mine closure is expected to occur in 2019³, the plan will contemplate work stages with different intensity levels, depending on the period.

Soon we will start outlining and conducting activities addressed to our human resources which also include the neighbouring communities and suppliers. Staff training programmes will be one of our priorities.

Training of local professionals is among our long-term strategic development goals, through training programmes. We seek to improve the employability of our workers once the life of the project is over.

At present, two higher education courses are delivered on site under our Mine Closure Plan, i.e. the Mining Technical Course delivered under an agreement with the National University of Catamarca and the Food Studies Course delivered by the Tucumán Education Department. These three-year courses started in 2012 and 96 employees are currently taking these courses.

Regarding the community-oriented programmes that transcend the life of our operations, we started an Education Improvement Plan in 2008 for Catamarca teachers from Andalgalá, Belén and Santa María, under an agreement entered into with Universidad Nacional de Tres de Febrero (UNTREF). Teachers received training on reading and writing skills, school management and new technologies.

Regarding farming activities, a Water Master Plan has been developed in Andalgalá for the next 10 years for 16,000 beneficiaries. With this programme, we can plan and manage drinking and irrigation water requirements thus facilitating crop-growing activities. In addition, farming development programmes that improved local crops have generated significant growth for farming activities in the three districts.

³ The date is subject to potential new investments or the extension of the current exploration activities.

Challenges of the mining industry

The financial, social, environmental and even reputational challenges faced by the mining industry also bring excellent opportunities to improve our business management, where an innovative approach and good industry practices may help change the manner in which modern mining operations are viewed.

Globally, the mining production has significantly grown to meet the commodities requirements from China, India and other emerging markets. However, this cycle has started to decrease what significantly impacts on the decision-making process of investors.

Regarding the environmental aspect, climate change is increasingly more relevant. More challenges are faced and the mining industry started to address the issue to mitigate potential impacts.

REGARDING THE SOCIAL ASPECT, THE LEVEL OF CONFLICT IN CONNECTION WITH SOME MINING PROJECTS CONTINUES TO BE A HEATED DISCUSSION TOPIC.

The banning on mining in some provinces restricts investment opportunities in areas with little growth expectations, located far away from urban centres, that usually host mining operations.

Thus the engagement and commitments of miners to address the complaints of society are gradually strengthening in Argentina and represent a great challenge for the mining industry.

CURRENT CHALLENGES AND OPPORTUNITIES IN THE MINING INDUSTRY

	CHALLENGES	OPPORTUNITIES
FINANCIAL	Fewer investments, infrastructure challenges, higher operating costs, lower ore grades.	Smaller-scale development options which are financially feasible and sustainable and create local jobs.
	Local governments struggle to generate local growth in the long term and promote a stable regulatory framework and skilled workforce.	Support the creation of government sustainable development programmes using mining revenues.
	Government intervention to change long-term mining regulations, increasing profits and relieving the tax burden.	<ul style="list-style-type: none"> - Engage with local governments to develop joint competitive policies and create local infrastructure projects. - Place Argentina in a position to compete with the investment opportunities and most favourable conditions offered by other countries in the region with mining tradition.
	The growing expectations of local governments and communities for greater benefits cause uncertainty among investors.	Consolidate the financial benefits obtained by the value chain and the communities through policies that encourage local hiring, training, job creation and long-term social programmes.
REPUTATION	Media campaigns against mining operations.	Spontaneous and direct communication through the social networks that ensures constructive and reliable feedback with the audience, based on technical arguments.
	Social concerns about the potential damage to the health of communities living close to the deposit negatively impact on the reputation of miners.	Foster baseline scientific studies to refute false accusations and to end with speculation.
	The cases of miners that left environmental liabilities, before large-scale mining occurred, affect the reputation of current mining operations.	The mining industry must admit its own mistakes, if any, and regain the trust of society by explaining the modern mining processes used today.
ENVIRONMENT	<ul style="list-style-type: none"> - Reduce greenhouse gas emissions. - Improve biodiversity in the areas close to the deposit. - Reduce or mitigate the use of natural resources. 	<ul style="list-style-type: none"> - Develop mitigation actions. - Foster scientific studies that help know the area better and create preservation programmes.
	Mine closure.	The end of the life of certain sites may represent an opportunity to prove that mining operations are conducted in an environmentally and socially responsible manner.
HUMAN RESOURCES	Insufficient talent.	<ul style="list-style-type: none"> - Promote in-company training programmes. - Government should encourage mining-related courses of studies. - Create internship opportunities for advanced students.
INTERNATIONAL GUIDELINES	Fight against corruption.	Companies must have zero tolerance to corruption and adopt or strengthen internal controls and policies and conduct compliance audits.



Glencore corporate practice

Corporate governance framework including our corporate Values, Code of Conduct and corporate and operational policies.



Code of conduct

Our commitment to responsible business practices.



Values

Safety, entrepreneurialism, simplicity, responsibility and openness.



Corporate governance

Our management efforts are based on ethics and corporate responsibility through compliance with the highest transparency standards.



Regulatory compliance

Our goal is to maintain a culture of ethical compliance and behaviour and to ensure compliance with the law and regulations.



Global anti-corruption policy

It sets out the rules and guidelines related to bribery and other forms of corruption.



Transparency

Signatory of the "Transparency Initiative for Extractive Industries".



Mine Operations Supervisor Daniel Andreola and Planning Engineer Daniel Moreno overseeing works to open the road to Bajo el Durazno.

Transparency and anti-corruption

Our management actions pursue transparency and set out clear policies that guide our behaviour. At Minera Alumbrera, we do not only comply with the laws but also seek to develop a culture of ethical behaviour and compliance among our employees and across the whole value chain.

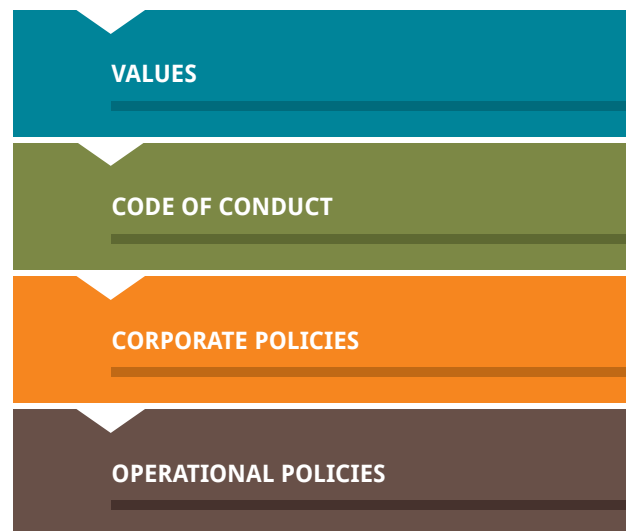
Regulatory framework

Glencore Corporate Practice (GCP) is our governance framework and includes our Values, the Code of Conduct and corporate and operational policies.

GCP represents our commitment to uphold good business practices, to apply Glencore's standards and policies to our activities and to meet or exceed the existing legal and external standards. This includes the United Nations Global Compact.

It provides clear guidance on the social, environmental and compliance standards to be met by all Glencore employees.

Our Statement of Values is the most critical element of the GCP. Our Values define our purpose, our priorities and the fundamental principles through which we conduct business.



OUR VALUES

SAFETY

Our first priority in the workplace is to protect the health and well-being of all of our people. We take a proactive approach to health and safety; our goal is continuous improvement in the prevention of occupational disease and injuries.

ENTREPRENEURIALISM

Our approach fosters the highest level of professionalism, personal ownership and entrepreneurial spirit in all our people while never compromising on their safety and well-being.

This is important to our success and the superior returns we aim to achieve for all our stakeholders.

SIMPLICITY

We aim to achieve our key deliverables efficiently as a path to industry-leading returns, while maintaining a clear focus on excellence, quality, sustainability and the continuous improvement in everything we do.

RESPONSIBILITY

We recognise that our activities can have an impact on our society and the environment. We profoundly care about our performance in relation to environmental protection, human rights and health and safety.

OPENNESS

We value open relationships and communication based on integrity, co-operation, transparency and mutual benefit, with our people, customers, suppliers, governments and the society in general.

Corporate governance

The processes implemented to manage corporate governance contemplate our Principles and Values, based on ethics and corporate involvement, through compliance with the highest standards of transparency.

We are committed to achieving the highest corporate governance standards, which we believe are essential to create value to our shareholders and integral to ensuring compliance with our values and Code of Conduct.

The Board of Directors is Glencore’s highest governing body. It consists of seven directors, with six of them being non-executive directors.

Glencore has separate Board committees responsible for overseeing our audit, wages, appointments, and health, safety, environment and community (HSEC) activities and review the overall sustainability performance of our business. Individual committees review the results of independent audits of sustainability performance and the management strategies and action plans.

Minera Alumbraera is a privately owned company mainly funded and operated by the Glencore Group, with a 50% interest, as well as Canadian Goldcorp and Yamana Resources, having a 37.5% and 12.5% interest, respectively.

Minera Alumbraera is managed by a Board composed of four regular members, (executives of the shareholder companies) with one of them being the chairperson, who is an executive at Glencore.

The Board sets the company strategic guidelines and holds at least four meetings per year to review business performance with all shareholders.

Directors receive no financial compensation directly from Minera Alumbraera. A sustainability performance bonus was paid to all our employees during 2014.

Prior to taking up office at the Board, directors must sign a Declaration of Interest stating their position in the parent company and its interest (percentage) in Minera Alumbraera. Therefore, they are regarded as interested parties in the agreements entered into between Minera Alumbraera and the parent company or any of its affiliates.

In 1994, Minera Alumbraera entered into a joint venture (UTE) agreement with Yacimientos Mineros de Aguas de Dionisio (YMAD) to mine the Bajo de la Alumbraera deposit. YMAD is composed of the Catamarca provincial administration and the National University of Tucumán. YMAD chairperson is appointed by the National Executive Branch.

The UTE Management Committee consists of eight members, three representing YMAD and five representing Minera Alumbraera, and is presided over by a chairperson. This Management Committee meets regularly –at least four times a year– and approves Minera Alumbraera annual plan and budget.





Our truck shop was certified as a Caterpillar 5 Star Contamination Control facility which entails a reduction in safety risks and a responsible approach to environmental protection.

Code of conduct

The Code of Conduct guides our Values and seeks to ensure that the aspirations embodied in our values are reflected in our daily actions and decisions and in our corporate culture. Every Glencore employee, regardless of their location or role, must comply with the Code of Conduct and Glencore policies.

We expect managers, supervisors and leaders to communicate our Values and the Code to their teams and proactively identify, assess and discuss relevant issues with them, as well as to implement appropriate risk mitigation controls.

The Code sets out the behaviour expected of all our employees in the conduct of business and to raise concerns, while defining the priority of health and safety management, work environment, respect for human rights, liaison with the community, environmental protection, engagement with stakeholders, regulatory compliance and production quality and safety.

TOGETHER, OUR VALUES AND THIS CODE (INCLUDING THE UNDERLYING POLICIES AND THE RELEVANT OPERATIONAL AND MANAGEMENT PROCEDURES RELATED TO SUSTAINABILITY) REPRESENT OUR COMMITMENT TO UPHOLDING RESPONSIBLE BUSINESS PRACTICES.

Our policies include Health, Safety, Environment and Community (HSEC) standards comprising a framework for health and safety, crisis, emergency response, fatal risk and catastrophe, environmental and community management and shareholder engagement. They are supplemented by anti-corruption and human rights policies. Our corporate practices also include a risk management framework and an assurance process.

100%

of the Minera Alumbra employees were examined on their knowledge and compliance with the Code of Conduct in 2014.



Chemical analyst of the Filter Plan laboratory, Ana Falivene, taking water quality samples.

Public policy

In line with our support to public policies, Minera Alumbrera is a member of or participates in the following mining associations and chambers:

ASSOCIATIONS AND CHAMBERS

ARGENTINE MINING CHAMBER (CAEM)

A country-wide association representing miners and suppliers of the mining industry.

ASSOCIATION OF CATAMARCAN MINERS (AEMCA)

It represents mining companies from Catamarca.

ARGENTINE BUSINESS COUNCIL FOR SUSTAINABLE DEVELOPMENT (CEADS)

A local branch of the World Business Council for Sustainable Development (WBCSD).

ARGENTINE BUSINESS DEVELOPMENT ORGANISATION (IDEA)

An organisation providing training and updates to the managers of corporate members.

FUNDACIÓN CAPITAL

A social and economic research organisation.

MOVIMIENTO RAP

A plural non-partisan foundation that fosters training and development of political leaders.

ASSOCIATION OF CHRISTIAN COMPANY MANAGERS (ACDE)

A think tank of Christian business managers.

FUNDACIÓN DEL TUCUMÁN

A group of companies committed to regional sustainable development.

CATAMARCA INDUSTRIAL UNION (UICA)

A major union company organisation representing industrial activities in Catamarca.

TUCUMÁN INDUSTRIAL UNION (UIT)

A major union company organisation representing industrial activities in Tucumán.

FUNDACIÓN IMPULSAR

A private non-profit organisation that supports young entrepreneurs.

JUNIOR ACHIEVEMENT

An international education foundation which seeks to encourage entrepreneurial spirit among young people.

Compliance

We expect everybody working for Glencore to comply with the laws, regulations and best practices applicable in the place where they operate. We will not knowingly assist any third party in breaking the law, or participate in any criminal, fraudulent or corrupt practice in any country.

Our main goal is to maintain ethical behaviour and compliance across the group, while meeting legal and statutory requirements.

We seek to prevent such misconduct through training programmes and strong leadership underpinned by internal policies, procedures and controls.

Compliance programme

We have a compliance programme that includes various policies, manuals and guidelines developed and applied by different areas. At Minera Alumbrera, we have a compliance coordinator who manages the implementation of this programme and supports our employees.

Through the Intranet or the compliance coordinator, compliance documents are made available to employees, who must confirm in writing on an annual basis that they understand and know such requirements.

Full-time and part-time employees, directors, offices and contractors (who have executed the relevant contract) must comply with the relevant laws and regulations and corporate compliance policies applicable to their duties. Our managers and supervisors are responsible for ensuring that our people understand and fulfil such obligations.

Anti-corruption

Glencore has a Global Anti-Corruption Policy in place that sets out the rules and guidelines to avoid bribery and other forms of corruption. It applies to all employees, business partners and associated persons. Our aim is to establish not only a set of rules which ensure compliance with laws and regulations, but also to develop a culture of ethical compliance and behaviour.

Glencore has established a Business Ethics Committee (BEC) which reviews and develops policies and assesses procedures. There is also a BEC Sub-Committee that meets to address reputational issues as well as third-party due diligence.

We will not assist any third party in breaking the law in any country, or solicit, offer, accept bribes, or participate in any other criminal, fraudulent or corrupt practice. We strive to prevent any misconduct through strong leadership and robust internal policies and procedures. We regularly monitor corruption risks and ensure the participation of the internal auditing and compliance areas, if required.

Marketing employees receive induction and ongoing training on disciplinary actions, prevention of bribery and corruption practices, money laundering, confidential information and conflicts of interest.

AT MINERA ALUMBRERA, WE COMPLY WITH THE LAWS AND REGULATIONS OF ARGENTINA. SINCE THE START OF OPERATIONS, NO SUSPICIOUS ACTIVITIES OR SIGNIFICANT MONITORING WEAKNESSES WHICH COULD FACILITATE FRAUD OR CAUSE IT TO GO UNDETECTED WERE IDENTIFIED.

Transparency

We support the Extractive Industry Transparency Initiative (EITI) to increase transparency regarding company payments and government revenues in the extractive industry¹. No financial or in-kind contribution has been provided to political parties or individuals.



All employees must comply with the laws and apply the best practices at work.

¹ The "Our Economic Contribution" chapter includes information about royalties, taxes or other payments made by Minera Alumbrera to governments in 2012.



Human rights policy

- We do not tolerate any form of discrimination, harassment or physical assault at the workplace, or any form of child, forced, or compulsory labour.
- We uphold the dignity, fundamental freedoms and human rights of our employees, contractors and the communities in which we live and work.



Training

- Our security personnel received training on human rights.
- Our security personnel has been trained on corporate policies on human rights aspects inherent to mining operations, our Code of Conduct and Harassment Policy.



Raising concerns

Our managers and supervisors are required to prevent, identify and report any breach of the law or of our corporate policies. We have mechanisms in place to raise concerns anonymously.



Child and forced labour

We do not tolerate any form of child, forced or compulsory labour.

Mine Maintenance Safety
Senior Advisor Isabel Burgos,
supervising safety conditions
during the new shovel assembly
works. She is currently taking
the site course on Food Studies.



Human rights

Respecting human rights is fundamental to Glencore and Minera Alumberrera operations.

Glencore has a Human Rights¹ policy in place that guides our fundamental commitment to respect human rights. Our policy was developed in accordance with the Universal Declaration of Human Rights, the International Labour Organisation (ILO) Declaration of Fundamental Principles and Rights at Work, the Equator Principles, and the United Nations (UN) Guiding Principles on Business and Human Rights.

As stipulated in our Code of Conduct, we uphold the dignity, fundamental freedoms and human rights of our employees, contractors and the communities in which we live and work as well as others affected by our activities. We seek to ensure that key human rights impacts are embedded into internal risk assessment processes.

We do not tolerate any form of discrimination, harassment or physical assault at the workplace, or any form of child, forced, or compulsory labour.

WE SEEK TO REFLECT THE DIVERSITY OF THE COMMUNITIES IN WHICH WE OPERATE ONTO OUR WORKFORCE. WE RESPECT THE RIGHTS OF OUR EMPLOYEES AND CONTRACTORS, INCLUDING THE FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING.

At all our assets, regardless of their location or function, we expect our employees to avoid complicity in human rights abuses, and to uphold relevant international standards. We operate grievance mechanisms that are accessible to our stakeholders².

No human right violations were reported through formal complaint mechanisms or any other procedure at Minera Alumberrera.

Key issues in relation to human rights at Minera Alumberrera:

Labour

The rights of our employees and contractors to fair compensation, equal pay for equal work, freedom of association, safe and healthy workplaces, non-discrimination and protection of statutory rights³.

Security

The performance of security service providers protecting our people and assets, and the public security forces who operate within our operational areas during the execution of their duties.

Communities

The impact our operations may have on communities, including disputes relating to the use of land and mineral assets, influx of migrant workers, impacts to culturally sensitive resources, access to resources and economic benefits.

¹ <http://www.glencore.com/assets/who-we-are/doc/Human-Rights-Policy-English.pdf>

² For additional information, visit to the "Commitment to Sustainable Development" chapter.

³ For additional information, visit to the "Our People" chapter in this report.



Young people from the neighbouring towns of Andalgalá, Belén and Santa María are invited to receive training as haulage truck operators to work at the Bajo el Durazno deposit.

Training

It is crucial that we ensure the protection of our people and our assets. We recognise potential human rights risks, especially under challenging environments. Therefore, our security procedures are aligned with the Voluntary Principles on Security and Human Rights⁴. These procedures are reinforced by risk assessments and incident reporting mechanisms, as well as training for our security staff and contractors.

83

people received 3-hour training on human rights policies and procedures during 2014.

The course is delivered by trainers of the Human Rights Division under the State Department of Tucumán. Training topics include the origin of human rights, the Argentine Constitution, equal rights, the basics of International Law and Criminal Procedural Law, labour relations principles, indigenous peoples as well as the duties, restrictions and powers of security personnel.

100%

of our security personnel has been trained on corporate policies on human rights aspects inherent to mining operations, our Code of Conduct and Harassment Policy.

Value chain

All procurement contracts between Minera Alumbraera and our contractors working at site include terms and conditions under which the contractor agrees to submit evidence of their employment arrangements. Minera Alumbraera contract owners confirm that contractors pay in a timely and proper manner salaries, social security and Workers' Compensation Insurance (ART) charges; that employees do not work longer than the statutory working hours; and that contractors provide basic safety training.

⁴ International tripartite engagement initiative established between governments, extractive sector companies and NGOs that serve as guidance for companies to ensure safety at their operations, while respecting human rights and fundamental freedoms.

Raising concerns

Our managers and supervisors are required to prevent, identify and report any breach of the law or of our corporate policies. Each of our main marketing offices has its own business ethics officer who is a member of our Business Ethics Committee (BEC), which develops and reviews our business ethics policies and principles and strives to prevent bribery and corrupt practices. This Committee also receives updates and reports from the business ethics subcommittee.

Employees must raise promptly any situation in which the Code, its underlying policies or the law appear to be breached with a supervisor or manager. Alternatively, concerns can be raised with the appropriate Human Resources, Legal, Corporate Affairs, Sustainability or senior management, or with our local Compliance contact.

Where a concern remains locally unresolved, it can be referred to one of the corporate officer, by sending an e-mail to CodeofConduct@glencore.com or by using the 'Raising Concerns' form available at www.glencore.com/raising-concerns/ on an anonymous basis.

For those with no Internet access, a telephone line is available to raise concerns. It is communicated through notice boards. Calls to these numbers are free of charge and are routed to a regional compliance contact who speaks the local language. The concern may be raised anonymously.

Issues raised via these 'Raising Concerns' channels are reviewed and assessed promptly

Child and forced labour

We do not tolerate any form of child, forced or compulsory labour.

WE COMPLY WITH LOCAL REGULATIONS REGARDING THE MINIMUM AGE ESTABLISHED FOR OUR WORKERS UNDER THE LAW. DURING 2014, OUR YOUNGEST EMPLOYEE AND CONTRACTOR WAS AGED 18.



Risk analysis and review of safe work procedures by team members are essential conditions to start a task.



The Alumbreira firefighters and brigaders are trained through drills.



Under our Leadership Development Programme, employees in strategic positions develop skills to perform their work more efficiently.



Employment

2,385 employees



Origin

- 50% of employees are from Catamarca, while the rest are from Northwestern provinces.
- The percentage of employees from Andalgalá, Belén and Santa María is proportional to the total active population from those towns.



Gender

6.9% are female employees

- 63% of the women hired are from Catamarca, while 98% are from Northwestern provinces.
- Female employees increased by 8% in the towns close to the site
- 68% are technical employees and operators.



Benefits

Accommodation, food, transport, first-rate recreational and sports facilities and activities, as well as ongoing training.



Training

1,591 courses totalling 195,267 training hours.

USD 580,000 expenditure.

175 employees are taking the Cooking Studies course or the Technical Mining course on site.



Salaries

USD 52.1 million

The average salary at Minera Alumbrera is 1.5 times the average salary of the 11,000 Catamarca residents with the highest wages.



Ramona Reales is getting ready to start her shift as heavy-duty equipment operator.

Our people

Our human resources corporate values are based on integrity, trust, respect and care for our people. We foster entrepreneurialism, career development and accountability for safe work practices.

Diversity

People are hired based on the skills and experience specifically required for the job and we foster local workforce hiring.

At Minera Alumbraera, our corporate values are based on integrity, trust, respect and care for our people. Entrepreneurialism fosters the highest level of professionalism and personal accountability in all our employees while ensuring their safety and well-being. Our success relies on our ability to attract, develop and retain the best talent.

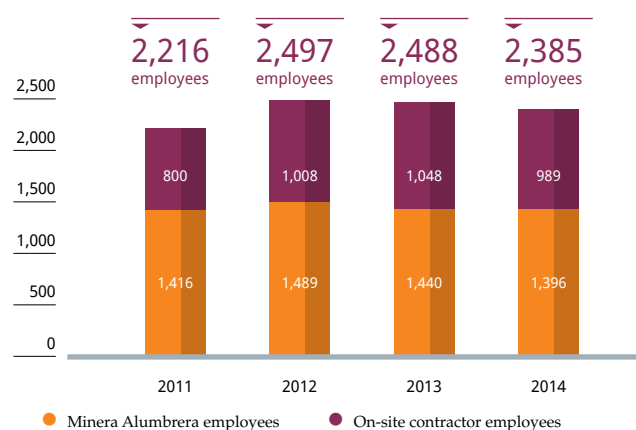
Our management approach is focused on employee development through teamwork, ongoing training, competitive salaries, safe and healthy workplace, growth opportunities and good work environment.

These work conditions maximise employee engagement. We seek to be recognised as a leading and attractive miner which recruits and retains high-potential talent.

At Minera Alumbraera, we conduct our business in line with the principles contained in the UN Universal Declaration of Human Rights and adhere to the International Labour Organisation Declaration on Fundamental Principles and Rights at Work.

Although the number of direct jobs has increased with respect to our previous operational stages, i.e. it was doubled from 1998 to 2014, the number of employees in 2014 decreased by 4% against 2013.

Total direct jobs between 2011 and 2014



Source: Minera Alumbraera.

Employment

2,385

direct employees of Minera Alumbraera in 2014, 1,396 out of which are employees on payroll and 989 are contractor employees.

Over the 17 years of life of the mining project, the number of employees has increased and the quality of their work has continuously improved through ongoing training and safety systems in place. In addition, Minera Alumbraera has continuously encouraged the hiring of local workforce, especially women.

Minera Alumbraera employees by job, 2014



Total: 1,396 employees

Source: Minera Alumbraera

Origin

Minera Alumbreira has developed an Employee Recruitment and Hiring Policy based on international principles and regulations of the International Labour Organisation, while upholding and complying with the applicable Argentine labour law.

Although the place of residence is not a condition to hire potential employees, Minera Alumbreira is committed to prioritise local talent who meets the requirements and skills desired for each job, based on their qualifications and experience.

Our commitment to encourage the engagement of local participants in the generation of wealth can be noticed in the origin of our workforce, where 50% of our employees are from Catamarca.

BREAKDOWN OF EMPLOYEES BY JOB AND AGE, 2014

CATEGORY	2014		AGE			
	N° of people	%	< 30	30-40	41-50	> 50
Managers	12	0.9%	0	0	8	4
Superintendents	42	3.0%	0	16	15	11
Senior analysts / senior supervisors	93	6.7%	0	37	39	17
Analysts/ supervisors	169	12.1%	8	77	59	25
Assistants / junior analysts	70	5.0%	18	27	19	6
Technical employees	46	3.3%	10	16	18	2
Operators	964	69.1%	187	449	226	102
Total	1,396	100%	223	622	384	167

At the national level, Minera Alumbreira's employment multiplier is 9.7, i.e. 8.7 indirect jobs are created for every direct job. The calculation includes not only the impact of the local purchase of goods and services on Argentine suppliers, but also the effect of the salaries paid to our employees and their spending based on an estimated consumer basket. Therefore, this index may not be compared with other employment multipliers which only measure this impact partially.

Despite the reduction of total workforce by 44 employees, the number of Catamarcan employees increased by 12. In 2013, the same variation occurred: the total workforce decreased by 3%, while the number of Catamarcan employees grew 1.6%.

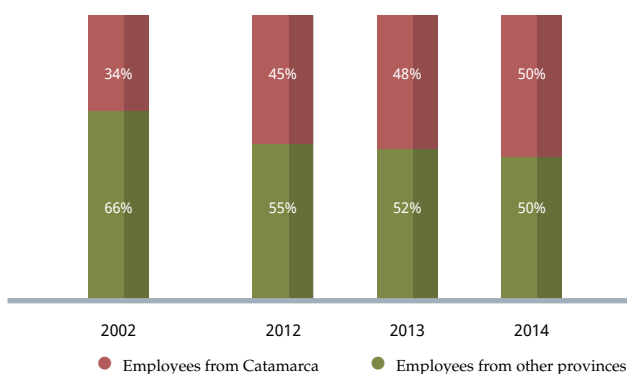


Miriam Ibañez, an electrician from San José, assembling, together with her supervisor, the electronic system of one of the trucks fully assembled at Minera Alumbreira.

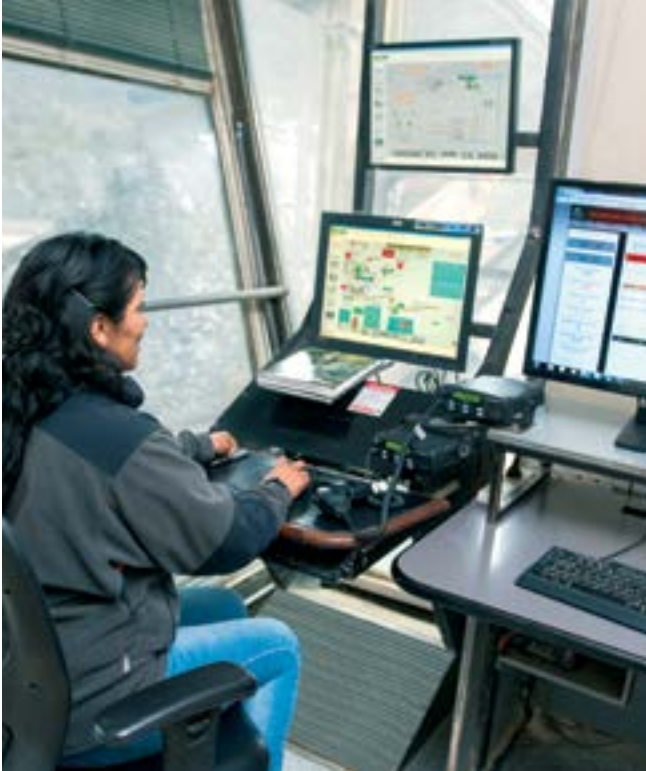
IN 2014, OUR EMPLOYMENT POLICIES WERE STRONGLY FOCUSED ON HIRING LOCAL WORKFORCE FROM THE IMPACT AREA. UPON THE START OF WORKS AT BAJO EL DURAZNO, MINERA ALUMBRERA HIRED 50 NEW EMPLOYEES FROM HUALFÍN, BELÉN, ANDALGALÁ AND SANTA MARÍA

In 2014, the turnover rate was -3.3, with 69 new hires and 115 exiting employees.

Percentage of Minera Alumbreira employees from Catamarca for 2002 and 2012-2014



Source: Minera Alumbreira.



Cecilia Cata, control room operator at the Primary Crusher monitoring the milling process.



Environment employees taking samples as part of the VisVis River biodiversity monitoring activities.

Employment is highly valued by the residents from the Primary Impact Area (PIA) –Andalgalá, Belén and Santa María– when they evaluate their social and economic situation.

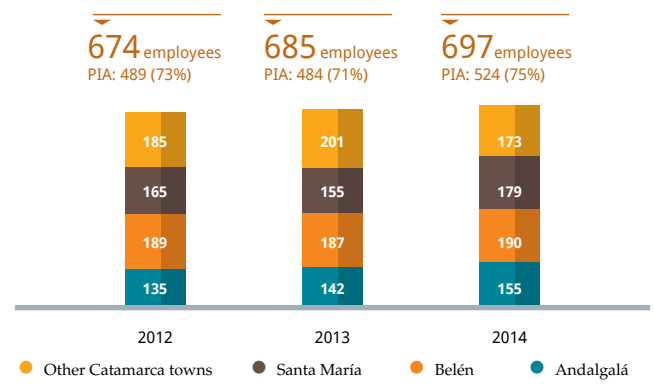
Based on the results of the 2014 opinion survey prepared by Minera Alumbraera and conducted by the National University of Catamarca, 27% of the PIA residents state that their standard of living has improved compared with three years ago, mainly due to local growth and job creation. Compared with the 2013 survey results, job creation was mentioned more frequently in Andalgalá.

As a result of our efforts to promote local employment, the percentage of PIA employees at Minera Alumbraera grew in absolute and relative terms during 2014. In 2012, there were 489 employees from the impact area, who represented 33% of the total workforce, while in 2014 the number of PIA employees rose to 524, thus representing 38% of the total workforce.

27%
of the PIA residents state that their standard of living improved compared with three years ago.

524
employees, i.e. 38% of the total workforce, are from the Primary Impact Area.

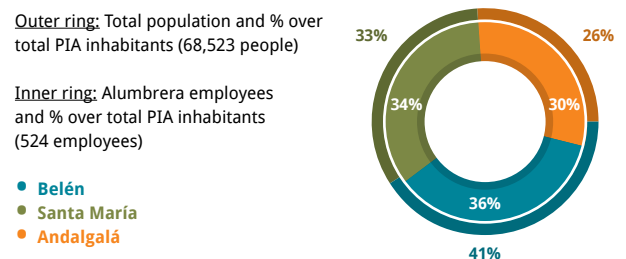
Employees from Catamarca by district. Number of employees and percentages for 2012-2014



Source: Minera Alumbraera

Alumbraera manpower between the three districts is proportional to the total residents of those locations.

Breakdown of PIA employees and total PIA population by district, 2014 (employees) and 2010 (inhabitants)

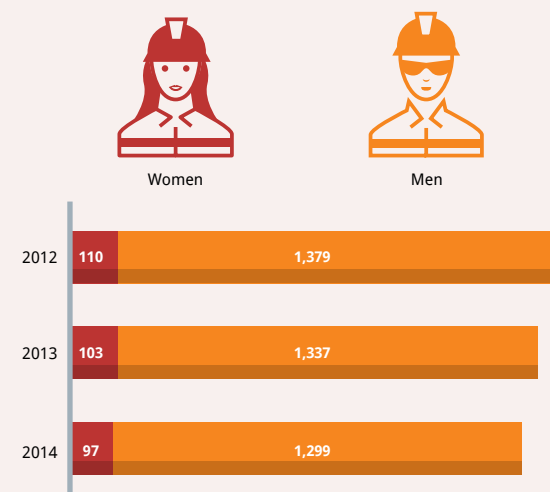


Source: Minera Alumbraera and National Census of Population, Households and Housing (2010).

Gender

At present, 97 women work at Minera Alumbraera, representing 6.9% of our total workforce, which is 6.4% lower than in 2013.

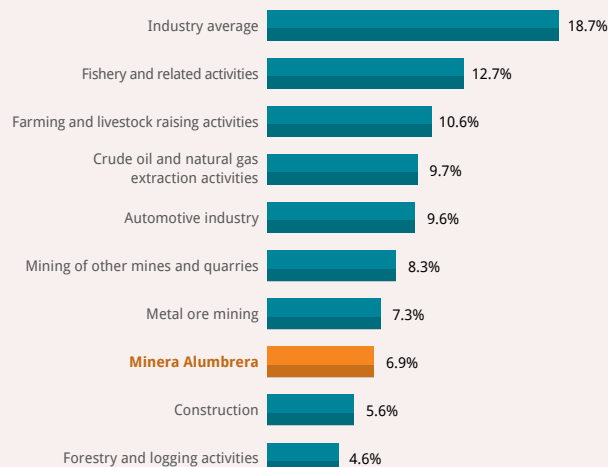
Employees by gender, number and percentage of women and men for 2012-2014



Source: Minera Alumbraera

At present, Minera Alumbraera has a female employee rate slightly lower than the average female employee rate in the Argentine mining industry (7.3%).

Percentage of females in jobs. Female employee rate by business activity. Minera Alumbraera, 2014, and data corresponding to other activities during Q4 2013



Source: Minera Alumbraera and the Labour, Employment and Social Security Department of Argentina (Employment and Business Dynamics Observatory), General Division of Labour Studies and Statistics (DGEyEL), Sub-department of Technical Planning and Labour Studies (SSPTyEL) and Labour, Employment and Social Security Department (MTEySS).

98%

of the Minera Alumbraera female employees are from Northwestern Argentina and 63% are from Catamarca.

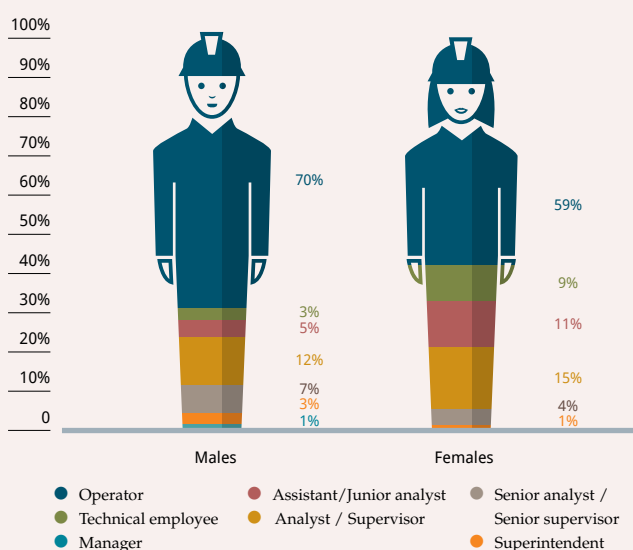
Although the total number of female employees has slightly declined, the percentage of women from the area close to the site increased in absolute and relative terms. In 2014 three women from Catamarca, one from each district of the PIA, joined Minera Alumbraera.

Women residing in Andalgalá, Belén or Santa María total 38 and represent 39% of our total female workforce.

EMPLOYEES BY PROVINCE AND GENDER, 2014

Location	2014		
	Males	Females	Total
Catamarca	636	61	697
Tucumán	500	30	530
Salta	45	3	48
Jujuy	20	1	21
Other provinces	98	2	100
Total	1,299	97	1,396
Northwestern Argentina	1,201	95	1,296

Employees by gender and type of job at Alumbraera, 2014



Source: Minera Alumbraera

At Minera Alumbraera, 70% of male employees and 59% of female employees are operators. In 2014, there were no female managers, but there was only one superintendent.

Labour relations

Labour relations are a major responsibility in managing our human capital. We strive to establish direct liaison between our employees and management teams, supported by honest, effective and ongoing communication, easily available information and mutual trust.

Our workforce is composed of both unionised and non-unionised employees. The latter include clerical and professional staff, supervisors and managers, among others. During 2014, unionised employees totalled 969, while non-unionised employees amounted to 427.

ALL MINING OPERATORS INVOLVED IN MINING OPERATIONS ARE SUBJECT TO THE COLLECTIVE BARGAINING AGREEMENT WITH THE LOCAL MINING GUILD (AOMA).

Such deal is generally revisited and ratified by union and company management every four years. The existing agreement is valid from 2011 through 2015.

Not every employee is a union member since pursuant to the applicable Argentine laws they are free to join a union.

We respect the liaison that has been established with the industry guild as well as with central and regional trade unions to develop operational improvements and thus ensure world-class mining operations.

There is commitment of both parties (the union and Minera Alumbraera) to maintain the social peace in conflict resolution and to properly discuss issues of mutual interest. Therefore, three meetings are held every week between union and Minera Alumbraera representatives. In 2014, during those meetings, improved employee benefits have been agreed upon, including modified transport schedules during change of shifts.

No strikes have taken place in Alumbraera during 2014.

We have committed ourselves to inform our employees well in advance of any potential change in company organisation, such as acquisitions, divestments or mergers or the closure of operations to ensure a smooth transition. The minimum notice term depends on operational requirements and, in some cases, it has been established in the relevant Collective Bargaining Agreement.

Benefits

Business benefits are rolled out to our regular, contract, full and part time employees in order to ensure fair treatment and avoid employment discrimination. Accommodation, food and transport services are guaranteed to all our employees, as stated in the Fair and Equal Treatment Policy.

We provide our employees with suitable accommodation facilities. Our campsite is composed of a 550-room permanent camp and an additional 750-room temporary camp house.

Moreover, modern and comfortable sports and recreation facilities are available at the site. Our sports centre includes football, volleyball, basketball and hockey fields, as well as paddle and tennis courts. It also has a gym, a small screening room, a pub and recreation room, including pool billiards, ping pong and football tables and video game consoles.

Employee recreation services are provided by a company from Andalgalá. Employee accommodation facilities further include laundry services and three barbecue areas. All these services are provided at no cost for employees.

Employees are transported by bus to and from Andalgalá, Belén, Santa María, San Fernando del Valle de Catamarca and San Miguel de Tucumán. In-house transport services are provided by a bus company from Santa María.

Our caterer has maintained its ISO 22000 Standard Certification since 2010. This management tool ensures food quality and safety.



The site has a resting area with sports and recreation facilities available to all employees.

Maternity leave

Minera Alumbra has no employee retirement programme. However, support is provided to retiring employees including counsel on retirement programmes, temporary health coverage and miscellaneous professional advice, as applicable.

Regarding maternity protection in compliance with the Argentine Employment Contract Law and the Collective Bargaining Agreement, our aim is that all our female employees return to work under the same working conditions after expiration of their maternity leave. Those who work at the site are benefited with an extended paid leave prior to childbirth, which may be requested as from the third month of pregnancy. However, many women choose to devote themselves to their families and do not return to work.

Employee training and development

The growth of a business is associated to the skills and competencies of its human capital. Hence we provide all our employees with training, which is one of the pillars of our development strategy.

We aim to improve the employability of local residents, since access to job postings is rare in these areas, what leads to migration to large cities with an impact on social and cultural levels.

Personnel training needs are identified through job descriptions and annual performance reviews.

100%

All our regular employees have been subject to performance reviews during 2014.

Thus, several employee training and development programmes have been designed to ensure the professional development of our employees in the long term, beyond the life of the deposit.

Under an agreement entered into with the National University of Catamarca (UNCA), an Internship Programme has been implemented. During the year, six Mine Engineering students complete a 30-day internship training on site as part of their course of studies. Moreover, every year two undergraduate students stay at the site during six months to complete their final thesis to obtain their degrees.

1,591

training courses were delivered in 2014, thus totalling 195,267 training hours. Minera Alumbra spent USD 580,000 in such training.

KEY TRAINING PROGRAMMES



Leadership Development Programme

Under this Minera Alumbra programme, employees in strategic and supervisory positions learn skills to perform their work more efficiently.



Internship Programme

Available to undergraduates and newly graduates of mining-related studies at major universities and education centres of Catamarca and Tucumán. Under this programme, trainees are tutored to grasp technical competencies, develop their professional skills and abilities and start their career development. Agreements have been entered into with technical schools of Belén, Santa María and Andalgalá.



Higher Education Programme

This initiative is in line with our strategic goals on employee development for the long term and is enshrined in our Mine Closure Plan. We seek to bring growth opportunities at the regional level.

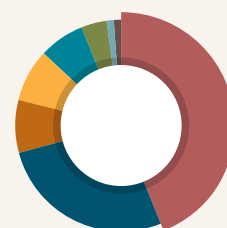


Since 2013

Two higher education courses are delivered under our mine closure plan: The Cooking Studies course is delivered by the Tucumán Education Department and the Technical Mining Studies course is delivered by the National University of Catamarca. These three-year training courses have 170 students enrolled. Courses are delivered on site during non-working hours in properly equipped rooms.

Training hours by course subject, 2014

- 44% Higher education programme
- 27% Technical operational skills
- 8% Community Relations - Internship Programme
- 8% Industrial health and safety
- 7% Community Relations - Apprenticeship Programme
- 4% Technical maintenance skills
- 1% Leadership under LDP
- 1% Environment



Total: 195,267 hours

Source: Minera Alumbra



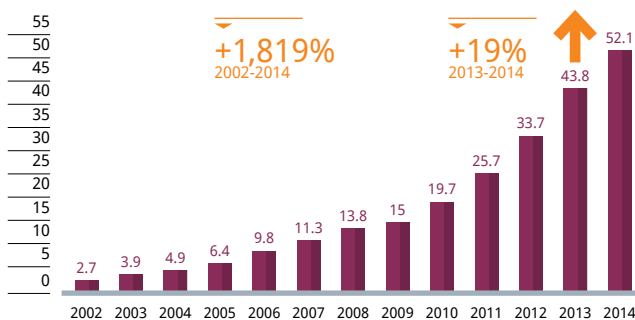
We provide suitable accommodation facilities through 1,270 rooms. Accommodation, food and transport services are guaranteed to all our employees.

Salaries

In 2014, Minera Alumbraera paid salaries for USD 52.1 million, while social security payments and contributions totalled USD 28.1 million.

The increase in annual salary payments has remained constant over the last few years in absolute terms. Salaries increased in A\$ 1,819% from 2002 through 2014.

Annual salary payments in million USD for 2002-2014



Source: Minera Alumbraera

The net average monthly salary paid by Minera Alumbraera, excluding social security payments and contributions, was 5.7 times the adjustable minimum living wage applicable as of December 2014 and 2.2 times the average wage from the private sector as of September 2014, amounting to USD 541.57 and USD 1389.75 respectively, according to the Department of Labour and Social Security of Argentina.

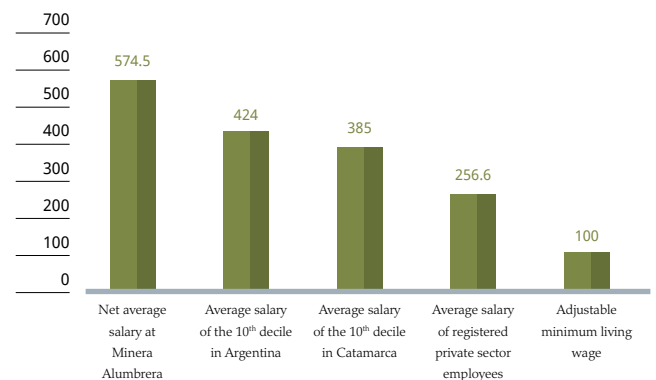


Employees have a variety of menu options at the canteen. Our caterer's food quality and safety are certified under ISO 22000.

The salaries paid by Minera Alumbraera are ranked among the highest, which is one of the direct benefits derived from mining operations.

THE AVERAGE SALARY PAID BY MINERA ALUMBRERA IS 1.4 TIMES THE AVERAGE SALARY EARNED BY 1.5 MILLION INHABITANTS (10% OUT OF A TOTAL OF 15 MILLION ARGENTINE WORKERS) WHICH CONSTITUTE THE TENTH SOCIO-ECONOMIC DECILE (THE AVERAGE SALARY OF THE 10% OF THE POPULATION WITH THE HIGHEST INCOME IN ARGENTINA) AND IS 1.5 TIMES THE AVERAGE SALARY OF THE 11,000 CATAMARCA RESIDENTS WITH THE HIGHEST INCOME.

Salaries paid by Minera Alumbraera vs. other pay scales. Base 100 = adjustable minimum living wage.



Sources: Argentine Statistics and Census Institute (INDEC), the Labour, Employment and Social Security Department (MTEySS), and Minera Alumbraera. INDEC data (10th decile salaries) for Q3 2014. Private sector salary as of September 2014 and minimum wage as of December 2014.



Occupational Health and Safety Management System

Provides a systematic decision-making approach to prevent accidents, remove or reduce risks and improve performance.



Performance

Safety is a fundamental aspect in the execution of an assignment at Alumbreira. We ensure compliance through our preventive safety management approach. Only one disabling injury has been recorded.

- TRIFR: six medical treatment injuries have been recorded. The TRIFR for 2014 was 1.06, relative to the 0.66 rate for 2013.
- DIFR: 0.
- DISR: 0. No Lost Time Injury was recorded.



Health, Safety and Risk Management Committee

Our employees are represented at our Health, Safety and Risk Management Committee. Union members and company management gather on a monthly basis.



Community Initiatives

2,500 youngsters from Andalgá, Belén and Santa María have been trained on road safety.



Maintenance Operator
Elio Diez Gómez selecting
tools for his job at the
Truck Shop.

Occupational health and safety

Minera Alumbarrera's top priority is to ensure the health and well-being of our people. We strive to keep a safe environment free from occupational illnesses and work-related injuries.

We are committed to implement leading health and safety practices in the mining industry. We strive to achieve and exceed statutory requirements because we believe that all occupational illnesses and incidents are preventable, in line with the International Labour Organisation (ILO) and the World Health Organisation (WHO) standards.

Our Occupational Health and Safety Management System is the pillar for the development and implementation of preventive management practices, focused on continuous improvement. It provides a systematic decision-making approach to prevent accidents, remove or reduce risks and improve performance. Health and Safety goals are set throughout the organisation and performance is monitored, measured and reported.

Our people strictly follow the safety standards for the operations and promptly report potential hazards to themselves, our property, the environment or neighbouring communities. Then, improvement opportunities are duly implemented.

We identify, mitigate and remove health or safety risks both at the workplace and in neighbouring communities. A safe work procedure has been developed for each task and the required tools and equipment are made available to our employees for implementation.

Moreover, health, well-being and fitness for the job is monitored through regular health screening programmes. A proactive health and safety approach has been adopted through visible leadership at the workplace. We foster training of our employees and contractors are trained to improve their safety skills and competences, including daily safety meetings before each work day, risk analysis and safety observation.

SAFETY IS ALSO AN INDIVIDUAL RESPONSIBILITY AT THE WORKPLACE. EACH EMPLOYEE MUST WORK SAFELY NOT ONLY FOR HIS/HER OWN BENEFIT BUT ALSO FOR THE BENEFIT OF HIS/HER FAMILY. WE STRIVE TO ENSURE THAT OUR PEOPLE GO BACK HOME SAFE AND SOUND –I.E. ACCIDENT-FREE.

Our health and safety practices are governed by compulsory policies, standards and procedures which are applicable to all our employees and contractors. Leadership team members are responsible for implementation.

Our management team is strongly committed to the implementation of world-class standards and procedures, to ensure that all support systems have been duly implemented.

Health and safety committee

Our employees are represented at our Health and Safety Committee by union members and company management. They gather on a monthly basis to improve and ensure health and safety conditions.

2014

as in previous years, no penalties or fines have been imposed on Minera Alumbarrera for non-compliance with local health and safety laws and regulations.

Occupational health

Among our key objectives is to ensure the health and safety of our people and in particular to prevent the occurrence of any work related illness or incident.

Thus, education and training programmes are in place to prevent potential illnesses such as hypoacusis, breathing disorders, body misalignment, or job strain.

In addition to our Annual Risk Monitoring Programme across the organisation, the following has been developed during 2014:

- Seminar on the adverse impacts of drugs for 200 participants (including our employees and contractors).
- In-house training video to raise employee awareness on potentially hazardous activities and high potential risks, based on Glencore and Minera Alumbra's Standards and Procedures.
- Pit Bottom Rescue Drill, using abseiling (rappelling) methods.
- 4 Safety Leadership Consolidation workshops to reinforce effective team building and leadership skills.
- Vaccination programme to prevent seasonal influenza including information sessions and voluntary shots.
- Our Leadership Development Programme was focused on Safety to reinforce liaison, communication and resource management skills in our leaders.



Pit Bottom Rescue Drills have been arranged during 2014, including abseiling methods.

Safety-related community initiatives

An overall training programme on the Highway Code for more than 2,500 participants from Andalgala, Belén and Santa María was implemented during 2014.



Rules for safety on a public highway

Andalgala, Belén and Santa María

Given the high accident rate on public roads in Catamarca, Minera Alumbra organised training sessions for local youngsters. This initiative was focused on road safety to raise awareness and revert the high road accident rate, involving in particular young people.

2,500

youngsters from Andalgala, Belén and Santa María have been trained on road safety through an overall training programme developed by Centro de Experimentación y Seguridad Vial ("CESVI"). This programme included 32 workshops in 20 secondary schools.

These training sessions included driving theory, preventive driving methods to ensure safe driving practices, the rules of the Highway Code and Defensive Driving methods. This programme consisted in interactive talks and workshops using road safety manuals as well as technological tools such as specific footage and videos.

This initiative was highly welcomed by the principals of all the education centres in the three Catamarcan districts.

Our performance

To achieve our highest objectives, overall reviews are undertaken. Our safety advisors throughout the organisation work with our supervisors to prepare incident reports showing the level of implementation of preventive tools, to assist management in the development and implementation of effective performance measurement programmes.

Alumbrera operates 24 hours/day, including more than 1,300 workers. Our safety performance for 2014 was outstanding since our zero-fatality goal has been achieved with no lost time injury incident reported.

The key safety indicators for the mining industry include:

TRIFR

Acronym that stands for **Total Recordable Injury Frequency Rate** and includes incidents resulting in occupational illnesses and lost time injuries –including fatalities– and injuries requiring medical treatment per million hours worked. This classification is based on the British Occupational Safety and Health Administration (OSHA).

DIFR

Acronym that stands for **Disabling Injury Frequency Rate** and refers to incidents resulting in fatal injuries or occupational illnesses and lost time injuries per million hours worked. This classification is based on the Occupational Safety and Health Administration (OSHA).

DISR

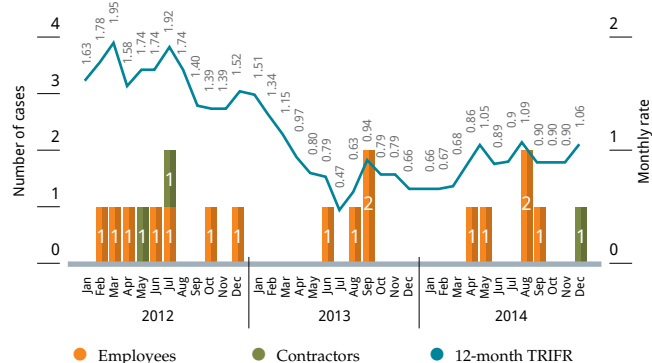
Acronym that stands for **Disabling Injury Severity Rate** and is the aggregate number of days lost as a result of a fatal injury or occupational illnesses or lost time injury per million hours worked. This classification is based on the Occupational Safety and Health Administration (OSHA).

Our TRIFR was slightly above the estimate because, out of the five medical treatment injuries estimated at the beginning of 2014, there were six incidents¹. Thus, the TRIFR for 2014 was 1.06, relative to the 0.66 rate for 2013.

Since no Lost Time Injury was recorded, our DISR was also 0.

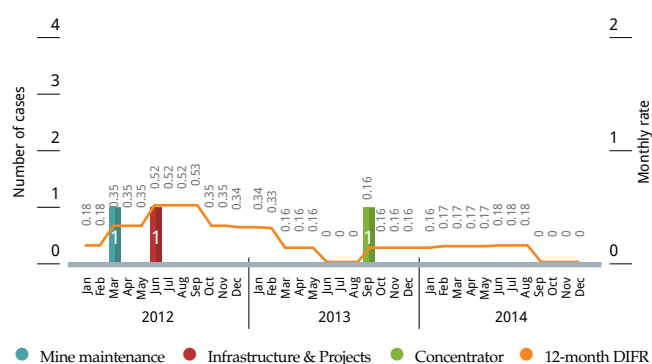
¹ Ordinary work-related hand and foot injuries not associated to complex mechanical factors.

Total Recordable Injury Frequency Rate (TRIFR) for the 2012-2014 period



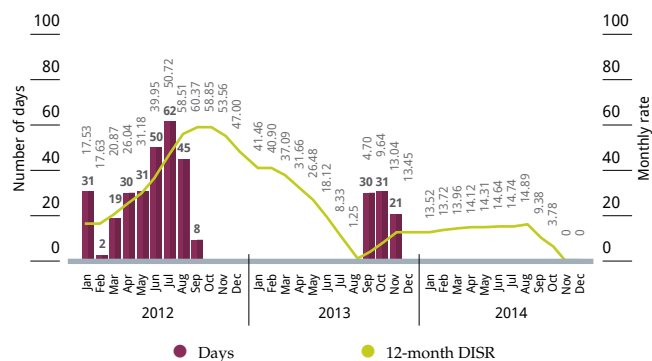
Source: Minera Alumbrera

Disabling Injury Frequency Rate (DIFR) for the 2012-2014 period



Source: Minera Alumbrera

Disabling Injury Severity Rate (DISR) for the 2012-2014 period



Source: Minera Alumbrera

Safety leadership

Leadership has been integrated into the mining industry as a priority as important as operational productivity. This is reflected by the declining accident rate relative to other industries. The key to success lies in leadership, risk management, the implementation of best practice, training and contractor management.

At Alumbreira, our responsible approach to day-to-day operations allows us to achieve the highest safety standards and be a renowned industry leader both at the domestic and international levels.

At the domestic level, our measurement methods differ significantly from the methods used by the mining industry worldwide.

At the international level, our safety management practices are benchmarked against those used by world class miners (sizeable and renowned market leaders). The incident frequency rate for 2013 in Chile was 2.07 –based on preliminary data of the Geology and Mining Agency of Chile (locally known as “Sernageomin”). It was 0.74 below the 2012 rate, as reported by Minería Chilena² publication in January 2014.

Advance safety planning is essential to anticipate and avoid incidents. Through the implementation of safety indicators, organisational change is taking place in miners according to the International Council on Mining and Metals (“ICMM”)³, an organisation gathering miners worldwide.

SAFETY MANAGEMENT AT 20 ICMM MEMBERS. 2012-2013

	YEAR	FATALITIES	FATALITY FREQUENCY RATE*	TOTAL NUMBER OF INCIDENTS RECORDED	RECORDED INCIDENT FREQUENCY RATE*
20 MINERS	2012	90	0.03	13,873	5.07
ALUMBRERA	2012	0	0	9	1.52
20 MINERS	2013	91	0.04	11,604	4.51
ALUMBRERA	2013	0	0	4	0.66

Source: International Council on Mining and Metals

* This rate is calculated over one million hours worked by multiplying the total number of workers per million hours worked, divided by the total hours worked during one year.

² <http://www.mch.cl/reportajes/seguridad-en-mineria-la-cero-fatalidad-como-meta/>

³ The International Council on Mining and Metals is an organisation led by industry CEOs devoted to sustainable development. ICMM gathers many leading miners and metal companies in the world as well as regional, domestic and commodity associations.

⁴ High Potential Risk Incident (HPRI) are incidents with potentially catastrophic outcome (5) or above (4) according to Glencore Group consequence assessment matrix. For example, wall stability monitoring to avoid landslides, light vehicle driving methods.



Wearing safety equipment is essential throughout the organisation.

Risk management

Risk management is a proactive support tool to prevent incidents associated to High Potential Risks (HPRI)⁴, Potentially Hazardous Activities (PHA) and Critical Incidents (CI).

As in 2013, only one High Potential Incident was recorded in August 2014. A geotechnical event brought about a landslide onto the main access ramp to the open pit. Events like this tend to occur at mining operations. Therefore, rigorous geotechnical monitoring is carried out using state-of-the-art technologies. Pit wall conditions are radar monitored on an ongoing basis. Thus, the event was anticipated and all the required precautions were taken to minimise risks. Rehabilitation of the area took 45 continuous work days, with no impact to our people.

Ongoing efforts are made on the effectiveness of the critical management of significant risks to consolidate our leadership in preventive Health and Safety management.



Our brigaders at a vehicle rescue drill.

Review of safework standards

As from the merger, a number of activities have been undertaken at the Glencore Group to ensure consistency of the Assurance Processes across the organisation business units, including the implementation of the Safework system.

It is a comprehensive set of rules and guidelines based on corporate policy, establishing behavioural and management standards for all Potentially Hazardous Activities. The review of the Safework System included:

- Distribution of the Safework Guidelines to all employees.
- In-house communications, including training sessions for 1,300 employees, in addition to banners posted in the various work areas.
- Development of a training platform on the intranet to ensure awareness of the newly implemented system, including the associated measurement indicators and records.

Emergency drill

Our fire and emergency brigaders are duly trained for emergencies. A pit bottom rescue drill was organised for the first time during 2014 using abseiling (rappelling) methods.

The intention was to ensure a full assessment of the behavioural criteria of the various teams that might be involved in a potential rescue of people from the pit bottom. The emergency made it impossible to exit the area using conventional methods due to the blocking of the main access roads.

IT ALLOWED US TO IDENTIFY POTENTIAL IMPROVEMENT OPPORTUNITIES IN ORDER TO ENSURE FULL EMERGENCY MANAGEMENT.

Our emergency management team, the medical services as well as our fire and emergency brigaders were involved in such drill.



Key impact indicators

Production

- 397,871 tonnes of copper and gold concentrate.
- 33,939 ounces of gold doré
- 1,907 tonnes of molybdenum concentrate.



Exports

USD 1,035 billion.



Direct jobs

1,396 workers.



National, provincial and municipal tax revenues

USD 290.6 million.



Tax revenues since start of operations

USD 2.3769 billion.



Mining royalties to Catamarca

USD 81.7 million.



Total contribution to Argentine economy

USD 751.7 million.



Catamarca geologist, Susan Córdoba, logging samples at Bajo El Durazno.

Our economic contribution

Our management model has created improvement opportunities in our region, through a stream of social and economic benefits, mainly for the nearby communities.

Our business leads to genuine job creation while ensuring a skilled workforce through training initiatives and a very decent income for our employees and their families through highly competitive salaries. Likewise, Catamarca receives tax and non-tax revenues related to mining operations which allows for long-term planning as well as economic trade resulting from local goods and services hiring. Minera Alumbraera has spent USD 30.8 million in social initiatives since 1999, including health, education and farming improvement projects in Catamarca and Tucumán.

Minera Alumbraera's impact on different areas during 2014 is reviewed below.

The chapters "Our people" and "Value chain" contain more information about the economic and social benefits that Minera Alumbraera brings to our employees, suppliers and contractors.

MINERA ALUMBRERA CONTRIBUTIONS¹ TO ARGENTINE ECONOMY IN 2014

	In million USD			Porcentaje		
	2012	2013	2014	2012	2013	2014
Income tax	128.1	67.1	32.8	21.4%	11.4%	4.4%
YMAD profit share	34.4	62.5	91.9	5.7 %	10.6%	12.2%
Domestic goods and services	262.7	301.9	406.4	43.9%	51.3%	54.1%
Provincial royalties	23.1	18.1	23.4	3.9%	3.1%	3.1%
Salaries	33.7	43.8	52.1	5.6%	7.4%	6.9%
Contributions	17.2	22.1	28.1	2.9%	3.8%	3.7%
Grants	6.0	3.3	2.5	1.0%	0.6%	0.3%
Wealth tax	2.6	2.2	1.7	0.4%	0.4%	0.2%
Mining easements and water charges	1.6	3.6	2.9	0.3%	0.6%	0.4%
Tax on diesel fuel	3.4	5.0	7.4	0.6%	0.8%	1.0%
Turnover tax	0.0	0.4	0.2	0.0%	0.1%	0.0%
Miscellaneous charges	0.9	0.0	0.1	0.2%	0.0%	0.0%
Import duties	0.0	0.0	0.0	0.0%	0.0%	0.0%
Export tariffs	85.2	58.6	102.1	14.2%	10.0%	13.6%
Total	598.9	588.5	751.7	100.0%	100.0%	100.0%

Production

397,871 tonnes of copper and gold concentrate

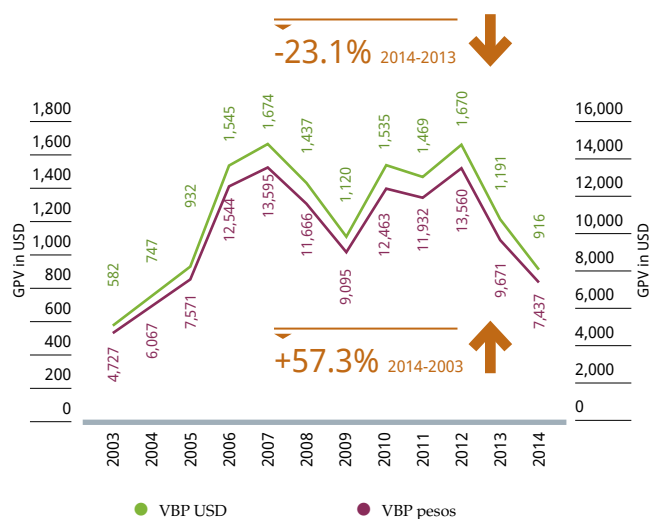
33,939 ounces of gold doré

1,907 tonnes of molybdenum concentrate

The Gross Production Value (GPV) was USD 916 million.

Our business activity has contracted since 2011, with a GPV which was 23.1% lower than in 2013, mainly due to a drop in production levels and lower commodity prices in the recent years.

Gross production value. 2003-2014. In million USD



Source: Minera Alumbraera

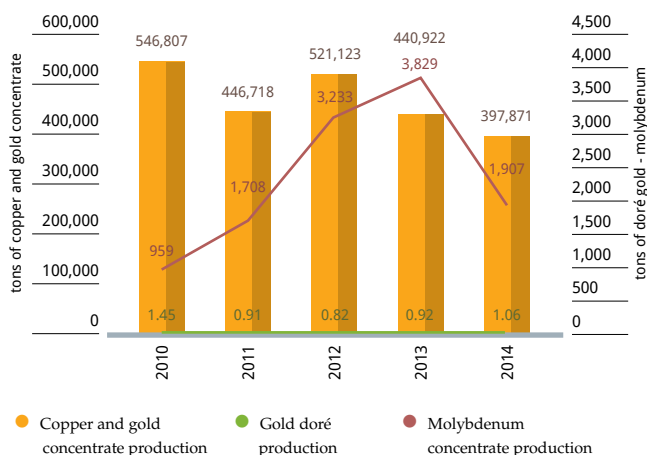
¹ Accruals and estimates as of December 2014.



Filter Plant in Tucumán where concentrate is dewatered and water is treated.

Regarding GPV per product, 94.4% is copper and gold concentrate, 3.9% is doré and 1.7% is molybdenum concentrate. In 2014, only doré production showed a 15.2% rise while copper and gold and molybdenum concentrates dropped by 9.8% and 50%, respectively.

Production volumes in tonnes for 2010-2014



Source: Minera Alumbra

After 17 years of ongoing production, Bajo de la Alumbra (BLA) has recently entered a lower production phase due to a relative decline of ore availability, i.e. there is less ore per mined rock. While our concentrate production levels averaged 700,000 tonnes per year at the onset of our operations, they are lower than 400,000 tonnes during this last stage.

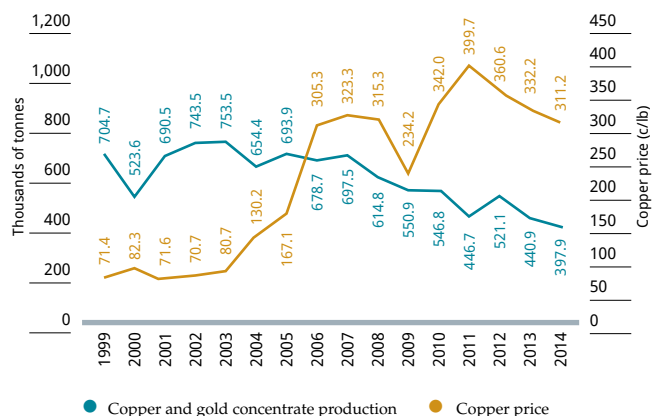
These technical conditions resulted in lower copper and gold production levels, which were 9.8% lower than in 2013. There is also the decline of commodity prices which resulted in a significant drop of 23.1% in production levels.

The contraction of ore product demand globally as a result of economic policies intended to mitigate the recent international crisis has adversely impacted on ore product prices in

comparison with previous years. In 2014, the annual average copper price declined 6.3% against the 2013 level.

While concentrate volumes are 43.5% lower in 2014 than in 1999, copper prices increased 335.9%.

Copper prices vs. Bajo de la Alumbra concentrate production for 1999-2014



Source: Minera Alumbra and COCHILCO.

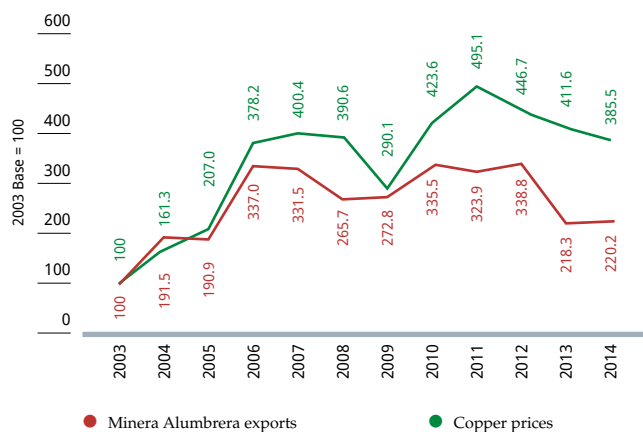
The annual average copper price increased from 71.4 c/lb in 1999 to 311.25 c/lb in 2014, reporting a peak of 399.7 c/lb in 2011 and negative variations ever since.

Bajo de la Alumbra achieved the highest production levels at prices well below average. In times of rapidly growing prices, our production levels decline as a result of lower ore grades. This shows something that occurs in the mining industry only, i.e. investment and production decisions require long-term periods and higher prices do not immediately entail higher production levels, as is the case with other economic activities.

Exports

Project exports amounted to USD 1,035 billion², in 2014, which was similar to the level reported in 2013 (+0.8%).

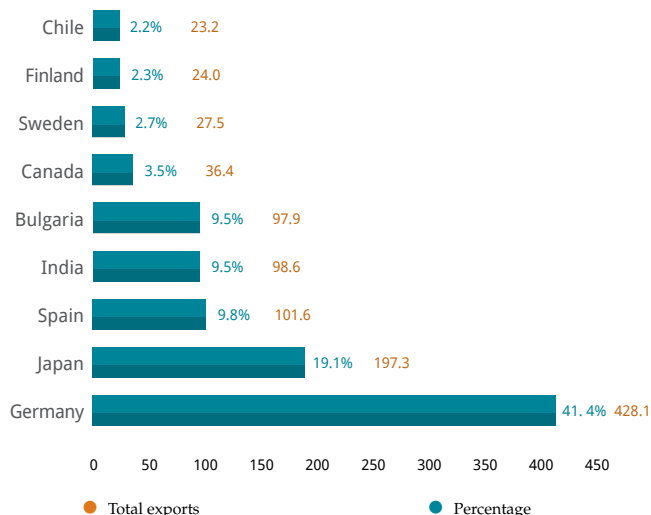
Copper prices vs. Bajo de la Alumbreira exports (2003-2014)



Source: Minera Alumbreira and COCHILCO.

During 2014, exports were shipped to nine countries.

Destination of Minera Alumbreira exports. In million USD and percentage of total exports. 2014



Source: Minera Alumbreira

33,939 ounces of gold doré were exported to Canada for USD 36 million, and 2,222 tonnes of molybdenum were exported to Chile for USD 23 million.

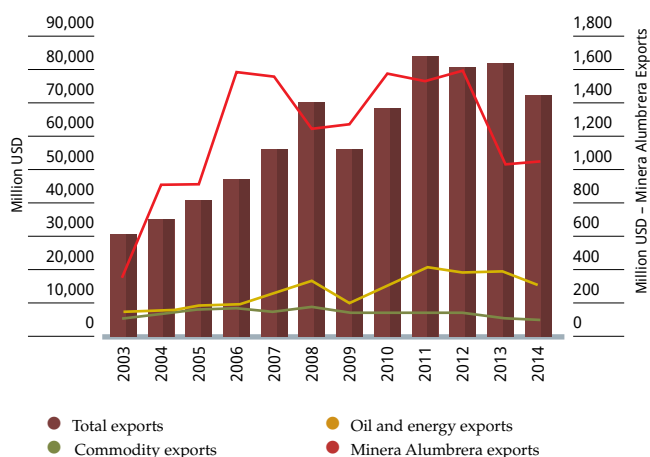
² Value subject to price adjustments, December 2014.



At General San Martín port facilities in Santa Fe province, concentrate is shipped to international refineries.

Project exports during 2003-2014 reported similar levels to the aggregate exports from Argentina and to commodity exports.

Total exports from Argentina. Commodities, oil and energy and Minera Alumbreira in million USD (2003-2014)



Source: Minera Alumbreira

Minera Alumbreira exports represented 1.4% of Argentina's total exports, 6.8% of commodity exports and 23.4% of oil and energy exports.

Although no official data is available for 2014, total mining exports are estimated to be USD 3,905 billion, which is 4.5% lower than in 2013 due to the decline in international commodity prices, according to ABECEB consultants.

In 2014, Alumbreira's exports represented 26.5% of total mining exports.

Fiscal revenues and YMAD profit share

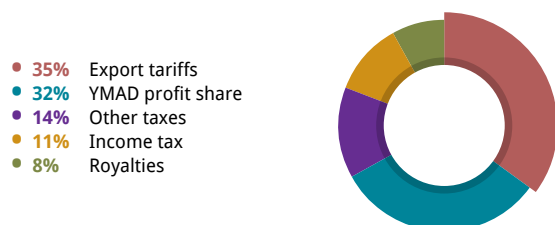
Fiscal revenues are payments made by Minera Alumbraera to different government levels and include taxes, charges, contributions and other non-tax payments such as royalties and the profit share paid to YMAD, which receives 20% of Bajo de la Alumbraera's net proceeds.

Revenues are a significant component of the value added by Alumbraera.

Minera Alumbraera fiscal payments for 2014, including taxes, charges, contributions, royalties and YMAD profit share amounted to USD 290.6 million, which is 21.4% higher than in 2013. This amount includes federal, provincial and municipal taxes. Minera Alumbraera's total fiscal payments since project commissioning came to USD 2.3 billion –nearly twice Minera Alumbraera's initial capital expenditure, measured in USD as of May 2015.

If taxes withheld from third parties by Minera Alumbraera, including income tax, turnover tax, and dividends, and the VAT fiscal credit of USD 130.5 million, were added to the amounts accrued in 2014, fiscal revenues would amount to USD 421.1 million. These revenues represent an indirect impact of our operations since they are not our direct contributions but third-party tax withholdings. Additionally, our VAT fiscal credit consists of payments made by Minera Alumbraera awaiting

Direct fiscal revenues and YMAD profit share³ from Minera Alumbraera 2014



Fiscal Revenues in 2014: **USD 290.6 million**

Source: Minera Alumbraera

Out of the total fiscal revenues generated during 2014, 72% was allocated to the National Government⁴ and the remaining 28% to Catamarca. It should be noted that about 60% of the above revenues are included in the federal revenue-sharing system; therefore, they are reimbursed to the provincial administration, in the proportion established by law.

Although there is no up-to-date official data of the fiscal revenues generated by the mining industry as a whole, Minera Alumbraera's fiscal revenues are estimated to be 40% of the total fiscal revenues⁵ according to experts. Thus, Minera Alumbraera contributes almost half of the mining industry fiscal revenues which, together with the State funds, help support Argentina's development.

Minera Alumbraera contributions to Catamarca

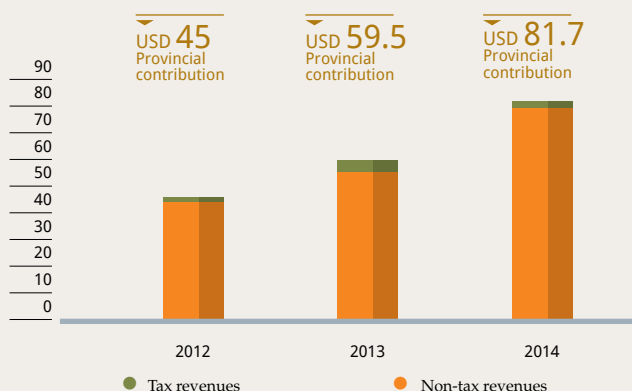
• Exports

In 2014⁶, Alumbraera exports represented 92.9% of total Catamarca exports. As a result, the province ranked ninth among other exporter provinces and first among the Northwestern Argentina provinces, with 32.8% share of total exports in the region.

• Tax Revenues

Fiscal revenues allocated to Catamarca amounted to USD 81.7 million, which is 37% higher than the 2013 level, and nearly doubled the 2012 level of USD 45.3 million. 96% of fiscal revenues are non-tax revenues, while 4% are taxes. Provincial fiscal revenues include mining royalties which totalled USD 23.4 million.⁷

Tax and non-tax revenues from Minera Alumbraera paid to Catamarca, in million USD, for 2012-2014



Source: Minera Alumbraera

Minera Alumbraera tax and non-tax contributions to Catamarca totalled USD 593.3 million since project commissioning.

A key efficiency indicator of our contribution to the provincial government is the impact on the 2014 budget of the Production and Development Department, Social Development Department, the State and Sustainable Development Division and the Mining Department, whose aggregate expenditure is estimated to be 8% below the amount paid by Minera Alumbraera as fiscal revenues.

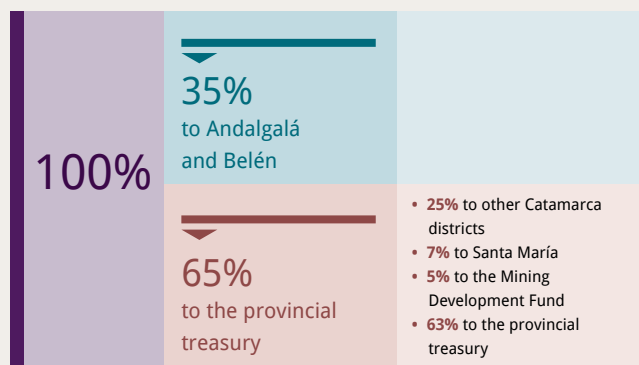
This strong correlation between local economic growth, supported by mining activities for example, and the provincial tax revenues is evidenced year after year. Over the last eleven years (2003-2014), tax revenues increased more than 16 times as a result of the local economic activity.

• Royalties

Minera Alumbreira's royalty and miscellaneous tax payments account for 25% of the provincial revenues. The total tax liability of a single miner, including YMAD profit share, is equivalent to 69% of the tax payments by other local industries.

Royalties paid by Minera Alumbreira represent 98.5% of the total royalties earned by the province; the rest is provided by Minera del Altiplano and Minera Maktub.

BREAKDOWN OF ROYALTIES IN CATAMARCA. LAW 5128



In 2014, mining royalties in Catamarca amounted to USD 21.5 million⁹, a 40% increase compared to 2013. Considering the 2004-2014 period, royalties total USD 165.6 million, which shows the significant contribution of the mining industry to local wealth over the last decade.

In 2014, Andalgalá, Belén and Santa María received USD 8.1 million, while other Catamarca towns were allocated USD 3.3 million. In 2004-2014, Andalgalá, Belén and Santa María were allocated USD 62.7 million, i.e., an annual average of over USD 5.7 million.

Royalties alone evidence the significant contribution of mining operations to the communities close to the site and the importance of using these funds to carry out projects that ensure local sustainable development through joint public and private sector efforts.

3 According to section 18 of Law 14771 under which YMAD was created, "net and realized earnings as stated in the financial statements shall be distributed as follows: a) 60% for Catamarca province (...), b) 40% to complete the construction of the university campus pursuant to the approved final design (...)."

4 The term National Government includes the National University of Tucumán and the rest of the national universities which receive 40% of the YMAD profit share.

5 According to aggregate data from the study conducted by the consulting firm Abeceb in 2011 commissioned by the Argentine Chamber of Miners.

6 Latest available data from INDEC.

7 Amount stated in accrued amounts, including export tariffs and provincial royalties.

8 Although these are nominal values, variations in real terms remain significant.

9 Amount earned by Catamarca. It represents the total royalties paid by all mining projects.

10 More than 95% are generated by the Bajo de la Alumbreira project.

DISTRIBUTION OF MINING ROYALTIES IN CATAMARCA¹⁰. 2004-2014

Royalties in USD	2013	2014	Accrued 2004/2014	Percentage
ANDALGALÁ	2,552,990	3,593,364	27,708,621	17.5%
Aconquija	557,573	784,791	6,051,563	
Andalgalá	1,995,417	2,808,573	21,657,058	
BELÉN	2,552,990	3,593,364	27,708,621	17.5%
Belén	896,610	1,261,989	9,731,317	
Corral Quemado	184,072	259,082	1,997,793	
Hualfín	331,889	467,137	3,602,121	
Londres	258,107	363,289	2,801,341	
Pozo de Piedra	182,539	256,926	1,981,166	
Puerta de Corral Quemado	160,583	226,023	1,742,872	
Puerta de San José	132,245	186,136	1,435,307	
San Fernando	92,418	130,080	1,003,052	
Villa Vil	314,528	442,702	3,413,653	
SANTA MARÍA	665,930	937,801	7,287,114	4.40%
San José	299,668	422,019	3,279,345	
Santa María	366,262	515,801	4,007,769	
Subtotal API	5,771,911	8,124,548	62,704,357	39.4%
Other Catamarca towns	2,370,634	3,336,395	225,729,434	16.25%
TOWNS TOTAL	8,142,544	11,461,243	88,433,791	55.6%
Rest: Treasury, Promotion Fund	7,111,901	10,010,085	77,188,302	44.4%
Royalties Total	15,254,446	21,471,328	165,622,093	100%

* Estimated. Source: Official Gazette of the province of Catamarca.

Summary

Minera Alumbreira's support to the Argentine totalled USD 751.7 million in 2014. Income tax, export tariffs, YMAD profits share, mining royalties and local goods and services represent 87% of such amount. This is 27.7% higher than in 2013, which entails a significant effort for Minera Alumbreira in terms of productivity and cost reductions. Higher contributions occur in a context of lower production and lower price levels which could help anticipate a decline in future revenues.

SUCH CONTRIBUTION INVOLVES:

- USD 62.6 million per month and/or USD 2.1 million per day.
- Income tax and export tariffs on Minera Alumbreira accounted for 0.3% and 0.9%, respectively, of Argentina's total tax revenues.
- Based on Abeceb.com research, the mining industry is subject to a tax burden of around 39%, with Alumbreira having a significant share in total fiscal revenues since our tax burden was equivalent to 55% of the value added in 2014.



Biodiversity

- Mitigation programmes:
- Native species revegetation.
- Cardon cacti relocation.
- Reforestation with local native species (carob trees).



GHG emissions

- Outline of main emission sources.
- Energy efficiency programmes promotion.
- Priority to renewable energies.
- Carbon footprint (2011): 345,204 t CO₂ eq.



Energy

- Requirements in kWh
- 2012: 861,668,378
- 2013: 865,822,900
- 2014: 847,376,421
- Energy use by source:
- 58% hydraulic power
- 42% steam power.



Water management

- Freshwater use: 742 l/s.
- 27.5% is freshwater and 72.5% is recycled water.
- Water from the tailings dam is recovered to reduce freshwater use.
- Water used is not discharged into rivers or aquifers.



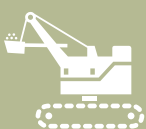
Air quality

- Good performance and protection of environmental conditions in neighbouring communities.
- PM10 concentration was below the applicable standard of 150ug/m³.
- Lead concentration level was below the applicable standard of 1.5 ug/m³.



Waste management

- 71.7 tonnes of paper, cardboard and plastic were collected.
- Waste rock generated totalled 42.4 million tonnes.
- Our tailings production was 35,087,339 tonnes.



Mine closure

- This chapter only contains the environmental approach.
- Our goal is to minimise or remove the impact of our operations.
- The tailings dam and open pit are key facilities.
- Our current programmes include waste dump rehabilitation and capping system.



Darío Marcial, an employee of the Santa María supplier “Yokavil” performs monitoring works in our native plant nurseries.

Environmental performance

Our main environmental performance goal when managing our operation is preserving natural resources, while mitigating the potential impacts and rehabilitating the surrounding landscape, whenever possible.

We are committed to protecting the environment and the natural landscape surrounding the mine deposit and the neighbouring communities, where most of our employees and their families live, in a responsible way.

Our efforts are focused on a sustainable development approach. Thus we have specific targets, programmes and funds available to ensure an efficient use of natural resources, land rehabilitation, waste reduction and biodiversity protection.

We have a precautionary philosophy, meaning that even in the absence of scientific evidence that environmental degradation is occurring or will occur mitigation action is taken. If environmental incidents do occur, the reason is identified and immediate remediation action is taken to prevent recurrence.

Targets achieved in 2014

- Our eco-efficiency goals relating to water, energy and diesel oil use were achieved.
- We maintained our Environmental Management System certification under ISO 14001 until 2017. It comprises the site and external operations in Tucumán and Santa Fe provinces and railroad concentrate transport operations.
- Our waste generation permit, an environmental permit renewed annually, was renewed at the national level and in Tucumán and Catamarca.
- Our permit to discharge process water into the DP2 canal was renewed in Tucumán.
- Our updated Environmental Impact Report was submitted to and approved by the Catamarca Mining Department and presented to neighbouring communities with local authorities.

In addition to these permit renewals, we maintained our Quality Management System certification under ISO 9001 for the treatment of water removed from concentrate at the Filter Plant prior to discharging it into DP2 canal (in Tucumán province), in compliance with the requirements set forth under Tucumán Environmental Department Resolution #30. Likewise, we maintained the Quality Management System certification under ISO 9001 for our Water Sampling Process at country-wide level.

Compliance

During 2014, all environmental permits required for our operations were renewed:

- Our waste generation permit was renewed in Catamarca, Tucumán and Santa Fe and at the national level.
- The eighth update of our Environmental Impact Report was submitted to the Tucumán regulators.

The Environmental Leaders group created in 2013 continues supporting environmental management efforts in each operative area. These leaders communicate concepts and environmental risk controls and ensure that observations and/or recommendations are followed.

As a result of this work, corrective action was taken to improve different site processes and operations. 1,160 environmental observations –a proactive action to avoid major environmental incidents– were reported in 2014.

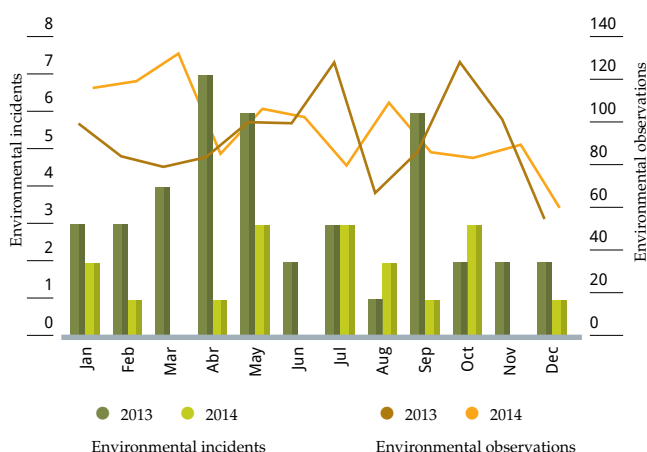
NO ABOVE CATEGORY 1¹. ENVIRONMENTAL INCIDENTS HAVE BEEN REPORTED OVER THE LAST 5 YEARS.



Chemical analysts, María José Castellanos and Ana Falivene, conducting water monitoring activities at the Filter Plant lab.

¹ Category 1 incident: Insignificant environmental impact with no environmental damage, which need not be reported to any regulatory agency. No impact. Incident categories range from 1 to 5, with a gradual escalation of the impact, damage and required remediation.

Proactive environmental observation/incident indicators during 2013 and 2014



No fines or penalties regarding our environmental performance have been imposed by the competent regulators.

Environmental performance indicators according to production requirements

100%

of eco-efficiency performance indicators were met in 2014.

Particularly, our diesel oil requirements were higher in December due to the initial works performed at the Bajo del Durazno deposit using mining equipment. However, our CO₂ emissions were below our annual goal.

Production requirements

Performance Indicator	Requirements	Goals 2012	Goals 2013	Goals 2014	Results 2012	Results 2013	Results 2014	Eco-efficiency % 2012	Eco-efficiency % 2013	Eco-efficiency % 2014
Freshwater	l/milled tonnes	562	642	670	632	634	661	33	33	33
Recycled water²	l/milled tonnes	1,401	1,696	1,600	1,600	1,600	1,761	-	-	-
Energy	Gj/t milled tonnes	0.073	0.083	0.085	0.085	0.084	0.086	33	33	33
CO₂ eq.	CO ₂ /eq. tonnes/kt moved	1.61	1.78	1.84	1.77	1.72	1.80	33	33	33
								100%	100%	100%

● Better than budget +5%

● In line with budget +/- 5%

● Worse than budget -5%

Training

An annual training programme was implemented for employees, contractors and visitors on environmental aspects, based on area-specific needs, while promoting our environmental policy.

During 2014, 90 training courses were delivered to 1,134 attendees. The training topics included waste management, safe work, environmental management, spill prevention, environmental impact identification, biodiversity, certifications and environmental observations.

Number of people trained on environmental topics. 2014



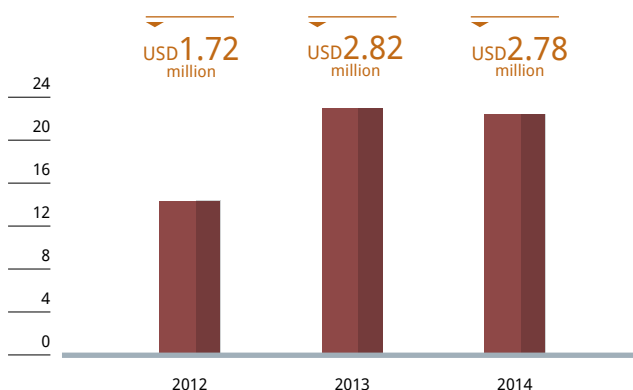
Total attendees: **1,134**

Source: Minera Alumbra

Expenditure

Minera Alumbra's environmental expenditure was USD 2.78 million in 2014.

Environmental expenditure, in million USD. 2012-2014



Source: Minera Alumbra

² Recycled water is not included in the eco-efficiency indicators. However, water recycling is a priority for Minera Alumbra and is part of our best environmental practices.



45

The lesser grison is one of the 45 mammal species identified during our biodiversity monitoring activities conducted by Alumbra biologists and local regulators.

BIODIVERSITY

Minera Alumbra's impact on biodiversity may disturb the ecological habitat. Any interruption in the natural vegetation and wildlife population links may bring changes.

Therefore, our aim is to mitigate potential impacts through numerous environmental programmes, including our revegetation, relocation and reforestation initiatives using native plants and trees, such as the cardon cacti replanted away from the tailings dam area or carob tree reforestation.

At Minera Alumbra, we strive to protect biodiversity through local vegetation and wildlife monitoring activities in the Bajo de la Alumbra area, where we compiled unique records since the area had not been previously surveyed. Thus we make a global scientific contribution by identifying local species.

The area where our biodiversity management plans will be implemented –the core of mining site– covers approximately 1,400 hectares. These areas are being assessed to identify appropriate methods for their rehabilitation and closure.

We put in place a forestation policy to prioritise sustained management of native woods, while avoiding the introduction of exotic species.

No species in the International Union for Conservation of Nature (IUCN) Red List or the Argentine conservation list have been observed in the operational areas and no operations are conducted within the protected vegetation and wildlife areas.

IN ORDER TO ASSESS THE BIOLOGICAL WEALTH, WE INSTALLED A SOPHISTICATED CAMERA-TRAP SYSTEM IN 2012 TO GATHER DATA OF ANIMALS THAT ARE NOT EASILY OBSERVED. THIS HELPED US IDENTIFY A GREATER NUMBER OF NATIVE MAMMALS.

We conducted two biodiversity monitoring activities during the winter and summer of 2014 with ISO 9001 compliant companies in order to identify and survey mammals, amphibians, reptiles, birds, limnology (benthos, phytoplankton and zooplankton), fish, arthropods and local vegetation, and determine their abundance and wealth.



Grey fox observed in the vicinity of our site after a snowfall. Biodiversity monitoring activities meet the ISO 9001 standard.

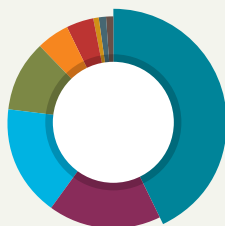
Our monitoring activities are carried out together with biologists from Catamarca and Tucumán and our work methods are certified by the Catamarca and Tucumán Mining Department competent regulators.

FINDINGS

- There are 220 plant species and new species are identified year after year.
- There are more than 120 phytoplankton and zooplankton species.
- 45 species of aquatic insects (benthos) were identified in 2008, which grew to more than 100 species.
- 2 fish and 6 amphibian species have been observed in the area.
- More than 10 reptile species were identified.
- 120 bird species were observed.
- 45 mammal species were observed at the mine site.

Birds identified at Bajo de la Alumbrera by feeding behaviour

- 43% Granivores
- 17% Insectivores
- 17% Frugivores-granivores
- 11% Omnivores
- 5% Nectarivores
- 4% Carnivores-insectivores
- 1% Herbivores
- 1% Scavengers
- 1% Carnivores



Source: Minera Alumbrera



Local workers rescuing cardon cacti plants under the Native Species Conservation Programme.

Conservation programmes

• Cardon cacti transplant

Since the tailings dam extends across the site, there was a need to transplant columnar cacti (*Trichocereus atacamensis*) in other areas. The present survival rate of transplanted species is 90%. The main mortality reason is animal attack, ant infestation during the warm season, and their inability to grow roots due to unsuccessful transplant techniques or their failure to adapt to the new environment.

• Carob tree forestation

In order to restore the native woodlands that have endured deforestation for years and to improve biodiversity in the neighbouring areas, Minera Alumbrera is developing a project to plant carob trees in areas where they used to grow decades ago.

Under the Carob Tree Management model, local farmers agreed to plant carob trees in their own land, without interfering with productive species. In the future, forest grazing systems and pastureland may be incorporated to ensure stable vegetation at low maintenance costs.

400

seedlings were planted on the Santa María River bank and 800 seedlings were donated to the Tinogasta Agrotechnical School in Catamarca province.

In addition, our experts provided training on how to grow and preserve carob trees and teach the carob tree benefits for the environment, wildlife and humans.

Reforestation programme

In 2005 we developed a vegetation-specific surveying programme, based on previous revegetation research works and studies, to ensure the conservation of native vegetation species, while mitigating the impacts of our operations.

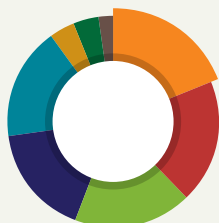
While our mining operations continue to progress, some disturbed land areas are being revegetated using native species. A team of experts harvests seeds, grows seedlings in the Minera Alumbraera greenhouse and monitors their adaptability and growth. When the appropriate conditions are met, seedlings are transplanted in the selected forestation area either on site or in nearby areas.

After studying different species –planted in the greenhouse and then subjected to field trials– the species with the highest survival rate were selected. 6 native species³ are planted in the greenhouse for the reforestation programme and there are 20,000 carob tree seedlings that will be planted externally, in the neighbouring communities, and on site as an erosion barrier.

Small and large scale tests were conducted in various types of mulching using bacterial inocula for the revegetation of disturbed areas through direct planting. Lab tests are being conducted to assess the plant germination power, i.e. the number of seeds that grow into seedlings based the number of seeds planted.

Germination power of selected vegetation species*

- 19% *Zuccagnia punctata*
- 19% *Cercidium praecox*
- 18% *Senna rigida*
- 17% *Pappophorum*
- 17% *Artiplex*
- 4% *Larrea divaricata*
- 4% *Flourensia*
- 2% *Eupatorium*
- 0% *Senecio subulatus*



Source: Minera Alumbraera

THE REVEGETATION PROGRAMME SHOWED GOOD RESULTS IN TERMS OF BIODIVERSITY RECOVERY AND CONSERVATION. THE SURVIVAL RATE OF REVEGETATED SPECIES WAS 80%-90% WITH NORMAL GROWTH RATES IN DRY AREAS.

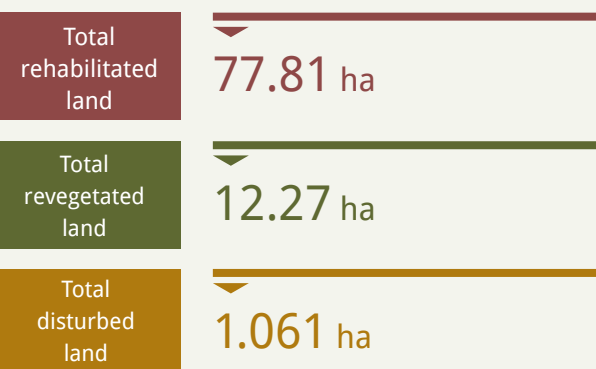
* These values are subject to change due to on-going research.

³ *Zuccagnia punctata*, *Senna rigida*, *Larrea divaricata*, *Cercidium praecox*, and *Senecio sp.*, among others.

⁴ Seeds are treated with bio-fertilisers to facilitate the plant growth in areas where they do not normally grow due to earth removal.

DISTURBED, REHABILITATED AND REVEGETATED LAND IN HECTARES. 2014

		2014	2003 - 2014
REHABILITATED LAND	Minera Alumbraera waste dumps	2.72	76.06
	Bajo el Durazno waste dumps	0.00	0.00
	Tailings Dam	0.00	1.75
REVEGETATED LAND	Tailings Dam	0.00	1.75
	Waste Dumps	0.00	10.52
DISTURBED LAND	Minera Alumbraera	0.00	77.86
	Minera Alumbraera waste dumps	2.30	235.23
	Tailings Dam	31.50	714.00
	Bajo el Durazno deposit	6.14	24.06
	Bajo el Durazno waste dumps	0.00	7.01

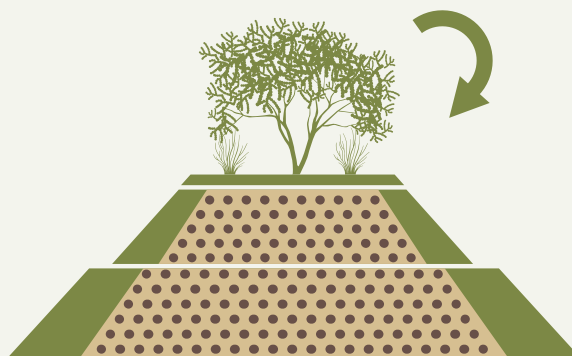


Native species seeds are being stored and subjected to tests to determine their germination power at the Minera Alumbraera pilot germplasm bank. We expect to have 5 million seeds for revegetation purposes by 2020. In the medium term, we expect that local people, individual farmers, schools, scientific community and organisations get involved in this project, which will be our scientific legacy to the community.

Waste dump revegetation

Waste rock (with no economic value) produced during mining generally stocked in coarse fragment piles are called waste dumps, which resemble small hills of this material.

After the vegetation population was surveyed, identified and classified, field and lab tests were conducted to measure results. As a result, a revegetation plan was developed for the areas disturbed by our operations.



Waste dump capping system and revegetation design.

CLIMATE CHANGE

Global energy demand is increasingly growing due to social and economic development. Since fossil fuels will continue playing a key role in energy availability worldwide, we need to reduce emissions and be more efficient in our energy production and use.

Therefore, we are developing energy efficiency improvement programmes to help capture or mitigate Greenhouse Gas (GHG) fugitive emissions and to increase the rate of energy obtained from renewable or low-carbon energy sources.

According to the GHG Protocol, GHG emissions have three different scopes.

MAIN GHG SOURCES AT MINERA ALUMBRERA

SCOPE 1	DIRECT GHG EMISSIONS (internal source controlled by Minera Alumbreira)	Diesel oil and gasoline combustion from mobile equipment.
SCOPE 2	INDIRECT GHG EMISSIONS (external source not controlled by Minera Alumbreira)	Electricity from non-renewable sources.
SCOPE 3	OTHER INDIRECT GHG EMISSIONS (not controlled by Minera Alumbreira)	Emissions from outsourced activities such as land, sea and river transport.

Improvement programmes

Our ore mining and processing operations have significant energy requirements. Therefore, a contingency cost for carbon is included in our financial model which helps us optimise the greenhouse gas footprint of our project.

Our CO₂ direct emissions are generated by rock mobile haulage equipment. Under our fleet maintenance programme, fuel requirements are reduced by planning short transportation cycles and oil is refiltered for an extended use life.

Scope 2 emissions are those resulting from the use of fossil-fuel energy, so fuel and energy are the main sources of our GHG emissions. Therefore, we encourage on-site energy efficiency programmes and prioritise renewable energies (hydro-electrical energy).

Clean energy

In 2011 we launched a pilot project to grow energy crops in neighbouring communities. The growing of *Jatropha*⁵, an oilseed used to make biofuel, is our contribution to the worldwide challenge of generating clean energy. During 2012 and 2013, this seed was planted in 10 hectares of land owned by local farmers from Andalgala, Belén and Santa María and the crops growth was monitored.

Healthy crops were seriously damaged by drought and high temperatures during 2014. However, the programme is still in place and the damaged seedlings were replaced. New farmers are expected to join the project in 2015.



Carob trees planting on site and in nearby communities to restore native woodland.

⁵ *Jatropha* is not a native species but an alternative crop. It does not replace or interfere with native vegetation. It is planted in land already ploughed for farming purposes.



Solar energy generation pilot plant at the mine site that generates 3 kW. We are considering building a similar plant in nearby towns.

ENERGY

Power is supplied to Minera Alumbraera through a 202 km 220 kV powerline, owned by Minera Alumbraera, from El Bracho power station in Tucumán. It was designed to have a surplus of available power, which allowed neighbouring communities to connect to this powerline and have access to safe and sustainable energy.

To this end, a transformer station was built in Ampajango, located 128 km away at El Desmonte town, which supplies energy to Santa María and nearby towns.

Where once electricity was generated from diesel oil combustion, electricity is fully available now and as a result economic productivity also improved. At present, the local average monthly electricity requirement is 4,100 MW/h.

Moreover, the electricity company EDET built a transformer station in Tafi del Valle, 77 km away at La Bolsa town, which also supplies power to El Mollar.

THIS NEW POWER AVAILABILITY HELPED ELIMINATE THE EXISTING THERMAL POWER GENERATION, THUS REDUCING TOXIC AND NOISE EMISSIONS. THE LOCAL MONTHLY AVERAGE REQUIREMENT IS 2,200 MW/H.

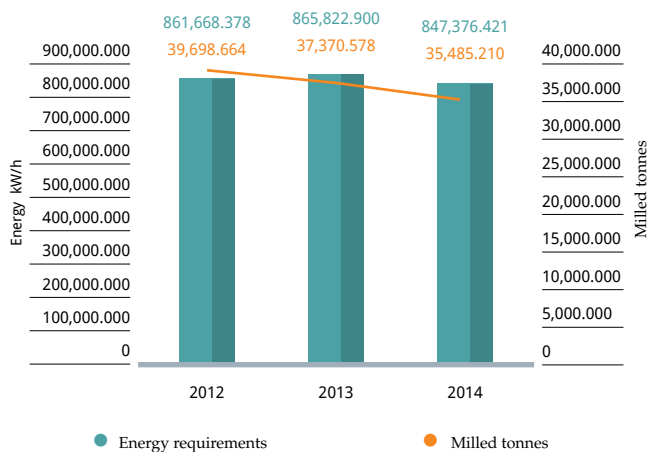
At the end of the powerline, which is 202 km away, there is the Alumbraera station located in Hualfín town, Catamarca, which supplies electricity to the entire project.

Our powerline and the associated transformers are operated and maintained by Transener S.A., under Minera Alumbraera supervision. Our power contractor has been certified under the ISO 9001 Quality Management and ISO 14001 Environmental Management Standards, which are applicable to the above facilities.

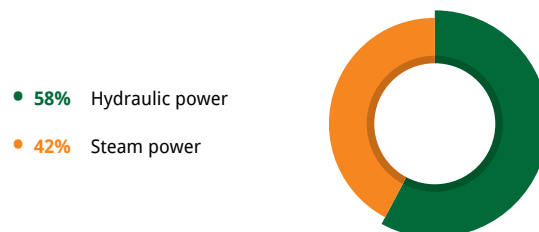
Our powerline is subject to the Argentine Power Regulator (ENRE) Public Safety policies, including electromagnetic field measurements, information sessions at schools close to the powerline, signage installation, and waste classification practices.

Our direct power requirements for 2014 totalled 847,376 MW/h, which is below budget, since ore material is rolled down at the entrance ramp to the open pit and thus there are fewer material transportation requirements.

Direct energy requirements for 2012-2014



Power requirements by source



Source: Minera Alumbraera

Energy efficiency improvement initiatives

We started a study on the fluorescent lamp lighting system installed at the Alumbraera electrical rooms and buildings. Considering the quality and extended life of LED lamps, the lighting system was changed entirely to save energy. Due to the brighter light of these lamps, fewer lamps are required. This change in technology represented an energy saving of 60% compared with the traditional lighting system.



Nicanor Elizondo and Gonzalo Padilla from the Sustainable Development Management taking biodiversity samples at Vis Vis River.

WATER MANAGEMENT AND USE

Freshwater is a unique scarce natural resource that is essential for life and production activities and has been connected to the economic growth of societies. Freshwater availability is limited and unequally distributed around the world. Bajo de la Alumbrera is located in an area where water availability is restricted.

Water is a vital and strategic resource for Catamarca. Therefore, Minera Alumbrera has taken efficient water management action to ensure sustainability.

Water withdrawal location

Freshwater⁶ required for our operations is supplied from the Campo del Arenal aquifer, situated 21 km to the Northeast of the site, in Santa María district, Catamarca.

Such water basin is recharged by summer rainfall, water runoff from nearby rivers and snow melt water from the Aconquija and Cajón mountain ranges and neighbouring hills.

Groundwater is supplied by eight 200 m-deep wells to the Southeast.

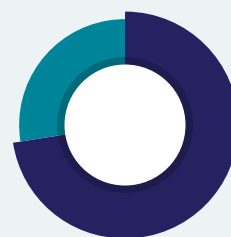
There are no other groundwater users supplied by Campo del Arenal, other than a few families and their livestock that use small shallow wells in the upper aquifer area.

Water use in the production process

The grinding and flotation processes use freshwater from the aquifer and water that is pumped back from the tailings dam⁷, for reuse in the process.

Percentage of freshwater and recycled water

- **72,5%** Recycled water
- **27,5%** Freshwater



Source: Minera Alumbrera

Process water is not discharged into rivers or aquifers. The only water that exits this closed processing circuit is water contained in the concentrate pumped through the slurry pipeline, which represents 2.5% of total freshwater. The rest of the water is evaporated. Potential evaporation at the site is approximately 10 times the total rainwater level.

Water at the tailings dam is mainly supplied by rainfall at the the Vis Vis⁸ River basin and is subject to evaporation. During 2014, rainfall levels were low (within average levels) and the evaporation of water bodies restricted water availability.

By the end of 2014, a new pipeline was installed to carry reclaimed water from the drainage pond to the tailings dam pond. The pipeline improves the process water pumping capacity and increases recycled water availability.

Water flow model and transport

A water flow numerical model is calibrated using actual water and groundwater withdrawal⁹ levels data (gathered from the Campo del Arenal monitoring wells). This helps assess the size of the cone of depression¹⁰ occurring when groundwater is withdrawn from the aquifer. This calibrated model may be used for aquifer performance predictive simulations.

Baseline research was undertaken in advance of project operations to ensure drinking water supply to neighbouring communities. Minera Alumbraera wells have been drilled 60 km away from Santa María farming areas.

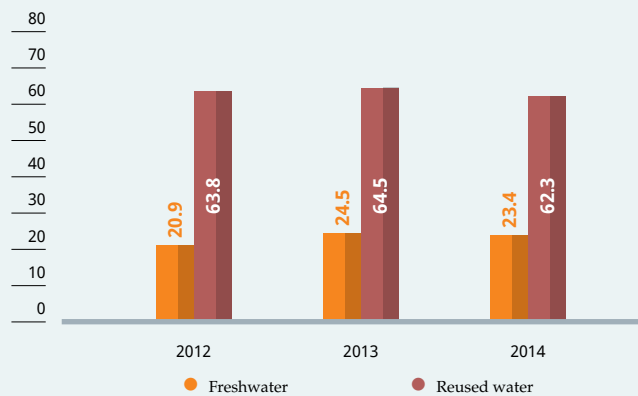


Juan Angera, Mine Closure Manager, monitors drains used to recover process water at the tailings dam bottom.

Water requirements

Minera Alumbraera water requirements totalled 2,719 l/s in 2014, including 742 l/s of freshwater. The water use level permitted by regulators is 800 l/s. The provincial government monitors compliance with the permitted water use levels as well as with the applicable water quality standards.

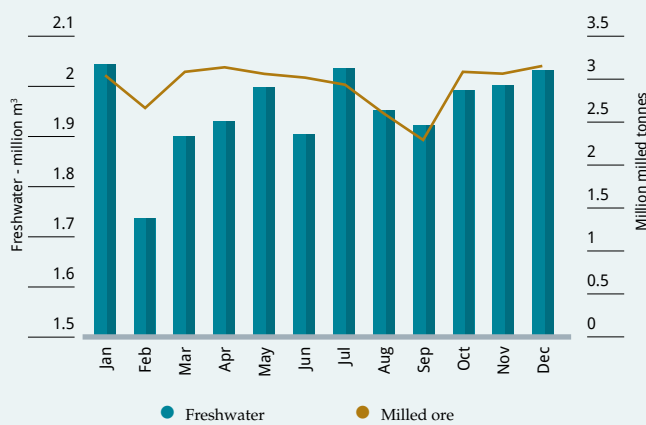
Water requirements in million m³ for 2012-2014



Source: Minera Alumbraera

Water requirements vary and depend on type of ore processed. During 2014, only a small portion of stockpiled material was processed and so our water requirements were below average.

Freshwater consumption and milled ore. 2014



6 It is freshwater not involved in the processing operations.

7 Waste material with no economic value stocked in the dam specifically built for such purpose.

8 Small basin that flows into Salar de Pipanaco.

9 Minera Alumbraera pays water use charges.

10 The cone of depression is approximately 10 km long and it does not affect the Santa María River located 40 km away.

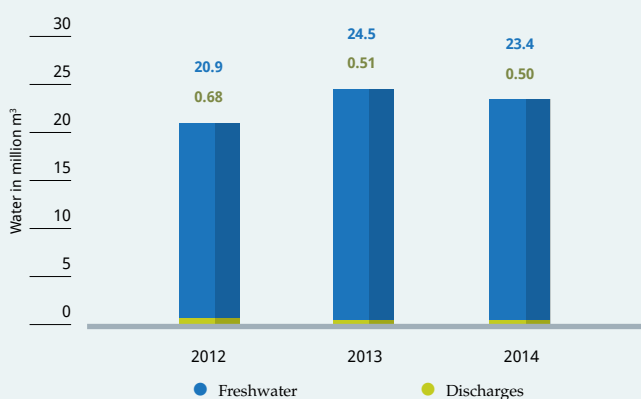
Discharges

Copper and gold concentrate is pumped through the slurry pipeline from the mine site to our Filter Plant in Tucumán, where it is dewatered. Pumping water is treated by our own lab prior to discharge into the DP2 canal.

Our water discharges have decreased since 2011 due to the improvements implemented at the Filter Plant and reclaimed process water.

During 2014, effluent discharges met the standards required under Resolution N° 30 from the Catamarca Mining Department Resolution, like in previous years of operation.

Freshwater use and effluents from 2012 through 2014. In million m³



Source: Minera Alumbrera

Effluent discharge into DP2 canal is monitored by the Tucumán Mining Department, which grants discharge permits.

The external monitoring activities conducted by the School of Exact Sciences and Technology under the National University of Santiago del Estero and the School of Natural Sciences and Miguel Lillo Institute under the National University of Tucumán on effluent and DP2 canal water quality confirmed compliance with the discharge standards under Tucumán legislation.

No discharge level departures or evidence of impacts on the DP2 canal downstream water chemistry as a result of our discharges have been reported.

No ecosystem or water body have been impacted by effluent discharges from the Filter Plant into DP2 canal, as demonstrated through our annual biodiversity monitoring activities in the canal.

Water requirements for other production activities in Catamarca

Farming water requirements in Catamarca are estimated at 0.5 l/s/ha¹¹. The cultivated area is over 160,000 hectares, meaning that estimated water requirements for Catamarca exceed 80,000 l/s. In contrast, Minera Alumbrera uses 0.96% (742 l/s) of the total water required at the local level for farming activities.

Most industrial activities have significant water requirements, so we put in place water recycling programmes.

A water footprint study was conducted by Minera Alumbrera in 2014 to know the water level used to produce a weight unit of concentrate and maximise the water use cost/benefit ratio. It was demonstrated that Minera Alumbrera water requirements for processing operations is significantly less than those of other industries in the region.

Water footprint of crops in the region and of Minera Alumbrera operations¹²



2,145 l/kg



BEEF

21,829 l/kg



REFINED SUGAR

1,782 l/kg



CONCENTRATE

108.34 l/kg

¹¹ Water charges are payable in Catamarca based on the estimated water use requirements set out by law since groundwater for local crops is not measured using water meters.

¹² This comparison only means that Minera Alumbrera can and must continue making efforts to minimise its water footprint until its elimination through process improvements and ultimately compensation mechanisms.

AIR QUALITY

Air quality is monitored at eight stations, five of which are based at site and three are situated nearby in the Hualfín, Los Nacimientos and Amanao towns.

Monitoring activities are conducted on a monthly basis and include sampling of Particulate Matter smaller than 10 microns (PM10), Total Suspended Particulate Matter (TSP) and Settleable Particulate Matter (SPM), with a view to adjust operational controls while taking preventive and/or corrective action, as required.

The average annual PM10 concentration was found to be below the applicable standard set out by Law 24,585 (150 ug/m³), and in the case of lead concentration, it was found to be significantly below the applicable standard (1.5 ug/m³). This confirms our environmental performance and efforts to preserve local environmental conditions.

PM10 IN UG/M³ FROM 2012 TO 2014

	2012	2013	2014
Open pit	129	36	38.17
Amanao	56	25	20.05
Los Nacimientos	69	31	31.39
Hualfín	113	21	20.2

ANNUAL LEAD CONCENTRATION IN UG/M³ FROM 2012 TO 2014

	2012	2013	2014
Open pit	0.04 ug/m ³	0.00646 ug/m ³	0.0098 ug/m ³
Amanao	0.03 ug/m ³	0.00050 ug/m ³	0.0005 ug/m ³
Los Nacimientos	0.04 ug/m ³	0.00050 ug/m ³	0.0005 ug/m ³
Hualfín	0.003 ug/m ³	0.00051 ug/m ³	0.0005 ug/m ³



Improvements made by the Environmental Leaders group under the Dust Reduction Programme using sprinklers situated in the concentrator area.

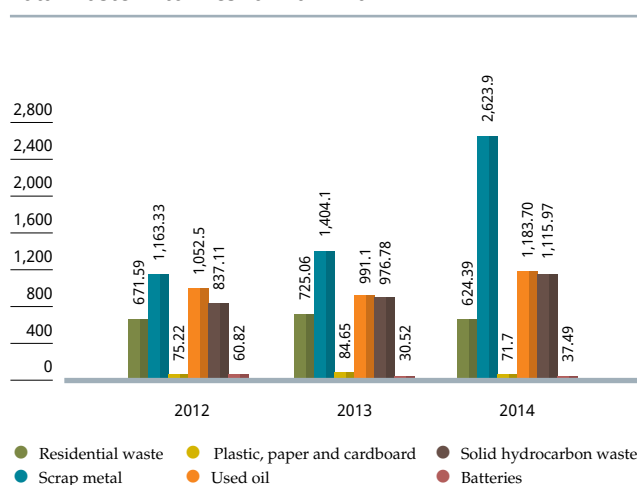


Construction of the new Urban Solid Waste dump at the site.

WASTE MANAGEMENT

At Minera Alumbrera, our waste management programme is a key component of our environmental management efforts, including the storage of any hazardous waste generated at site –oil, grease, hydrocarbon– soaked cloths, transport and final disposal by a qualified contractor.

Total waste in tonnes for 2012-2014



Source: Minera Alumbrera

WASTE CLASSIFICATION AND DESTINATION

TYPE	WASTE	FINAL DISPOSAL
Residential	Non-industrial waste generated in our daily life.	At an authorised waste dump at the mine site.
Hazardous	Used oil, grease, solid waste, hydrocarbon-contaminated soil, cans and batteries.	Final destruction by qualified operators.
Industrial	Scrap metal, wires, wood and tyres.	Melted for recycling purposes.
Recyclable	Paper, cardboard and plastic.	Donated to recyclers.

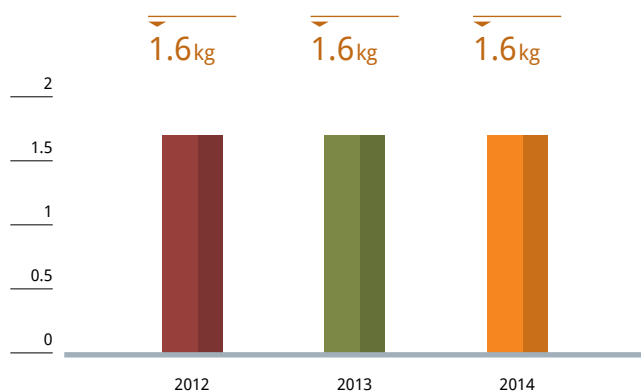
• Residential waste

In 2014 we started the construction of a new controlled Urban Solid Waste (USW) dump under our responsible site-generated waste management initiative. The size is identical to that of the waste dump currently in use.

During 2014 each individual generated in average 1.6 kg/day of USW, while the average waste generated in a city is 1 kg/day. This is due to the large amounts of disposable material used, including plastic cups, disposable trays and cutlery, and drinks.

In reducing waste generation, we continue our waste classification and sorting initiatives at the workplace and our material recycling programmes.

Residential waste per individual/day in kg for 2012-2014



Source: Minera Alumbra

• Hazardous waste

Solid and liquid hazardous waste is transported and disposed of by qualified operators. Used oils are reused as alternative fuels in furnaces and boilers by businesses in neighbouring towns that transform energy to make products, including the food, metalworking and cement industries. To this end, they must have the Environmentally Approved Operator certification issued by the competent regulator.

In May 2014, fluorescent lamps at the site were treated and 5.68 tonnes were sent for final disposal. These efforts will continue as long as this waste exists. The plan is to send this waste for final disposal once or twice a year.

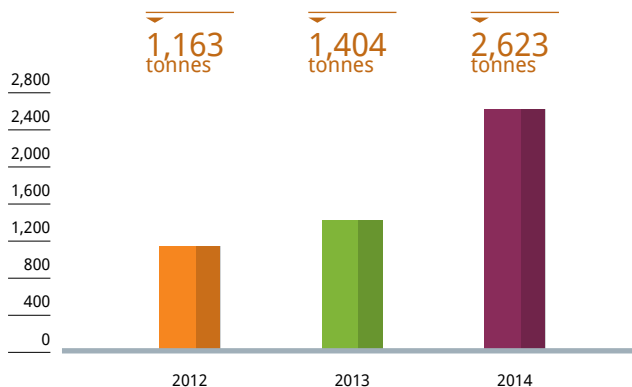
A Catamarcan company that manufactures vehicle batteries conducted a research and developed a system to treat these lamps in which most lamp parts are reused in their business while mercury gas is reclaimed and sold to the chemical industry. This initiative was born out of the need to dispose of this hazardous waste. The company obtained the certification as a qualified hazardous waste treatment operator in 2014 from the Catamarca regulator.

No hazardous waste is either exported or imported by Minera Alumbra.

• Industrial waste

2,623.9 tonnes of scrap metal were sent for final disposal in 2014. Once melted, this material is turned into steel bars that are resold.

Scrap metal final disposal. 2012-2014

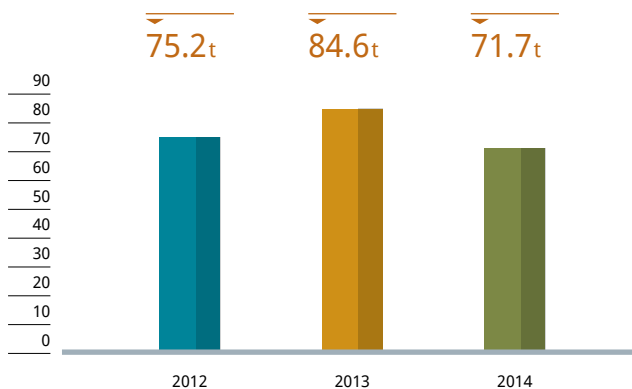


Source: Minera Alumbra

• Paper, cardboard and plastic recycling

The selective collection of these materials seeks to help preserve the environment¹³ and raise funds to support the Hospital Garrahan Foundation and Cottolengo Don Orione, charitable institutions situated in Tucumán. In 2014 we collected 71.7 tonnes of paper, cardboard and plastic.

Paper, cardboard and plastic collection. 2012-2014



Source: Minera Alumbra

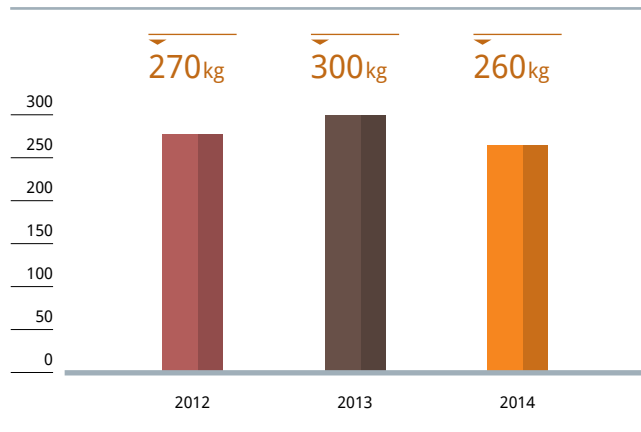
No electronic waste was sent for final disposal in 2014, but it will be sent in 2015.

The amount of waste rock stocked on site in 2014 was 42.4 million tonnes, while 35 million tonnes of tailings were generated. Waste dumps where waste rock is stockpiled are rehabilitated as their final design is completed.

• Pathogenic waste

At Minera Alumbraera, we provide first aid medical services for all our employees. Any resulting pathogenic waste is properly managed as required by competent regulators.

Pathogenic waste final disposal. 2012-2014



Source: Minera Alumbraera

MATERIALS USED BY WEIGHT OR VOLUME DURING 2014

SUPPLIES	UNITS	QUANTITY
Conveyor belts	Metres	2,340
Diesel fuel	Litre	56,434,980
Electricity	MW/h	846,997
Anfo explosives	Tonnes	9,976
Anfo explosives -emulsion	Tonnes	5,719
Mill balls	Tonnes	20,253
Lime	Kilolitre	46,013,269
LPG	Litre	349,503
Lubricating oil	Kilolitre	2,173
Tyres - heavy vehicles	Units	335
Tyres - light vehicles	Units	888
Fuel	Litre	23,240
Xanthates	Kilogramme	66,748
Recycling material	Paper, cardboard, plastic.	Donated for recycling purposes.

IMPACT BY EMPLOYEE AND CARGO TRANSPORT

Employee transport (by road)	71,882 km	17,920 diesel fuel litres
Cargo*	10,804,800 km	34,575,360 diesel fuel litres

* Incoming general cargo (including spares, food, fuel, mill balls, lime, lube oil) from Buenos Aires, Santa Fe, Córdoba, San Luis, San Juan, Catamarca, Tucumán, Salta and Mendoza provinces, as well as from Chile and Peru.

13 Paper recycling saves 70% of water and 45% of energy used to make traditional paper, while reducing air pollution. For every tonne of recycled paper or cardboard, 17 mid-sized trees are saved. It takes 10 to 20 years for a tree to grow.

RESPONSIBLE PRODUCT MANAGEMENT

Through its products, Glencore seeks to deliver commodities at competitive prices that satisfy stakeholders' needs and add value globally, while reducing any risk associated with their use.

Therefore, Glencore ensures that its customers fully understand the properties of its products and works with regulators to encourage safe practices and an efficient use of products and technologies around the world.

Our products have material safety data sheets that provide relevant information on product chemistry, toxicology relating to human health and the environment, handling, storage and exposure as well as recommendations to manage product spills and disposal.

In addition, we inform our employees, contractors, customers and other stakeholders about potential hazards and product handling best practices.

No environmental incidents associated to concentrate or gold doré transport have occurred during 2014.

Product stewardship

- **In the case of copper and gold concentrate shipped by sea or rail freight,** we seek to minimise potential environmental and safety incidents. Sea freight forwarders must be approved by RightShip, a boutique ship vetting specialist in the global maritime industry.
- **As to our molybdenum concentrate trucking services:**
 - Special care is given to the rest periods of truck drivers.
 - Unloading operations are monitored by international companies that report any events occurring during transportation.
 - A material safety data sheet (MSDS) is provided to each driver, with the specifications of the materials being trucked, the relevant handling methods as well as the risks posed by skin contact and how to mitigate them.
- **At the Minera Alumbraera port facilities,** concentrate is unloaded and stored in enclosed facilities.

A growing demand for our products exists in international markets, given their metal purity. Minera Alumbraera regularly tests concentrate chemistry with a view to identify potential changes to metal content. However, such changes have never been identified over the past 17 years of operation.

No fines have been imposed for non-compliance with the laws or regulations concerning the use and supply of our products.

MINE CLOSURE

At Minera Alumbraera, we started developing a comprehensive mine closure plan since the onset of the mining project, which is integral to our management efforts. The information is contained in the first Environmental Impact Report submitted to the Catamarca authorities (EIR, March 1995) two years prior the start of our operations.

It is a great challenge which integrates social, environmental and safety aspects with a focus on sustainable development, as these activities will extend in time and will be assessed by future generations.

We are at the final stages of the Bajo de la Alumbraera deposit operations since reserves are nearing depletion. When depletion occurs, we will stop production activities to start our final closure activities, which have been partially initiated even when the pit is still operational.

Mine closure is expected to occur in 2019. However, it is subject to new investments or the extension of current exploration activities. These factors are reviewed every year. In the same way as the deposit production cycle has been positive, we expect mine closure to be equally successful.

With defined goals, planned activities, allocated funds and quality information and analysis of potential risks, we will carry out responsible mine closure activities within the planned scope that ensure the protection of the surrounding environment and people.

Environmental management is a key consideration under our current Mine Closure Plan since the environmental data gathered over 17 years will serve as benchmark data.

These data and results constitute a robust knowledge platform that contains biological, geological, hydrogeological, climatic, social and cultural data. The use of sound information reduces uncertainty about the actions to be taken during mine closure.

We have research studies directly related to mine closure and regular monitoring activities which are continuously audited by the Catamarca Mining Department.



Natural revegetation occurred during capping tests.

Mine closure environmental goal

Our main goal is minimise or remove the impacts of mining operations. We will clean our industrial facilities and rehabilitate the associated facilities, while ensuring a safe and health risk-free site for people and the environment.

Our specific efforts include:

- Facilitating a progressive rehabilitation during our operations.
- Attaining a long-term physico-chemical stabilisation of the facilities being closed.
- Ensuring that the pit, waste dumps and tailings dam to be closed are safe and risk-free for local communities and native wildlife.
- Restoring the natural landscape of the area, while fostering the self-sustaining growth of local vegetation and wildlife.
- Restoring the associated facilities area while minimising impacts to surrounding areas.
- Ensuring that industrial facilities are left clean and free of any residue or concentrate.

MONITORING OF ENVIRONMENTAL ASPECTS APPLICABLE TO MINE CLOSURE INCLUDES:	
ENVIRONMENTAL ASPECTS	LOCATION
Air quality	Mine site and impact area
Weather	Full area
Water quality	Vis Vis River, rivers crossing the slurry pipeline
Trace metals	Vis Vis River
Groundwater levels	Campo del Arenal
Water quality at main facilities	Open pit
Biological	Rivers crossing the slurry pipeline
Biodiversity	Entire site
Slope stability	Open pit
Stability and temperature of waste rock dumps	Waste dumps
Archaeological heritage	Entire site

The studies, research studies and field tests of the main site components monitored since day one are the following:

COMPONENTS	GOAL	STUDIES AND CONTROLS	RESULTS	COMPLETION DATE
GRADUAL WASTE DUMP REHABILITATION	Ensure that the barren core material capping system is properly placed over the waste rock in the waste dumps.	Net acid generation (NAG) capacity. Acid neutralizing capacity (ANC). Sulphur (S) and Sulphate (SO ₄) content.	Short and long term predictive mathematical models to assess rock quality and available tonnage.	These processes will continue until the end of operations.
		Mine life business plan contains information that is annually updated.	Based on the data gathered, barren core material mining has been planned.	It will continue until the end of operations.
WASTE DUMP CAPPING SYSTEM	<ul style="list-style-type: none"> -Check performance of barren core material capping system (with no pyrite content) on pyrite-bearing (FeS₂) waste rock at extensive level. -Monitor humidity retention properties, temperature, soil suction and percolating water quality to ensure its chemical stability. 	Capping test cells: each cell has various coverage settings and their performance is monitored over time.	Under review.	Completion planned for 2016.
		Slope erosion: waste dump slope erosion was tested using a simulation model covering more than 1,000 years.	Results showed that the current waste dump design is more stable in terms of erosion resistance during the modelling period. This supports the design in use.	Completed.
		Waste dump temperature: Temperature levels of waste rock covered by a barren core material layer are monitored to assess chemical stability over time.	Temperature monitoring of covered waste rock that the capping system works.	Planned follow-up until the end of operations.
TAILINGS DAM COVER SYSTEM	Check performance of alluvial rock cover over tailings to assess storage and moisture release performance and avoid water leaking into the covered material.	Cover test cells: each cell has various settings to monitor the cover system performance over time.	Under review	Completion planned for 2016.
		Construction rainfall runoff containment and discharge systems: to prevent water from percolating into the cover system.	They will be built after the tailings dam has been fully discharged.	Estimated construction date: 2021.
		Pumpback system maintenance and operation downstream the tailings dam.	At the concentrator plant, 74% of water is supplied from the pumpback and reclaimed water systems. The remaining 26% is freshwater.	Pumps will be gradually removed until the time determined by monitoring processes. Expected date: 2029.
WASTE DUMP REVEGETATION	<ul style="list-style-type: none"> -Develop methods for revegetation of waste dump rehabilitated areas using native species. -Prevent soil erosion and promote soil formation and rehabilitate the surrounding natural landscape. -Mitigate impact resulting from the loss of habitat. 	Test areas: Tests were conducted on barren core material capping at the waste dumps ¹⁴ . -Native vegetation will be planted on the waste dumps upper flat surface. -Biological studies of native species will be conducted.	<i>Cercidium raecos, Larrea divaricata, Zuccagnia punctata, Senna rigida, Tessaria dodoneifolia, Flourensia tortuosa, Pappophorum caespitosum and Senecio subulatus species</i> have showed good performance during the tests.	Tests will continue over flat and sloping areas until the most appropriate method is defined.
TAILINGS DAM REVEGETATION	Revegetation using native species in rehabilitated areas of the tailings dam to prevent erosion and promote soil formation and rehabilitation of the surrounding natural landscape. Mitigate habitat loss impact.	Test areas: native vegetation species will be planted on the upper flat surface of the alluvial material of the Tampa Tampa area ¹⁵ . Biological studies of native species will be conducted.		
		Germplasm bank.	Propagule harvesting campaigns are being conducted. It is harvested in on-site natural areas not impacted by our operations.	This activity will continue the Mine Closure Plan is completed.
		Greenhouse: It was designed for the germination, growth and adaptation of seedlings to be planted in revegetation test areas.	Since 2007, 150,000 native vegetation and carob tree seedlings have been grown.	This activity will continue the Mine Closure Plan is completed.

¹⁴ Waste dump: waste rock (with no economic value) produced during mining stocked in coarse fragment piles.

¹⁵ Alluvial cone at the mouth of the tailings dam.



Panoramic view of the tailings dam.



Open pit groundwater monitoring activities allow us to prepare predictive models of water quality and performance after mining has been completed.

MINE CLOSURE COMPONENTS

Three major facilities must be considered under the mine closure plan:



Associated facilities include the concentrator plant, supply facilities, services infrastructure, linear construction works, buildings, workshops, labs, and storage facilities. Finally, ancillary facilities include residential and industrial waste dumps.

1 and 2- Closure and rehabilitation of tailings dam and waste rock dumps

The main risk identified is acid solutions generated when sulphides contained in rocks or tailings come in contact with rainwater. Oxidisation may be avoided by preventing water percolation into sulphide-bearing stockpiles. This preserves groundwater and surface water quality.

Since the Alumbreira site is located in an area with high annual evaporation rate and low rainfall levels, we have implemented waste dump and tailings dam rehabilitation

initiatives using a capping system to cover these facilities since the start of our operations. The capping system¹⁶ –made of waste rock– contains rainfall during the rainy season to later discharge it during the remaining low humidity months.

In designing the appropriate capping system, we gathered climate data from our three weather stations installed in various areas at the mine site, including rainfall levels, wind speed, relative humidity, evaporation potential, temperature, and atmospheric pressure.

Thus, we monitor rock humidity storage capacity. Using this preliminary basic data, we run numerical models to determine the appropriate capping system thickness to ensure rainfall water storage.

Data of sensors installed in the field at various depths is used to learn rainfall levels, rainwater percolation depth and evaporation time.

Additionally, we have developed revegetation tests using seedlings and seeds in the tailings dam and waste dumps area which will be rehabilitated planting native vegetation species once those facilities are no longer operational.

The vegetation species subject to tests are native grasses and bushes adapted to the mine site weather and soil conditions.

¹⁶ Layer of barren core material placed over the waste dump surface to store water.

3- Open pit closure

The pit has groundwater contained in rock fractures that needs to be withdrawn to continue our operations¹⁷. Water quality reflects the chemistry of the rocks containing it. This is slightly corrosive water with high iron and sulphate levels and neutral pH level.

This water is used to consolidate the pit internal roads only.

We gathered data of this rock aquifer performance from monitoring and pumping wells, which may be used to develop models of water quality and performance when operations are completed.

The review of this data shows that upon site closure pumping activities at the bottom of the pit will cease and a terminal pond will be formed. It will comprise rock aquifer water, rainwater and surface run-offs that flow to the open pit.¹⁸ It will reach its highest level in 10 years and will be levelled in about 200 years, with a water quality similar to baseline level. The hydro-chemical model forecasts that in terms of quality the pond water will have a pH level slightly below neutral (6.5) and will not be acidic.

The pond water will permanently stay at the pit and will serve as a groundwater reservoir with a depth of 160 to 200 m. Therefore, it will not supply water to the regional aquifer. This performance results from the high evaporation rate at the site area.

The other associated and ancillary facilities, if closed, will have no power and water supply and no waste collection or cleaning services.

Mine closure-related environmental programmes

• Waste dump rehabilitation

Acid Rock Drainage (ARD) occurs when pyrite-bearing waste rock –with no economic value– is exposed to weather conditions (rainwater and oxygen). These three elements combined cause waste rock oxidation.

OUR WASTE DUMP REHABILITATION ENVIRONMENTAL MONITORING PROGRAMME HAS BEEN IMPLEMENTED SINCE 2003 TO ENSURE THAT A BARREN CORE MATERIAL CAPPING SYSTEM IS PROPERLY PUT IN PLACE TO PREVENT WATER PERCOLATION INTO WASTE ROCK THUS AVOIDING ACID ROCK DRAINAGE. THE GOAL IS TO CONTAIN AND LATER DISCHARGE WATER.

During 2014, barren core material¹⁹ was placed on flat and sloping surfaces over 2.93 hectares and a total of 75.51 hectares since 2003. The stockpiled material will be used as cover at the end of operations.

• Waste dump capping and tailings dam cover system

This environmental monitoring programme is intended to monitor performance of various dam cover and waste dump capping system tests. Through sensors placed in the capping and cover system, factors such as temperature, moisture, soil suction and water percolation at different depths are assessed. Percolated water levels are monitored.

During 2014, new tests completed in 2013 were followed up with excellent results. Sensors placed on the waste rock and tailings showed a gradual reduction in humidity levels and no rainfall events were reported.

The conclusion is that capping and cover systems work properly since they reduce rainwater percolation into the test area thus avoiding acid rock drainage.



Capping and cover systems have sensors that measure humidity, pressure and temperature and this data is recorded to improve the designs to be implemented.

¹⁷ To mine ore from the deposit, it is necessary to extract the water at such levels. This activity is performed through a pumping system with wells located in the open pit. Water goes through a pipe system and re-pumping stations up to a pool located at the open pit entrance. It is used for road irrigation and dust suppression.

¹⁸ Water running from the upper basins of the open pit and channeled to the entrance of the pit.

¹⁹ Barren core material layer (not generating Acid Rock Drainage) placed on waste dump surfaces.



Commitment to sustainable development of neighbouring communities
Development programmes for long-term social and economic benefits.



Communities from the Primary Impact Area
Andalgalá, Belén and Santa María.

68,523 inhabitants.

23,674 km² surface area.



Project selection
Planned engagement with local communities, a perception survey and requests made to Minera Alumbra.



Conditions
Local organisations or representative groups bringing collective benefits.



Priorities
Health, education, production development in line with community interests according to the perception survey.



SD expenditure
USD 3.8 million in 2014.
USD 30.8 million in 1999-2014.

Infrastructure works
USD 1.9 million.

Community programme
USD 1.9 million.



Cases having an impact
Improved Education Plan, Improved Health Programme, Grapevine and Walnut Varietal Re-engineering, Pasture Establishment Programme.



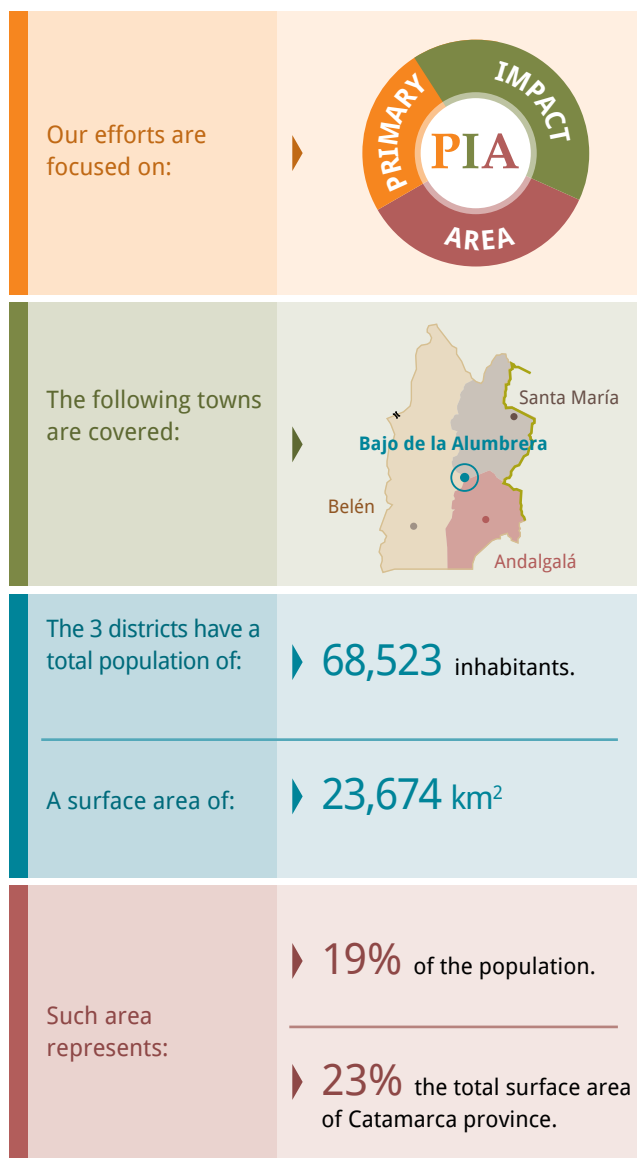
We encourage the growth of small-scale entrepreneurs, such as Javiera Guanco from Fuerte Quemado town, Santa María, who makes regional products using carob tree flour.

Sustainable communities

At Minera Alumbreira, our commitment to foster sustainable development in the neighbouring communities is demonstrated through programmes that improve the present and future standard of living of local people.

We operate following a mining management approach that seeks to bring socio-economic benefits to the communities close to the mine site with results that go beyond the life of Minera Alumbreira.

Since the onset of our mining operations, we have been developing various large infrastructure works and programmes in the areas of health, education, production and other social life aspects, such as sports, culture and recreation.



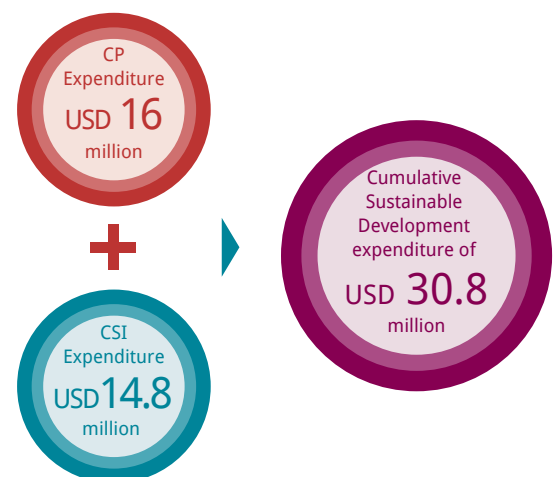
Sustainable development programme

Our social involvement programmes are established through extensive engagement with communities and other representative organisations and are coordinated with local government and non-profits organisations where possible.

Our Sustainable Development Programme consists of the Community Programme (CP) projects and the Corporate Social Involvement (CSI¹) infrastructure works. The former seeks to increase local human, social and cultural capital, while the latter, in addition, seeks to increase the local physical capital through civil works and equipment and machinery.

Between 1999 and 2014, Minera Alumbreira invested USD 30.8 million in SD, out of which 48% out of which were spent in infrastructure works and 52% in community programmes.

Cumulative sustainable development expenditure since start of operations in million USD for 1999-2014

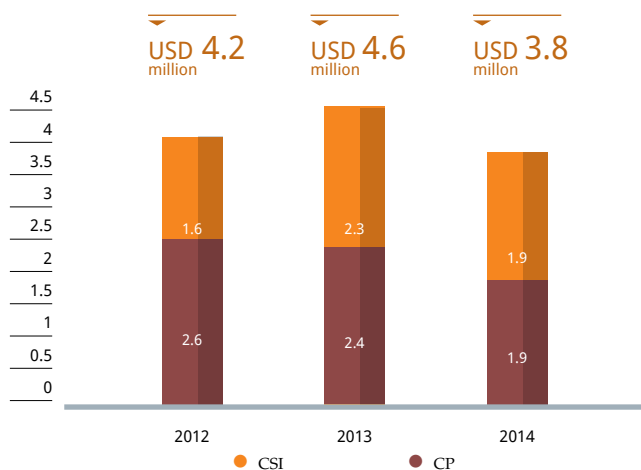


Source: Minera Alumbreira

¹ Although the concept of Corporate Social Involvement comprises all the above-mentioned actions, the CSI Programme as part of the SD actions specifically includes infrastructure works.

In 2014 our expenditure was USD 3.8 million, equally distributed between the Community Programme and large infrastructure works, which received USD 1.9 million each. This expenditure was 17.2% lower than in 2013 mainly due to an extraordinary increase in infrastructure expenditure.

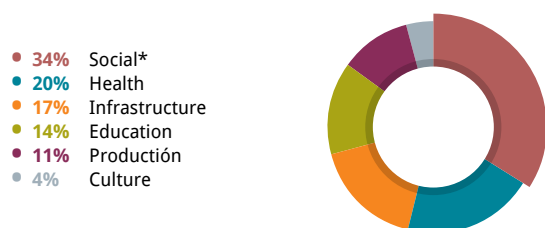
Sustainable development programme expenditure in million USD for 2012-2014



Source: Minera Alumbra

ALL PROJECTS, INCLUDING INFRASTRUCTURE WORKS AS WELL AS TRAINING ACTIVITIES, TECHNICAL ASSISTANCE AND TECHNOLOGICAL TRANSFER CONTRIBUTE WITH AND IMPROVE THE HEALTH, EDUCATION AND ECONOMIC SYSTEMS, CULTURAL ORGANISATIONS, PUBLIC WORKS AND CONDITIONS TO DEVELOP SOCIAL SKILLS.

Breakdown of SD expenditure by area for 2014



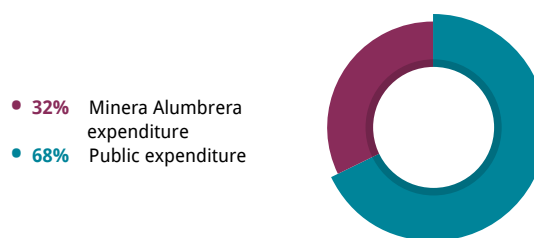
Total: USD 3,838,503

Source: Minera Alumbra

** Including Santa María Sports Centre, the Cooperative Support Programme in local communities, landslide and flood support, and technical advice for social and production programmes and cooperation and partnership initiatives.*

The impact of our expenditure in building infrastructure has been very significant in the Primary Impact Area (PIA). For every USD 100 spent to build and remodel schools in Andalgalá, Belén and Santa María over the last five years, USD 68 were contributed by the State and USD 32 by Minera Alumbra.

Expenditure in school infrastructure in Andalgalá, Belén and Santa María. Completed works in USD for 2009-2014



Total: USD 2,378,938

Sources: Argentine Federal Planning, Public Investment and Services Department, Argentine Education Department and Minera Alumbra.

Community project selection and assessment criteria

The projects developed under the Sustainable Development Programme are the result of a process under which local problems and priorities are identified, relevant proposals are selected, compliance with eligibility criteria is verified and project feasibility is assessed.

This process is mainly focused on the beneficiaries, meaning that problems are identified, prioritised and assessed based on the opinion of people from the town where actions will be taken.

The community feedback tools used to plan different actions include an annual opinion survey prepared by Minera Alumbra and conducted by the National University of Catamarca, roundtable discussions in Buenos Aires and Catamarca for every edition of our Sustainability Report, and ongoing face-to-face discussions between our employees and management, all of which determine how social expenditure funds are allocated.

In addition, the projects must meet certain eligibility criteria which are objective conditions for proposals to be selected.

THE PROJECTS SUPPORTED BY MINERA ALUMBRERA MUST:

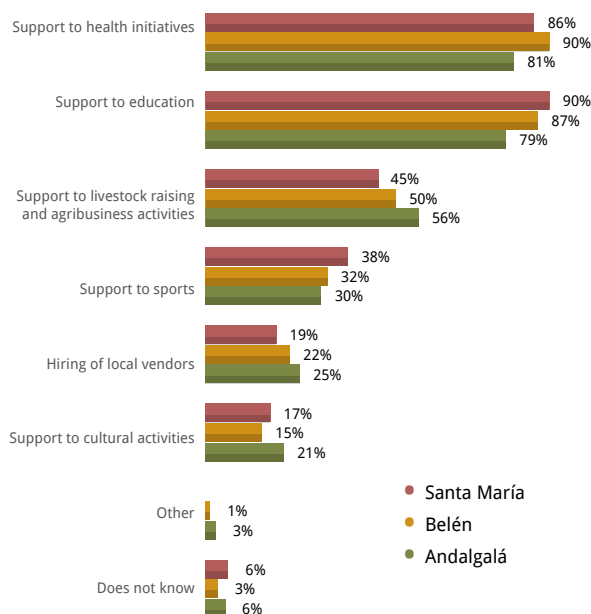
1	Identify problems and propose solutions from the community point of view.
2	Be developed by local groups and organisations.
3	Bring collective benefits that can be distributed fairly.
4	Improve the standard of living in a sustainable manner that goes beyond mine closure.
5	Be formally designed and planned to allow their assessment and monitoring.

From the beneficiaries' point of view, the problems identified in the survey by the public sector relate to basic infrastructure deficiencies, whereas the priority for local people is hospitals and medical equipment².

The goal of the actions taken in 2014 was to satisfy local needs and demands reported in the perception survey of 2013.

The new sustainable development programme projects, particularly health infrastructure works, show that the actions taken are in line with community demands.

Actions that should be taken by Alumbra in/with the community by district according to local people



Source: 2014 Opinion Survey. Minera Alumbra.

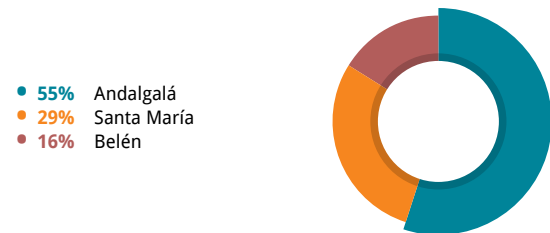
² For more information, go to the chapter "Commitment to Sustainable Development".

Sustainable development expenditure in the PIA

In 2014, our expenditure in the PIA totalled USD 3.07 million, that is, 80% of the total expenditure for that year.

In comparison with 2013, Andalgá still receives the largest relative share due to our major expenditure in health infrastructure, while expenditure in infrastructure works in Santa María increased by USD 270,9.

Breakdown of sustainable development expenditure in PIA for 2014



Total: USD 3,069,414

Source: Minera Alumbra

Regarding production activities, our projects include local crop varietal re-engineering, water works, farmer training and small-scale project support. In the area of education, we implemented a comprehensive improvement plan for teachers, conducted infrastructure works and supplied teaching materials. In the area of health, our expenditure includes a works plan to improve hospital infrastructure, upgrade medical equipment and provide critical medical supplies to hospitals and health centres as well as training to enhance medical care quality.



Farmers from Belén harvesting grapes under the Varietal Re-engineering Programme to turn unproductive plantations into high-yield areas.

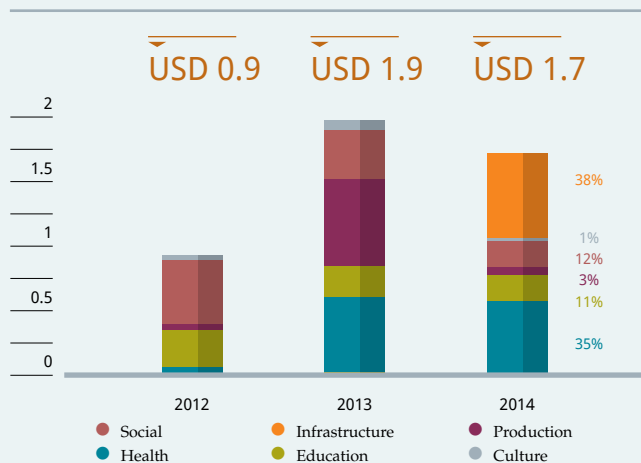


The new Andalgala hospital built by Minera Alumbrera will have 10 external medical offices providing dental care, paediatrician, vaccination, general medicine, physical therapy, and laboratory services, a pharmacy, x-ray room, ultrasound room, delivery room, operating rooms, hospitalisation room and intensive care unit.

ANDALGALÁ

In Andalgala, infrastructure deficiencies (67%), unemployment (47%) and the need for improvements in the health and education system (47%) have been identified as the main problems by local people.

SD expenditure in Andalgala by area in million USD for 2012-2014



Source: Minera Alumbrera

Health works mainly consist in the construction of a hospital in Andalgala. It is a 3,667 m² building that includes water, sewage, rainwater drainage and electrical facilities.

The institution will have 16 hospital beds and 5 intensive care beds, that is, an increase of 32% and 100%, respectively, against the data provided by the Argentine Integrated System of Health Information.

Based on the opinion survey, local people are well aware of the existence of these works (94%) and of other health-related projects (87% knows of the maternity hospital equipment, while 40% knows of the new Aconquija hospital). 41% of the

Andalgala people had a positive opinion of the sustainable development programme.

A comparison of the relative birth ratio in each of the three PIA districts with the number of health care facilities and beds available (every 10,000 inhabitants) shows that they are not either accessible or efficiently used in Andalgala, where the number of annual births is half the number of births in Belén and three times lower than in Santa María.

In Andalgala district, the ratio of health care facilities and beds available is virtually the same as the provincial ratio, although the number of births is three times lower. In fact, Andalgala has relatively more health care facilities and beds than Santa María, which triples the number of births in Andalgala.

Andalgala hospital impact

Two out of three pregnant women from Andalgala need to travel to other towns to give birth. The new hospital will improve the access and effective use of local health services³.

According to the Health Department data, 34 births⁴ were reported in Andalgala in 2011, while 70 births were reported in Belén and 104 in Santa María, which is similar to the provincial average of 107 births. Additionally, 188 births (every 10,000 inhabitants) were reported in the provincial capital. This shows a relatively deficient access to health services, especially in Andalgala, which explains why pregnant women need to go to other towns to give birth. The new Andalgala hospital built by Alumbrera will narrow this gap and improve the standard of living of local families.

	Population (2010)	Health care facilities	Beds	No. of births (2011)	Hospitals every 10,000 inhabitants	Beds every 10,000 inhabitants	Births every 10,000 inhabitants
Andalgala district	18,132	22	104	62	12	57	34
Belén	27,843	52	194	194	19	70	70
Santa María	22,548	19	81	229	8	36	102
Provincial capital	159,703	115	1,097	2,999	7	69	188
Catamarca province	367,828	455	2,154	3,934	12	59	107

Sources: Based on data provided by the Provincial Statistics and Census Office of Catamarca, the Demographic Statistics Office, based on data of the Provincial Health Department, Planning and Evaluation Office, and 2010 National Census of Population, Households and Housing of the Argentine Statistics and Census Institute (INDEC) and the Argentine Health Department.

³ The World Health Organization (WHO) recommends that health services are assessed considering access and effective use, i.e. the possibility of receiving appropriate medical care when required, regardless of income, place of residence, work conditions or ethnic group. The mere existence of health care facilities is not enough. The actual use and results of health services must be observed.

⁴ Every 10,000 inhabitants in all cases.



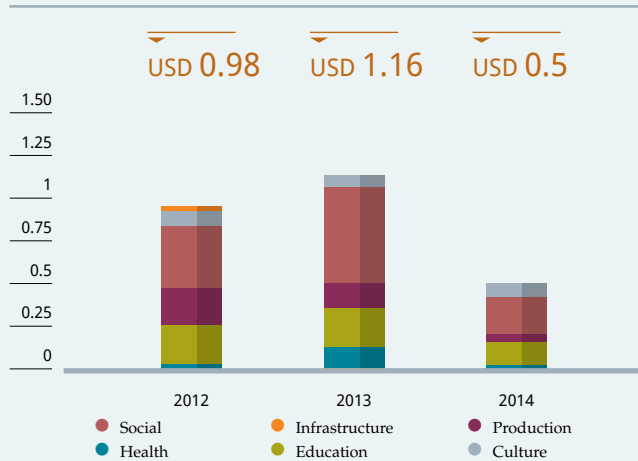
Grapevine and walnut production projects have significantly improved in Hualfin, Belén district. Technical support is still being provided.

BELÉN

According to local people, urban infrastructure deficiencies (82%) are the main issue, followed by health and education problems (35%).

In 2014, SD expenditure in Belén was focused on community programmes. Compared with the previous year, our expenditure decreased because no new large works were started, since schools and hospitals were remodelled over the last four years, such as the secondary technical school and the paediatric ward at the local hospital, among others.

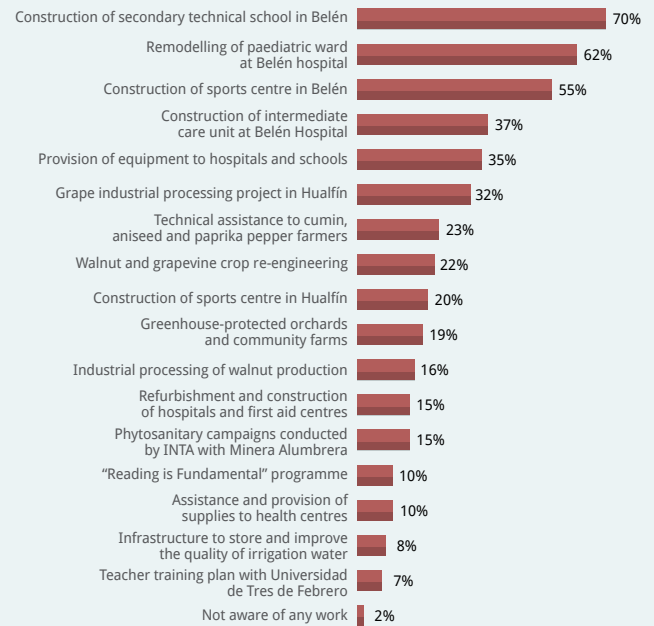
SD expenditure in Belén by area in million USD for 2012-2014



Source: Minera Alumbra

Our actions in Belén include maintaining ongoing education projects, such as teacher training and production support projects, including the phytosanitary campaign and the project to foster walnut and grapevine production.

Level of awareness of community works in Belén



Source: 2014 opinion survey. Minera Alumbra and UNCA.

41%

of the people from Belén had a positive opinion of the Minera Alumbra sustainable development programme.





The new 1,350 m² sports centre in Santa María includes volleyball and basketball courts and an area for community meetings.

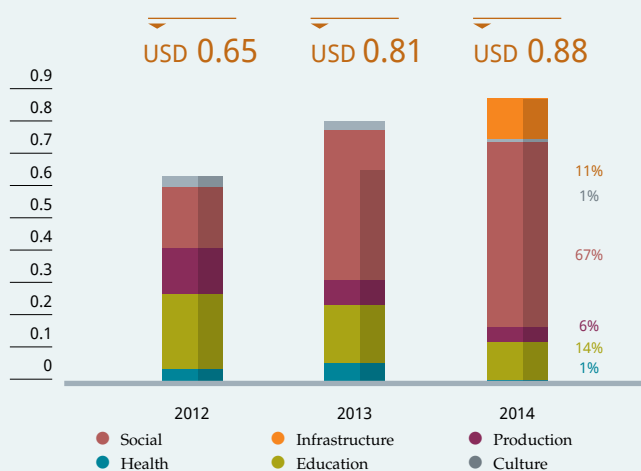
SANTA MARÍA

According to 2014 Alumbra opinion survey, people from Santa María are mostly concerned about the lack of urban infrastructure (95%), while health and education are a priority for 42% of them.

Considering the problems identified by local people in various discussion forums over the last few years, Alumbra decided to increase its infrastructure expenditure in Santa María by USD 270 totalling USD 466,4, to carry out works with an impact on social life (sports and recreation) and to improve structural conditions.

The most recognised and distinctive project in Santa María has been the sports centre which is known by 82% of the local people. 25% have a positive opinion of the SD programme.

SD expenditure in Santa María by area in million USD for 2012-2014



Source: Minera Alumbra

COMMUNITY PROGRAMME INITIATIVES

Health

Hospital equipment upgrading, provision of critical medical supplies to hospitals and health centres, vaccination campaigns and training to improve the quality of medical care. First Aid, Safety and Industrial Hygiene training courses delivered locally by experts



Education

Education improvement plans for teachers, provision of teaching materials, paid internships for students, supply of technological equipment, sports gear and materials to expand and improve school facilities.



Production development

- Farming

Provision of supplies (including seeds, seedlings, agrochemicals, fencing posts and work tools), varietal re-engineering of local crops (walnuts, grapevines, fruit trees and aromatic seeds), training for farmers and monitoring of their projects.



- Water supply

Water extraction and distribution works, including coated channels and dam repairment and commissioning to store water and increase farmable land. Provision of materials and fuel, together with local governments, to conduct works funded with mining royalties to use irrigation water more efficiently.



Improved water supply also includes the optimisation of drinking water supply for local families.

- Small-scale projects


We seek to foster the development of local entrepreneurs by providing training on partnership initiatives, accounting, industrial health and safety and first aid. We also provide equipment, construction materials, tools and supplies.




In addition, entrepreneurs meet annually to share their experiences and strengthen commercial ties.

MAJOR INFRASTRUCTURE WORKS CONDUCTED BY MINERA ALUMBRERA YMAD-UTE


MATERNITY WARD IN "DR. MIGUEL BELASCUAIN" REGIONAL HOSPITAL

Location	Total expenditure	Expenditure in 2014	Description	Uses	
 <p>Concepción Tucumán</p>	USD 1.74 million	USD 0.16 million	<ul style="list-style-type: none"> Built area: 6,400 m². It can handle: 5,000 births a year. It has 63 beds, 32 hospital bassinets and 4 labour and recovery units. In 2014, the Paediatric Emergency Ward and the Emergency Ward were made operational again. 	2 external medical offices, a short-stay hospitalisation room, a waiting room, a women hospitalisation room, a nurses' station and bathrooms were built. The area in charge of treating medical emergencies is restricted to 50% of the South Programmatic Area.	Completed


ANDALGALÁ HOSPITAL

Location	Total expenditure	Expenditure in 2014	Description	Uses	
 <p>Andalgalá Catamarca</p>	USD 3.08 million	USD 1.23 million	<ul style="list-style-type: none"> Building with a covered area of 3,900 m². 6 separate areas, including a pharmacy, a canteen and a meeting room for up to 90 people, paediatric ward and vaccination facility, x-ray room, clinical testing laboratory, urgent care and emergency services. Hospitalisation: 16 rooms with private bathroom, nursing services and intensive care unit; two operating rooms, delivery and neonatal care room; 10 external medical offices. 	Dental care, paediatrics, general medicine, physical therapy, nursing, surgery, emergencies, hospitalisation, intensive care, diagnostic imaging and clinical testing services.	In progress

ACONQUIJA HOSPITAL

Location	Total expenditure	Expenditure in 2014	Description	Uses	
 <p>Aconquija Catamarca</p>	USD 0.86 million	USD 0.46 million	<ul style="list-style-type: none"> Building with a covered area of 1,187 m². 5 separate areas: 6 external medical offices. It includes a pharmacy, x-ray room, clinical testing laboratory, paediatric ward and vaccination facility, administrative rooms, urgent care and emergency room. Hospitalisation: 5 rooms with private bathroom. There is also a delivery and neonatal care room. The services area has a kitchen, laundry room and supplies office. Olympic perimeter fence. 	Dental care, paediatrics, general medicine, physical therapy and gynaecology services will be provided.	75% completed

SPORTS CENTRE

Location	Total expenditure	Expenditure in 2014	Description	Uses	
 <p>Santa María Catamarca</p>	USD 0.74 million	USD 0.34 million	<ul style="list-style-type: none"> Covered area: 1,350 m². It has a metallic framework covered with insulated steel sheets and the appropriate lighting required by regulations for night sports activities. Sufficient space to seat 450 people. Women and men bathrooms and bathrooms for handicapped people. Administrative facilities, warehouse and ticket booth. 	The main facility may be used as a multi-purpose room, basketball or volleyball court.	75% completed



Case study



Education improvement plan in Belén

Special term schools

Teachers and students of special term schools from Belén received training on various strategic learning areas, bringing improvements for students who are the direct beneficiaries of Minera Alumbrera's education expenditure in Catamarca, with the support of Universidad Nacional de Tres de Febrero.

Special term schools are located in inhospitable areas, far away from the town centres, where extremely cold winters occur and thus classes are delivered from September to May.

previously participated in the training courses for standard term school teachers delivered in Belén since 2008.

Teachers were interested in learning more about Math, Language for 1st and 2nd level primary school students, Information and Communication Technologies (ICT) integrated with Math and Social Sciences. There were varied training methods, including theoretical classes, i.e. 8-hour plenary sessions for teachers, on-site tutorial classes for teachers, and tutorial classes with the presence of students.

17 schools

are located in Belén district.

70 teachers

teach at special term schools.

500 students

approximately go to these schools.

The teachers of Belén schools started receiving intensive training on various subjects in 2012. Many of them had

In 2014, the schools of Norte Grande in Belén participated in training sessions including on-site training, class preparation and end-of-training plenary sessions and evaluation. One of the meetings was held at School #450 of Laguna Blanca, Villa Vil district, which is 450 km away from the capital city of the province. In spite of the difficulties to get to this location, all teachers were present to seize the opportunity to improve learning conditions for their students.

The impact and improvements of this training in local schools were one of the main goals of the Programme, such as to improve integration and education quality and make school changes. For example, in such a school, all 1st graders knew how to read and write at the end of the school term in 2013.

The new tools acquired by teachers bring remarkable improvements to student performance at school. This trend is in line with the results of UNESCO's SERCE⁶ (2006) and TERCE⁷ (2013) tests conducted in Latin America, where Argentine rural school students improved their performance by more than 40 points and reached the same level as city

TRAINING AT SPECIAL TERM SCHOOLS IN BELÉN FOR 2012-2014

SCHOOL TERM	PARTICIPANTS	GOALS	TRAINING	IMPACT	TEACHER SUGGESTIONS
2012-2013	17 schools and 61 teachers and principals.	Math: provide teaching skills that facilitate learning. Use ICTs to teach Math. Language: teach specific methods for the multi-grade teaching.	Workshop method. An intercultural literacy initiative was developed. They worked on theoretical aspects and examined student writing and reading skills.	Teachers learnt theoretical and practical aspects of a new teaching method to be implemented with their students*. Teachers from Belén ⁸ who are receiving training as local trainers have joined the programme.	"There should be ongoing training because we need to be always up to date". "There should be teaching practices in the classroom with our trainers". "We need more of this easily understandable training. I am very satisfied with everything I learnt. I think that by the end of the year I will get excellent results".
2013-2014	17 schools and 64 teachers and principals.	Math: engage teachers in argument-based math activities by making them solve math problems. ICT: incorporate and use the available technology in curriculum content. Language: learn specific teaching methods that may be implemented by teachers in the short term. Science: create initiatives to teach based on updated teaching practices.	Workshop method: problem resolution and review of teaching sequences. Proficient use of technology, knowledge of the training-developed software and adjustment of curricula. Literacy: word reading and writing teaching strategies. Workshops: -Literature reading. -Reading to write expository texts. Natural and Social Sciences: an inclusive approach.	Teachers became math activities creators and reviewed math as the object of teaching. Half of the schools implemented what they learnt, while others were unable to do it due to the lack of equipment. First-hand experience to teach how to write texts. Work in the classroom with teachers and students. Workshops to develop research projects integrating contents.	"It is very important to receive training since we work in remote areas and have no access to other training courses". "These are very good subject-specific training initiatives which may be implemented in the classroom". "Excellent training, materials and work environment. I feel like keeping asking questions and learning". "This is a new relevant strategy to get to students since it is locally-based". "We, special term teachers, have few chances to access to this kind of training courses".
2014	17 schools and 69 teachers and principals.	Math: support teachers to ensure effective Math teaching and learning. ICT: use technological tools for teaching purposes.	Work in the classroom: Math exercises, review of their own work and review of teaching proposals.	Teaching training methods were renewed with tools that teach significant skills to students.	"This training was highly positive for me since I can apply new teaching strategies".

* Only the students of teachers who attended the plenary session are considered so the actual number would be higher.

school students. It is also pointed out that rural school students had a better performance in Sciences than city school students.

The Programme is fully funded by Minera Alumbra and provides not only training but also access to the books and materials needed by teachers to perform their work.

⁶ Second Regional Comparative and Explanatory Study (SERCE) conducted by UNESCO. The SERCE evaluated the knowledge of 100,752 3rd grade students and 95,288 6th grade students in 16 countries of Latin America and the Caribbean in the areas of Math, Reading and Writing, and Natural Sciences. The study also enquired about school and social factors which are probably associated to and explain the students' school performance.

⁷ Third Regional Comparative and Explanatory Study (TERCE), including 15 Latin American countries.

⁸ The teachers Sofia Palavecino and Analía Segovia presented their book "Compartiendo Saberes" (Sharing Knowledge), which they wrote together, along with other three teachers from Belén. The book was developed and edited under the Alumbra Education Improvement Plan. The goal of this presentation was to provide teachers with a specific tool to implement the literacy initiative (teaching of writing system) raised during the training course.

EDUCATION IMPROVEMENT PROGRAMME

The Education Improvement Programme has been implemented by Minera Alumbra in Catamarca since it was started in 2006. The goal is to improve teaching practices at schools through subject-specific refresher courses and the culture based on the strategic use and incorporation of the Information and Communication Technology languages. We seek to improve educational quality through a new school model which develops projects related to the local social and cultural context while becoming part of the community as a whole.

Since 2010 the programme has been extended to all districts in Alumbra impact area in Catamarca, i.e. Belén, Andalgalá and Santa María, and it is led by a diversified team of Universidad Nacional de Tres de Febrero (UNTREF).



Case Study



Health improvement programme in Andalgala

Health

Health professionals from the Andalgala hospital outlined the need to improve local health infrastructure and disease prevention habits. Likewise, sports, school and neighbourhood organisations faced the same problem.

Therefore, Minera Alumbrera worked with various organisations to find a comprehensive solution. The programme aims to benefit underprivileged groups, particularly children and young people. Our efforts have two important foundations: infrastructure improvement or construction by Minera Alumbrera and the teaching of good hygiene habits by hospital health agents.

ALL WORKS WERE CONDUCTED BY LOCAL BUSINESSES AND WORKFORCE HIRED BY ALUMBRERA, WHICH CREATED NEW JOBS IN ANDALGALA.



HEALTH IMPROVEMENTS

YEAR	TOWN/ORGANISATION	WORK	BENEFICIARIES
2012	Families from the San Cayetano neighbourhood in Chaquiago.	Construction of 18 wet areas (complete bathroom and laundry facilities with water heaters). -Training workshops delivered by health agents from Andalgala hospital.	90 people
2013	-San Lorenzo Club of Huaschaschi. -Sportivo Aconquija Club of Chaquiago. -Social and Sports Club of Choya.	-Multi-purpose room with bathrooms and locker room. -Bathrooms and locker room. -Construction of bathrooms.	120 people in all 3 clubs.
2014	-School No. 81 of Malli. - Huaschaschi neighbourhood.	-Construction of bathrooms. -Materials to build bathrooms and eliminate latrines. The work was conducted by the Public Works Department of Catamarca.	-83 students -10 families.



Grapevine and walnut production in Belén

Production development

Minera Alumbra's support to production activities in the towns close to the deposit has helped small and medium-scale grapevine and walnut farmers become part of a competitive production chain in line with market demands. This has impacted on the sustainability of local production systems with the implementation of small projects.

The grapevine and walnut re-engineering project for small and medium farmers helps transform their low yield plantations into high performance and quality areas in a period of 3 to 4 years.

Minera Alumbra provides training to local farmers through the ongoing assistance of an agricultural engineer, who advises them on crop handling, the organisation of farmer groups and the use and preservation of natural resources.

Programme benefits include higher revenues to farmers and their families and the maintenance of these small production systems to efficiently develop this primary economic activity and thus avoid the migration of local people to other more productive areas.

2004

Walnut and grapevine improvement projects have been developed in Belén district since 2004 and have been extended to other districts such as Santa María, Andalgalá, Tinogasta and some towns in Tucumán.

IMPACT OF THE CROP RE-ENGINEERING PROGRAMME IN BELÉN IN 2014

	BENEFICIARIES	CONTRIBUTION BY MINERA ALUMBRERA	CULTIVATED AREA	RESULTS*	SALE PRICE
GRAPEVINE	40 farmers	700 walnut tree plants; 6,500 grapevine plants; 70 kg of sulphur, 80 kg of fertilisers, 90 l of insecticide and manual tools.	3 ha in addition to the 80 ha cultivated since the programme was started.	A total production of 550,000 kg of grapes in Hualfín and San Fernando.	Grape per kg: USD 0.49.
WALNUT	56 farmers		2 ha in addition to the 90 ha cultivated since the programme was started.	More than 115,000 kg were harvested in Londres, Pozo de Piedra and Puerta de San José.	Walnut per kg: USD 4.9.

* Walnut trees and grapevines will start yielding 7 years and 5 years after planting, respectively.



Case Study



Phytosanitary programme and pasture establishment in Santa María

Livestock raising production activities

In 2014, Minera Alumbrera supported production activities in small rural towns of Santa María, including Toro Yaco, La Lagunita, Yustupíán, Fama Balasto and El Tesoro, where cattle, goat and sheep raising activities are developed. The great challenge was to reduce health and nutritional problems causing high livestock mortality rates and the resulting low yield which led to loss of income.

In 2014, our efforts were focused on 20 farmer families living in remote areas, in poor-condition houses with no electricity, on the slope of the mountains. Using the few water springs available, they plant pasture in small plots to make up for the shortage of forage.

MINERA ALUMBRERA'S EFFORTS WERE FOCUSED ON RESTORING THE VALUE OF THIS PRODUCTIVE ACTIVITY IN THE TOWNS SITUATED ON THE MOUNTAIN VALLEY, INCLUDING RURAL TOWNS SUCH AS TORO YACO, LA LAGUNITA, YUSTUPIÁN, FAMA BALASTO AND EL TESORO, WHICH ARE PART OF AN IMPORTANT, IF NOT THE MOST, MEAT PRODUCTION AREA IN SANTA MARÍA.

Our support was through training on livestock health management, pasture management, pest and disease control actions and nutrition and forage reserve to improve the agricultural food chain. Farmers also received assistance in their pasture establishment initiatives, including annual (winter grass) and perennial (lucerne and tall fescue) pastures, to improve their forage reserves.

RESULTS

- **HEALTH CONTROLS**
More than 1,800 sheep, goats and cattle.
- **LOWER MORTALITY RATE**
5% due to lower external and internal parasites and the use of vitamins and minerals.
- **INCREASE IN LIVESTOCK CONVERTED TO MEAT**
10% of grown animals.
- **IMPROVED AVAILABILITY**
10% due to improved pasture.
- **EXPECTED RESULTS**
25% improvement in 2015 to reach a production of 10,000 18 kg forage bales per year.

The project will continue in 2015, when production diversification actions will be taken.



Testimonies



"We received items that were unattainable for us, money and distance-wise among other reasons. We will be able to think the future in a different way".

Celia Chaile de Aráoz

Farmer from La Quebrada,
La Lagunita town.



"Now we have the necessary tools to fight animal diseases, such as parasitism. Being able to afford them or not next month is no longer an issue for us".

María Luisa Aráoz

Farmer from La Quebrada, La Lagunita town, who
received lucerne, barley and other pasture seeds.



Best practices

In addition to complying with labour laws, we seek that our policies on safety and health, environment, employment and corporate social involvement are followed.



Local development

A local Supplier Development programme has been implemented to foster provincial and regional growth.



Replacement of imports

We purchase domestic goods and services to ensure increased employment and distribution of revenues.



Local goods and services

The aggregated amount of Minera Alumbrera's local goods and services purchased from domestic companies between 1999 and 2014 amounts to USD 1.970 billion.



Domestic goods and services purchased in 2014 totalled

USD 406 million, a 35% increase compared to 2013.



The goods and services purchased from Catamarca vendors in 2014 totalled

USD 33 million, a 21.5% increase compared to 2013.



Purchases in the Primary Impact Area

USD 22.7 million, a 26.7% increase compared to 2013.

Routine controls at the Molybdenum Plant.



Value chain

Since the onset of our operations, we have been strongly committed to developing domestic suppliers, mainly in the Catamarca towns, while contributing to the growth of regional economies and ensuring a strong direct and indirect economic impact.

In terms of sustainable development, our goal is to bring social and economic benefits to our stakeholders, through programmes and actions leading to an increased and progressive involvement of local and regional businesses in our value chain. Therefore, we work to create trade opportunities and provide training to those who are willing, but unable, to be part of this process.

MINERA ALUMBRERA'S SUPPLIER DEVELOPMENT PROGRAMME, IN PLACE SINCE THE ONSET OF OUR OPERATIONS, IS IN LINE WITH OUR POLICIES AND VALUES, AS WELL AS OUR GOOD PRACTICES AND MANAGEMENT CONTROLS. WE SEEK TO INCREASE, YEAR AFTER YEAR, THE SHARE OF LOCAL BUSINESSES IN OUR SUPPLY CHAIN, THUS EXPANDING LOCAL SUPPLIERS AND, CONSEQUENTLY, REVENUES TO THE COMMUNITIES INVOLVED.

This process involves multiple stakeholders that pursue the same goal, including Minera Alumbraera, local businesses, traders, service providers, local communities, as well as national, provincial and municipal organisations.

Best practices in value chain

Minera Alumbraera suppliers must strictly comply with labour laws. Likewise, our safety and health, environment and human rights policies are enforceable on our suppliers. Therefore, our suppliers meet the highest quality standards in these areas, while improving the competitiveness of their goods and services in their markets.



In 2014, Minera Alumbraera's purchases from Catamarca suppliers amounted to USD 33 million.

Health and safety

We provide a healthy and injury-free labour environment, comply with the applicable laws and follow the best practices.

Environment

Our contractors are required to follow our Environmental Management policy.

Human rights

We implement efficient controls to ensure that our contractors comply with the laws and trade union agreements. Our service providers are required to submit the relevant documents (pay slips, social security charges receipts, Workers' Compensation Insurance (ART), insurance policies, safety programmes) to verify that all legal requirements are met. We also prioritise local workforce hiring. In addition, we communicate our Anti-Fraud policy and do not tolerate child labour, discrimination or any form of corrupt practices.

Replacement of imports

Since its inception, Minera Alumbraera has become more integrated into the different productive processes of the Argentine economy and domestic goods and services became increasingly important for local employment and wealth creation and distribution.

At Minera Alumbraera, we continue attending meetings convened by national and provincial government agencies and also participate in work groups together with the Argentine Industry Department, the Argentine Mining Department, the Catamarca Mining Department and various business chambers.

Augusto Capisano, owner of Acerías 4C steel mill in Santa Fe, noted that in recent years the demand of stainless steel pieces, special alloys, carbon and nodular steel for the oil, mould, railway and mining sectors has increased.

"A new, significantly challenging market opened for us. Thus we devoted time to research and testing activities which allowed us to grow and diversify our products".

Augusto Capisano
Owner of Acerías 4C.

His business started offering a new product, i.e. spares for loaders and shovels.

Every three months, they travel to the site to check their products' performance, make adjustments and examine new potential opportunities. Capisano admits that it was difficult to set competitive prices at first and stresses Minera Alumbraera's support to pay initial costs. "Initially a great deal of time had to be devoted to the process and it impacted on prices. It involved drawing and model preparation, chemicals procurement, sampling, testing and adjustments until the products were approved. The whole process took at least 5 months".

Capisano is excited with the prospective growth of his business since he believes that it has the technical capacity to supply any kind of molten material with equal or superior performance than the original material, which was imported.

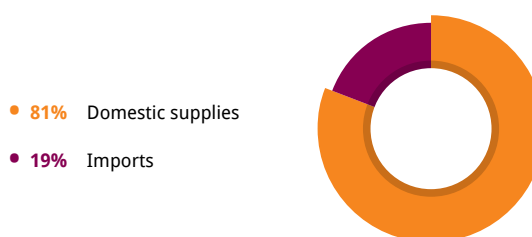


Under the Minera Alumbraera Supplier Development Programme developed since the onset of our operations, Acerías 4C seeks the opportunity to grow and gain a position in the market.

Goods and services purchases

The goods and services purchased by Minera Alumbraera totalled USD 503 million in 2014. This is 39% above previous year levels, mainly due to an overall price increase in the Argentine economy during such period. Ar\$81 out of Ar\$100 are spent in products purchased from domestic suppliers and Ar\$19 are spent in imported goods.

Classification of supplies per origin. 2014



Total: USD 503 million

Source: Minera Alumbraera

Domestic supplies purchases totalled USD 406.5 million, which is 35% above the 2013 level. This means that the Argentine economy received USD 33.8 million/month or USD 1.1 million/day.

The increase in domestic supplies purchases and the integration into the Argentine economy due to the replacement of imports is clearly visible by comparing such amounts with Minera Alumbraera's sales.

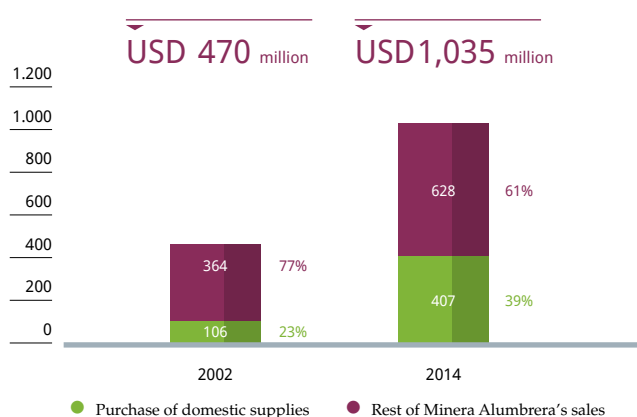


The goods and services purchased by Minera Alumbreira from domestic suppliers over the last 16 years amounted to USD 1.970 billion.

In 2014, domestic and imported supplies totalled USD 503 million, that is, 49% of the total sales of that year, while domestic goods and services amounted to 39%.

In 2002, goods and services purchased domestically represented 23% of Minera Alumbreira's sales and the total amount was nearly four times lower. The revenues generated by Minera Alumbreira in other sectors of the Argentine economy have increased in absolute terms and as a percentage of Minera Alumbreira's sales.

Percentage of Minera Alumbreira's domestic supplies purchases vs. total sales in USD. 2002 and 2014



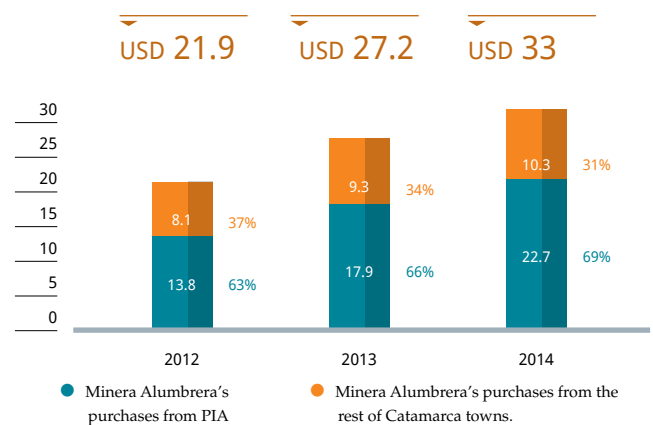
Source: Minera Alumbreira

The aggregate amount of goods and services purchased by Minera Alumbreira from domestic suppliers over the last 16 years (1999-2014) is USD 1,970 billion.

Purchases from Catamarca

Goods and services purchased by Minera Alumbreira from Catamarcan suppliers amounted to USD 33 million in 2014. This is 21.5% above the previous year level and represents 8.1% of Minera Alumbreira's total domestic purchases.

Minera Alumbreira's purchases from Catamarca suppliers. In million USD. 2012-2014



Source: Minera Alumbreira.

Minera Alumbreira's purchases from the PIA have increased throughout the life of the project as the local supplier development programmes succeeded. From 2008 to this date, cumulative purchases amount to USD 70.5 million, that is, they grew 682%.

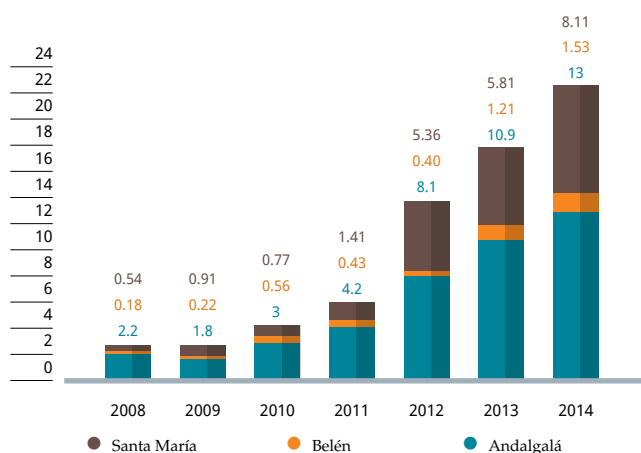
26.7%

Purchases from the three towns increased 26.7% in 2014, adding USD 22.7 million with respect to the 2013 level.

These represent 69% of the goods and services purchased in Catamarca, 3.8% of those purchased domestically and 3.1% of the total goods and services purchased in 2014.

DURING SUCH PERIOD, 57% OF GOODS AND SERVICES WERE PURCHASED FROM ANDALGALÁ, 36% FROM SANTA MARÍA AND 7% FROM BELÉN. IN THE OTHER CATAMARCA TOWNS, GOODS AND SERVICES PURCHASED LOCALLY TOTALLED USD 10.3 MILLION, WHICH IS 11.6% ABOVE PREVIOUS YEAR LEVELS.

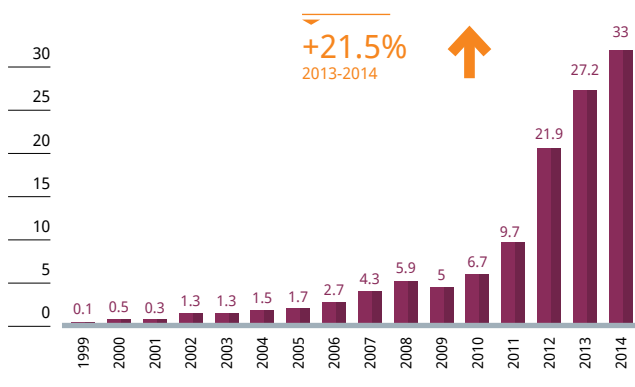
Supplies sourced from Andalgalá, Belén and Santa María. In million USD. 2008-2014



Source: Minera Alumbrera

Domestic goods and supplies purchased in Catamarca by Minera Alumbrera totalled USD 950,000 in 1999 and amounted to USD 33 million in 2014, which represents a steady growth as a result of our local supplier development programme.

Supplies sourced from Catamarca. In million USD. 1999-2014



Source: Minera Alumbrera

In the next few years:

- We will maintain our local purchasing policy under our Supplier Development Programme, while effectively implementing our Risk Management process and creating opportunities for suppliers, as we have been doing since 1997.
- We will continue identifying and monitoring Argentine suppliers, especially those from our neighbouring communities, in order to verify their compliance with our standards.

Goods and services

Our goods and services requirements mainly include fuels, electric power, lime, lubricants, spare parts, surfactants, steel mill balls, tyres, consumables, vehicle maintenance, employee and cargo transportation, housekeeping, catering services, security, and medical care.

PURCHASES FROM LOCAL SUPPLIERS

- EMPLOYEE TRANSPORTATION
- SHOVEL AND VEHICLE MAINTENANCE
- CARGO TRANSPORTATION
- CATERING SERVICES
- HOUSEKEEPING
- CIVIL WORKS, ASSEMBLIES AND ELECTRIC ENGINEERING
- WASTE COLLECTION
- ARK MAINTENANCE
- STATIONARY
- CLEANING PRODUCTS
- SHOVEL OPERATION
- IRONWORK
- FIRE EXTINGUISHER MAINTENANCE
- SECURITY SERVICES
- INDUSTRIAL SAFETY AND HEALTH



Case Study



Luis Ángel Guaymas, a Santa María supplier

Under our policy that gives preference to local suppliers, the business solely owned by Ángel Guaymas started providing services to Minera Alumbrera in 2011. He started with minor works and then he was awarded two major contracts.

One is a building maintenance services agreement, under which 11 employees, including plumbers, blacksmiths, electricians, gardeners and locksmiths, keep the facilities in proper condition, under the supervision of Minera Alumbrera.

The other contract is to unload, sort and deliver supplies and materials from our warehouse. "The level of detail and quality required for this activity has significantly helped understand the safety standards to be met. This also benefits my employees since they apply what they learnt to other jobs outside the site," explains Guaymas.

His business has vast experience providing services to government agencies, such as the Provincial Housing Department or the National Road Management Office, and the municipal administrations of San José and Santa María, where the business is based. In fact, it was through the Santa María Suppliers Association that he started attending our locally-based workshops where the Minera Alumbrera standards and compliance requirements are communicated.

40

Guaymas' business employs 40 people, including 37 from Santa María.

"Many of my employees were unemployed livestock farmers who subsisted on their own crops. They have moved to town now and are able to secure better education for their children", expressed Guaymas with great excitement



Targets achieved in 2014 and challenges for 2015

ENVIRONMENT

Objectives	2014 Target	Performance	2015 Objective
Fines or penalties	0	↑ 0	0
Category 2 incidents ¹	0	↑ 0	0
Waste	Maintain recycled waste volumes.	↑ 71.7 tonnes	75 t
Management system	Maintain ISO 14001 certifications.	↑ Maintain Environmental Management System certification until December 2017.	Maintain certification.
Climate change			
Energy efficiency	1.84 t CO ₂ eq/Kt moved.	↑ 1.80 t CO ₂ eq/Kt moved.	1.92 t CO ₂ eq/Kt moved.
Biodiversity conservation			
Native species	Recover cardon cacti.	↑ 70 plants.	Continue efforts to achieve 80 plants.
Biodiversity	Monitor biodiversity at the mine site, pumping station (PS2) and Filter Plant (DP2) in Tucumán.	↑ - 2 monitoring activities completed at the mine site and pumping station PS2. ↑ - 1 monitoring activity at the stormwater drainage canal in Tucumán.	Biodiversity monitoring at the mine site, PS2 pumping station, Filter Plant (DP2) in Tucumán, and slurry pipeline.
Water management			
Vis Vis monitoring	- Conduct quarterly monitoring activities in Vis Vis and Campo del Arenal with relevant authorities. - Conduct monthly monitoring activities in Vis Vis and Campo del Arenal.	↑ Scheduled monitoring completed.	- Conduct quarterly monitoring activities in Vis Vis and Campo del Arenal with relevant authorities. - Conduct monthly monitoring activities in Vis Vis and Campo del Arenal.
Water conservation in dry areas	670 l/tonne milled.	↑ 641 l/tonne milled.	702 l/tonne milled.
Mine closure			
Mine closure	Update our Environmental Impact Report including the Bajo El Durazno operations.	↑ The plan was submitted to relevant authorities who shared it with local communities.	Meet objectives.

SOCIAL

Objectives	2014 Target	Performance	2015 Objective
Expenditure in community development programmes	Advance with community development programmes to satisfy needs identified through direct engagement with local communities and our perception survey.	↑ Social expenditure exceeding USD 3.8 million.	Develop and support production programmes that benefit small-scale businesses and partnership initiatives, while fostering long-term growth and self-sufficiency.
Stakeholder engagement	- Engage in open and honest dialogue with neighbouring communities and stakeholders. - Pay attention to community concerns by providing a system to raise those concerns.	↑ We had 1,860 visitors at the site under our open door policy and on-going engagement with our stakeholders. - System to report, follow up and resolve complaints raised by local people.	Provide training to local teachers and students.
	Promote forums to actively communicate and liaise with the stakeholders involved in mining operations and our sustainable development strategy.	↑ - Roundtable sessions were held to discuss the sustainability report. - We have an Alumbra representative in every town.	Promote and contribute with local cultural events.
	Conduct a perception survey in the communities.	↑ This survey was conducted in the Primary Impact Area and Catamarca.	Execute works to improve water use.
Commitments	- Support farming and livestock raising programmes in the impact area and crop varietal improvement initiatives. - Provide farmer training.	↑ Support included farming training and supplies for local farmers and progress follow up.	Continue with infrastructure works, including the Aconquija hospital, Santa María sports club and complete remodelling of the maternity ward of the Muñiz Hospital in Belén.
	Support municipal administrations with construction works, advice and materials in order to ensure the supply of drinking and irrigation water.	↑ Water wells were built and equipment was supplied to ensure drinking and irrigation water availability in the towns of Belén, Santa María and Andalgalá.	Support education and health centres through remodelling works and donations of materials and supplies.
	Foster small-scale production projects.	↑ Equipment, supplies and training were provided to small-scale entrepreneurs.	
	Support local celebrations and festivities.	↑ Funds were given to the municipal administrations organising popular events.	
	Support schools by providing school supplies, construction materials and sport gear.	↑ Teaching aids, technological and construction materials were provided to various neighbouring schools.	
	Support sport and cultural activities.	↑ Support was provided to the three neighbouring districts in the area, San Fernando del Valle de Catamarca and Tucumán.	
	Continue with Education Improvement Programme in the communities.	↑ This programme was pursued with UNTREF in Andalgalá, Santa María and Belén.	

↑ Achieved

↔ Partially achieved

↓ Not achieved

¹ Environmental impact categories range from 1 to 5, where 1 is an insignificant incident that causes no damage to the environment, with a gradual escalation of the impact, damage and required remediation.

HEALTH AND SAFETY

Objectives	2014 Target	Performance	2015 Objective
Incident management	Zero fatalities.	👍 No fatalities.	Zero fatalities.
	LTIFR ² = 0	👍 No LTI.	LTIFR = 0
	TRIFR ³ = 0.8	👎 6 medical treatment injuries (MTI) reported against an estimate of 5, meaning that TRIFR was 1.06.	TRIFR = 0.8
Risk management	Adapt Glencore's assurance system.	👍 Safe Work Protocol notebooks in line with Glencore's guidelines were prepared and distributed.	
		👍 A campaign was launched to communicate key principles of the process to adapt our Safe Work System to the Alumbra Safety Management System.	Prepare videos on PHA ⁴ control implementation.
		👍 An online training system was created.	Consolidate PHA training process in the Intranet and include new modules.
	Include the assurance system guidelines.	👍 Our most significant risks were reviewed / updated under our annual programme.	
		👍 PHAs were reviewed and Safe Work System guidelines were incorporated.	
		👍 New PHAs were added to existing ones in Alumbra.	
		👍 Assurance levels associated with Alumbra's PHAs and Glencore system were self-assessed.	Update the format of our potentially hazardous activity monitoring effectiveness reviews.
		👍 The PHA control efficiency review programme was implemented.	
	Establish a contractor management supervision framework.	👍 Compliance with our Annual Contractor Review Programme.	
Incident prevention	Implement key preventive tools.	👍 Our Safe Work standards were reviewed.	
		👍 Safety Observations Reporting System was fully revised.	
		👍 In-house training videos on good safety practices were prepared.	
		👍 Safety campaigns were conducted on electrical risks and manual lifting.	
		👍 Workplace conditions and environment studies were upgraded for certain positions.	
		👍 Training was provided on how to prevent the most common driving mistakes.	
		👍 Drills were conducted on how to handle emergencies, rescue people trapped at the mine bottom and acid splatter accidents at the molybdenum plant.	
Leadership and awareness raising	Implement leadership techniques for the development of our own leaders and those of our contractors.	👍 A meeting is held annually with our contractors' Health and Safety managers to establish a common work strategy.	Consolidate the implementation of our new Safety Observation method.
		👍 4 Safety Leadership Development workshops were conducted.	Continue our Safety LDP for our own employees and contractor employees.
		👍 Leadership strengthening workshops were conducted.	
Health promotion	Improve the quality of life of employees and maintain a healthy workplace.	👍 No occupational illnesses were reported.	
		👍 Flu vaccination campaign for employees and contractors.	
		👍 Talks about the negative effects of drug abuse.	Talks about diabetes and high blood pressure.

👍 Achieved

👎 Partially achieved

👎 Not achieved

² Lost Time Injury Frequency Rate.

³ Total Recordable Injury Frequency Rate.

⁴ PHA: Potentially Hazardous Activity.

GRI G4 Table and United Nations Global Compact

This Sustainability Report 2014 was prepared in accordance with the Global Reporting Initiative (GRI) G4 sustainability reporting guidelines and Mining and Metal Sector Supplement. The table below shows the contents and indicators that meet the “core” «in accordance» criteria. We also reported some contents of the “comprehensive” «in accordance» option as part of our commitment to reporting in a complete and transparent manner.

In addition, those indicators that meet the 21 criteria of our Advanced Communication on Progress (COP) of the United Nations Global Compact were marked in orange.

GENERAL STANDARD DISCLOSURES

GENERAL STANDARD DISCLOSURES

STRATEGY AND ANALYSIS

G4-1:	Statement from the most senior decision maker in the organisation about the relevance of sustainability to the organisation and its strategy.
G4-2:	Description of key impacts, risks and opportunities.

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2-3, 9-10, 18-25, 94-95

ORGANISATIONAL PROFILE

G4-3:	Name of the organisation.
G4-4:	Primary brands, products, and services.
G4-5:	Location of the organisation's headquarters.
G4-6:	Number of countries where the organisation operates.
G4-7:	Nature of ownership and legal form.
G4-8:	Markets served.
G4-9:	Scale of the reporting organisation.
G4-10:	Number of employees.
G4-11:	Percentage of employees covered by collective bargaining agreements.
G4-12:	Description of the organisation's supply chain.
G4-13:	Significant changes during the reporting period regarding size, structure, or ownership, including supply chain.
G4-14:	Explanation of whether and how the precautionary principle is addressed by the organisation.
G4-15:	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or which it endorses.
G4-16:	Memberships in associations and national/international advocacy organisations in which the organisation participates.

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IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES

G4-17:	List of all entities included in the organisation's consolidated financial statements or equivalent documents.
G4-18:	Process for defining report content and aspect boundary.
G4-19:	List of material aspects.
G4-20:	Boundary of each material aspect within the organisation.
G4-21:	Boundary of each material aspect outside the organisation.
G4-22:	Explanation of the effect of any restatements of information provided in previous reports, and the reasons for such restatements.
G4-23:	Significant changes from previous reporting periods in the Scope and Aspect Boundaries.

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GENERAL STANDARD DISCLOSURES

STAKEHOLDER ENGAGEMENT

G4-24: List of stakeholder groups engaged by the organisation.
G4-25: Basis for identification and selection of stakeholders with whom to engage.
G4-26: Organisation's approach to stakeholder engagement.
G4-27: Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting.

REPORT PROFILE

G4-28: Reporting period.
G4-29: Date of the most recent previous report.
G4-30: Reporting cycle.
G4-31: Contact point for questions regarding the report or its contents.
G4-32: "In accordance" option the organisation has chosen, GRI Content index for the chosen option and reference to the External Assurance Report.
G4-33: Organisation's policy and current practice with regard to seeking external assurance for the report.

GOVERNANCE

G4-34: Governance structure of the organisation, including committees.
G4-35: Process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees.
G4-36: Executive-level positions with responsibility for economic, environmental and social topics.
G4-37: Processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics.
G4-39: Report whether the Chair of the highest governance body is also an executive officer.
G4-40: Nomination and selection processes for the highest governance body and its committees.
G4-41: Report processes for the highest governance body to ensure conflicts of interest are avoided and managed.
G4-45: The highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities.
G4-47: Frequency of the highest governance body's review on economic, environmental and social impacts, risks and opportunities.
G4-48: Highest committee or position that reviews and approves the sustainability report.
G4-51: Remuneration policies for the highest governance body and senior executives.

ETHICS AND INTEGRITY

G4-56: Describe the organisation's values, principles, standards and norms.
G4-57: Internal and external mechanisms for seeking advice on ethical and lawful behaviour, and matters related to organisational integrity, such as help lines.
G4-58: Internal and external mechanisms for reporting concerns about unethical or unlawful behaviour, and matters related to organisational integrity, such as whistle blowing mechanisms or hotlines.

PAGE AND/OR RESPONSE

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SPECIFIC STANDARD DISCLOSURES

DESCRIPTION	DISCLOSURES ON MANAGEMENT APPROACH AND INDICATORS	PAGE AND/OR RESPONSE	OMISSIONS
ECONOMIC			
Economic performance	Management approach	5, 9-10, 15, 50-51	
	G4-EC1: Direct economic value generated and distributed.	5, 31, 51, 54-55, 75-77	
	G4-EC3: Coverage of the organisation's defined benefit plan obligations.	42-43	
	G4-EC4: Financial assistance received from government.	Note 7	
Presence at the market	Management approach	9-10, 15, 37-39, 43, 51	
	G4-EC5: Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	37, 43	
	G4-EC6: Proportion of senior management hired from the local community at significant locations of operation.	38-39, Note 8	
Indirect economic impacts	Management approach	9-10, 15	
	G4-EC7: Development and impact of infrastructure investments and services supported.	74-87	
	G4-EC8: Significant indirect economic impacts, including the extent of impacts.	15, 50-51, 55, 88, 90-93	
Procurement practices	Management approach	9-10, 88, 90-92	
	G4-EC9: Proportion of spending on local suppliers at significant locations of operation.	90-92	
ENVIRONMENTAL			
Materials	Management approach	9-10, 57-58, 69	
	G4-EN1: Materials by weight or volume.	69	
Energy	Management approach	9-10, 57-58, 62-63	
	G4-EN3: Energy consumption within the organisation.	63	
	G4-EN5: Energy intensity.	63	
	G4-EN6: Reduction of energy consumption.	63	
Water	Management approach	9-10, 57-58, 64-65	
	G4-EN8: Total water withdrawal by source.	64-65	
	G4-EN9: Water resources significantly affected by withdrawal of water.	64-65	
	G4-EN10: Percentage and total volume of water recycled and reused.	64-65	
Biodiversity	Management approach	5, 9-10, 57-61	
	G4-EN11: Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	59-61	
	G4-EN12: Description of significant impacts of activities, products and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	59-61, 70-73	
	G4-EN13: Habitats protected or restored.	59-61	
	G4-EN14: Total number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	59-61	
	MM1: Amount of land (owned or leased and managed for production or extractive use) disturbed or rehabilitated.	5, 59-61	
	MM2: Number and percentage of total sites identified as requiring biodiversity management plans according to stated criteria, and the number (percentage) of those sites with plans in place.	5, 59-61	

DESCRIPTION	DISCLOSURES ON MANAGEMENT APPROACH AND INDICATORS	PAGE AND/OR RESPONSE	OMISSIONS
ENVIRONMENTAL			
Emissions	Management approach	5, 9-10, 57-58, 62-63	
	G4-EN15: Direct greenhouse gas emissions (Scope 1).	5	
Effluents and waste	Management approach	9-10, 57-58, 64-69	
	G4-EN22: Total water discharge by quality and destination.	66	
	G4-EN23: Total weight of waste by type and disposal method.	67-69	
	G4-EN26: Identity, size, protected status, and biodiversity value of water bodies and related habitats, significantly affected by the organisation's discharges of water and runoff.	64-65	
Compliance	Management approach	9-10, 31, 57	
	G4-EN29: Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	58	
Transport	Management approach	9-10, 57-58, 69	
	G4-EN30: Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce.	69	
Supplier environmental assessment	Management approach	9-10, 58, 89	
	G4-EN32: Percentage of new suppliers that were screened using environmental criteria.	58, 89	
Environmental grievance mechanisms	Management approach	9-10, 57-58	
	G4-EN34: Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms.	58	
SOCIAL: LABOUR PRACTICES AND DECENT WORK			
Employment	Management approach	9-10, 36-43	
	G4-LA2: Benefits provided to full-time that are not provided to temporary or part-time employees by significant locations of operation.	41	
Labour/management relations	Management approach	9-10, 41	
	G4-LA4: Minimum notice periods regarding operational changes, including whether these are specified in collective agreements.	41	
	MM4: Number of strikes and lock-outs exceeding one week's duration by country.	41	
Occupational health and safety	Management approach	5, 9-10, 44-49	
	G4-LA5: Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programmes.	45	
	G4-LA6: Type of injury and rates of injury, occupational diseases, lost days and absenteeism, and total number of work-related fatalities, by region and by gender.	5	
	G4-LA8: Health and safety topics included in formal agreements with trade unions.	45	

SPECIFIC STANDARD DISCLOSURES

DESCRIPTIONS	DISCLOSURES ON MANAGEMENT APPROACH AND INDICATORS	PAGE AND/OR RESPONSE	OMISSIONS
SOCIAL: LABOUR PRACTICES AND DECENT WORK			
Training and education	Management approach	9-10, 42	
	G4-LA10: Programmes for skills management and life-long learning that support the continued employability of employees and assist them in managing career endings.	42	
	G4-LA11: Percentage of employees receiving regular performance and career development reviews, by gender and by employee category.	42	
Diversity and equal opportunity	Management approach	9-10, 28, 37-40	
	G4-LA12: Composition of governance bodies and breakdown of employees per employee category according to gender, age, group, minority group membership, and other indicators of diversity.	28, 38-40, Note 9	
Supplier assessment for labour practices	Management approach	9-10, 33-34, 89	
	G4-LA14: Percentage of new suppliers that were screened using labour practices criteria.	33-34, 89	
SOCIAL: HUMAN RIGHTS			
Non-discrimination	Management approach	5, 9-10, 32-35, 89	
	G4-HR3: Total number of incidents of discrimination and corrective actions taken.	5, 32-35	
Freedom of association and collective bargaining	Management approach	5, 9-10, 32-35, 41, 89	
	G4-HR4: Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights.	5, 32-35, 41, 89	
Child labour	Management approach	5, 9-10, 32-35, 89	
	G4-HR5: Operations and suppliers identified as having significant risk for incidents of child labour, and measures taken to contribute to the effective abolition of child labour.	5, 32-35, 89	
Forced or compulsory labour	Management approach	5, 9-10, 32-35, 89	
	G4-HR6: Operations and suppliers identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of all forms of forced or compulsory labour.	5, 32-35, 89	
Security practices	Management approach	5, 9-10, 32-35	
	G4-HR7: Percentage of security personnel trained in the organisation's human rights policies or procedures that are relevant to operations.	5, 34	
Assessment	Management approach	9-10, 32-35	
	G4-HR9: Total number and percentage of operations that have been subject to human rights reviews or impact assessments.	32-35	
Supplier human rights assessment	Management approach	5, 9-10, 32-35, 89	
	G4-HR10: Percentage of new suppliers that were screened using human rights criteria.	32-33, 35, 89	
Human rights grievance mechanisms	Management approach	9-10, 29, 32-35	
	G4-HR12: Number of grievances about human rights filed, addressed, and resolved through formal grievance mechanisms.	33	

DESCRIPTIONS	DISCLOSURES ON MANAGEMENT APPROACH AND INDICATORS	PAGE AND/OR RESPONSE	OMISSIONS
SOCIAL: SOCIETY			
Local communities	Management approach	9-10, 74-87	
	G4-SO1: Percentage of operations with implemented local community engagement, impact assessments, and development programmes.	74-87	
Anti-corruption	Management approach	9-10, 26-31, 89	
	G4-SO3: Total number and percentage of operations assessed for risks related to corruption and the significant risks identified.	26-31	
	G4-SO4: Communication and training on anti-corruption policies and procedures.	29, 31	
Public policy	Management approach	9-10, 26-31	
	G4-SO6: Total value of political contributions by country and recipient/beneficiary.	31	
Compliance	Management approach	9-10, 31	
	G4-SO8: Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	Note 10	
Grievance mechanism for impacts on society	Management approach	9-10, 22, 29	
	G4-SO11: Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms.	22	
Emergency preparedness	Management approach	9-10, 49	
Closure planning	Management approach	9-10, 24, 70-73	
	MM10: Number and percentage of operations with closure plans.	24, 70-73, 94-95	
SOCIAL: PRODUCT RESPONSIBILITY			
Product stewardship	Management approach	9-10, 67-69	

Notes:

- 1 All employees have been hired for an unlimited period of time. The number of part time employees is not significant and they have the same rights as the rest of employees.
- 2 No significant changes occurred during the reporting period.
- 4 No significant restatements of information of previous reports were made.
- 5 No significant changes in the scope and boundaries of material aspects related to previous reports were made.
- 6 Our Sustainability Report is reviewed and approved by Minera Alumbrera's management.
- 7 Minera Alumbrera does not receive any financial assistance or grant from the national or provincial government.
- 8 3 out of the 4 members of Minera Alumbrera's Board are from Argentina and 1 is from Honduras.
- 9 The age of our Directors is 48 to 62. The age of our Managers is 44 to 60.
- 10 At Minera Alumbrera, no material violations of applicable laws or regulations occurred during 2014.

**(Note 3) INTERNAL AND EXTERNAL COVERAGE.
SIGNIFICANT IMPACT OF MATERIAL TOPICS ON MINERA
ALUMBRERA'S STAKEHOLDERS**

DESCRIPTION	STAKEHOLDERS
Health and safety	Employees, trade unions, communities.
Environment	Employees, communities, NGOs and representative organisations.
Communities	Employees, communities, NGOs and representative organisations, universities.
Human rights	Employees, trade unions, communities, NGOs and representative organisations.
Human resources	Employees, trade unions, government, communities.
Social and economic	Customers, employees, suppliers, government, communities, associations and chambers.
Transparency and anti-corruption	Investors, suppliers, governments, associations and chambers, media.

Glossary

PHA: Potentially Hazardous Activity.

AA1000 Stakeholder Engagement Standard (AA1000SES): The first worldwide stakeholder engagement standard developed by AccountAbility in order to incorporate engagement processes into our business strategy and practices.

Waste dump: Waste rock (with no economic value) produced during mining that is generally stocked in coarse fragment piles called waste dumps, which resemble small hills of this material.

Capping: A layer of barren core material (not generating acid rock drainage) stocked on the surface of waste dumps or tailings dams. It contains rainwater and avoids water seepage into the covered material. It is placed over waste dumps as they their final design is completed.

Tailings: Material stocked in the tailings dam that is not recovered through flotation processes. It has no economic value.

DIFR: Disabling Injury Frequency Rate. It refers to injuries which prevent employees from performing their day-to-day tasks during the following work shift.

Acid Rock Drainage (ARD): This phenomenon occurs by the natural oxidation of sulphides when simultaneously exposed to air and water, which results in acidity, sulphates and metal dissolution. ARD is the result of successive chemical reactions that lead to environmental acidification.

Eco-efficiency: It is a management model under which more products are made using less resources and energy (and creating fewer pollutants), while reducing waste and emissions.

Indirect energy: Energy used by the Minera Alumbrera site and supplied by third parties in the form of electricity.

Renewable energies: Energy obtained from renewable and non-exhausting sources, including solar, wind, biomass, tidal, hydroelectric and geothermal energy, as well as alternative energies.

GRI (Global Reporting Initiative): GRI is a network-based organisation which prepares and distributes voluntary sustainability reporting guidelines. There is also the Mining and Metals Sector Supplement.

HPR: High Potential Risk situations which may have a significant impact on human health. Therefore, it is vital that they are properly managed.

HPRI (High Potential Risk Incidents): Incidents that could have had a potentially catastrophic or major impact on human health.

ISO 9001: A quality management system standard issued by the International Organisation for Standardisation (ISO). It is a voluntary standard that may be independently audited by certifying bodies.

ISO 14001: A management system standard, similar to ISO 9001, that comprises environmental impacts and risks.

IUCN: The International Union for Conservation of Nature is a global environmental professional network comprising more than 1,000 member organisations and 140 countries.

Cut-off grade: It is the lowest ore grade contained in a mineralised body that can be mined obtaining economic value.

Total Suspended Particulate Matter (TSPM): TSPM consists of small solid or liquid particles accumulated in ambient atmosphere that result from any human or natural activity.

Settleable Particulate Matter (SPM): It is matter of any size captured on a certain surface unit in a given time unit. In general, it consists of solid particles with a size ranging from 10 to 500 µm. These are “coarse dust” particles that settle at a significantly fast rate and stay in the atmosphere for a relative short period of time.

Materiality: According to the GRI G4 Materiality Principle, sustainability reports should cover topics that reflect the organisation's significant economic, environmental, and social impacts, or that would substantively influence the assessments and decisions of stakeholders.

Open pit: It is a mining method used to mine ore from the surface.

PM: Particulate matter suspended in the air whose size and structure depend on the emission sources.

PM10: Particulate matter that is less than 10 µm in aerodynamic diameter. In general, it is formed by solid or liquid particles spread in a gaseous environment or the atmosphere. It consists of spray. Its radius size ranges from a 0.1 to 10 µm and thus particles settle at a very slow rate and stay suspended over long periods and are carried away from their emission points by air flows.

Greenhouse Gas Protocol (GHG): GHG reporting and corporate accountability standards and guidelines which help business leaders and governments understand, measure and manage GHG emissions (CO₂).

TRIFR: Total Recordable Injury Frequency Rate comprises the total lost time injuries (including fatalities), restricted work injuries and medical treatment injuries.

Waste rock: Mineral wastes with no economic value produced during mining. Waste rock is either used for backfilling or stored at the surface.

Slope: Inclined surface between two plane surfaces located at different levels.



Reader's feedback form

We will appreciate your feedback to streamline our activities.

HOW DID YOU FIND THE REPORT IN GENERAL?

Unaware of interest ☐ Somewhat interesting ☐ Interesting ☐ Very interesting ☐

IT REPORTED ON MINERA ALUMBRERA'S CORPORATE SOCIAL INVOLVEMENT INITIATIVES IN.....DETAIL:

No ☐ Little ☐ Sufficient ☐ Great ☐

HOW WOULD YOU RATE THE INFORMATION INCLUDED IN THE FOLLOWING CHAPTERS:

	Insufficient	Sufficient	Superior
A Word from our General Manager	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Scope of this report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Commitment with sustainable development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Transparency and anti-corruption	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Human rights	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Our people	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Occupational health and safety	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Our economic contribution	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Environment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sustainable communities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Value chain	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Targets achieved in 2014 and challenges for 2015	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

YOUR COMMENTS AND/OR SUGGESTIONS:

Name: _____ Full address: _____
Province: _____ Contry: _____
E-mail: _____ Telephone: _____

YOUR RELATIONSHIP WITH MINERA ALUMBRERA:

Customer ☐ Shareholder ☐ Employee ☐ Supplier ☐
Resident from neighbouring communities ☐ Other (specify) ☐

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Departamento Belén
Catamarca

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4700 San Fernando del
Valle de Catamarca

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Alumbrera Port Facilities
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