

# Subsidiaries & associates



We have a network of 52 subsidiaries and associates, to generate value for Codelco.

**Codelco is a majority or minority shareholder in a network of companies and partnerships to create value.**

Codelco has a network of subsidiaries and associates in different areas, such as mining, developers of new uses for copper, mining processing plants, research and technology companies and health institutions.

Codelco supports its representatives and ensures its corporate interests and standards are met. Furthermore, it is constantly seeking business opportunities to establish joint ventures, create partnerships, mergers, acquisitions and sales.

In 2015 we contributed US\$ 100 million to our network of subsidiaries and associates; while, dividends received from this network were over US\$ 308 million.

Key highlights in 2015 related to our network of subsidiaries and associates, were the following

- Codelco Kupferhandel took over CK Metall Agentur GmbH.
- We reduced our ownership interest to 34% in subsidiary PRM (Planta Recuperadora de Metales).
- We began procedure to take over the subsidiary Santiago de Río Grande and CM Picacho.
- 2015 results for Codelco's interest in its network of subsidiaries and associates had losses amounting to US\$ 85 million (it does not include impairment loss from investment in Anglo American Sur S.A., reflected in the subsidiary Inversiones GacruX SpA).
- Including impairment loss from the subsidiary Inversiones GacruX SpA, the results related to Codelco's interest in its network of subsidiaries and associates had a loss of US\$ 1.739 billion in 2015.

### New business

Codelco also has a specific area responsible for identifying, designing, negotiating and starting up new corporate business initiatives that add value to the Company. In this context, we undertook different business transactions related to our key business, such as acquisitions and sales, as well as partnerships in mining, technology and exploration assets.

In 2015 we integrated this area with innovation and technology, under the new Business and Innovation Corporate Department. This change is to make our innovation initiatives more business like. In other words, analyse and prioritise projects that provide solutions to our long-term

challenges, especially focused on innovations and technologies to solve various operational difficulties, transform resources into reserves and develop breakthrough technologies, to achieve competitive and productivity advantages, increase safety and minimise environmental impact.

At the same time, through this new department we will continue to lead and identify, design, plan and undertake new opportunities to conduct corporate and division business initiatives with third parties, adding value to Codelco, in accordance with the risk profile defined by the Company.

In order to achieve this objective, this new department has a transversal, flexible, professional and multidisciplinary team, who have solid technical and business skills, and together with the division teams we can to implement the complete cycle of creating new business initiatives in innovation in response to the challenges and need to be more efficient and competitive our Company faces.