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G4-S01

In 2015, Codelco paved the way to a new approach in its relationship with communities, evolving from the “license to operate” to “sustainable, virtuous, and inclusive mining”.

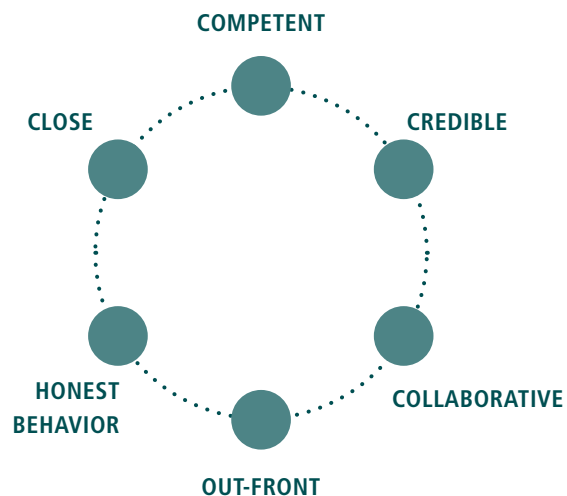
Sustainable because it prevents, compensates, and/or mitigates environmental, social, and cultural impacts during the life cycle of projects, making them consistent with the preservation and strengthening of the scenario where they developed while taking into account the interests and rights of future generations.

Virtuous because this mining is based on a strategic view that encourages investment in knowledge and maximizes the idea of

generating value for the resource extracted while ensuring long-term competitiveness and profitability for the industry.

Inclusive because it guarantees that affected communities may receive the different benefits generated by mining, through free and informed dialogue and through shared-value initiatives while fully respecting their rights.

Under this logic, some action axes were defined in order to build transparent relations, on the grounds of mutual benefit and collaborative working, addressing the expectations from the different stakeholders and following adequate and inclusive dialogue processes. The guiding principles applied in this work were:



These Principles, together with Codelco’s governance aspects -within their regulatory framework, community standards (relationships, community development, and indigenous peoples), and their implementation guides, and the social-environmental impact management practices- provided the systematization and feedback processes from the communities required to introduce continuous improvement in our management.

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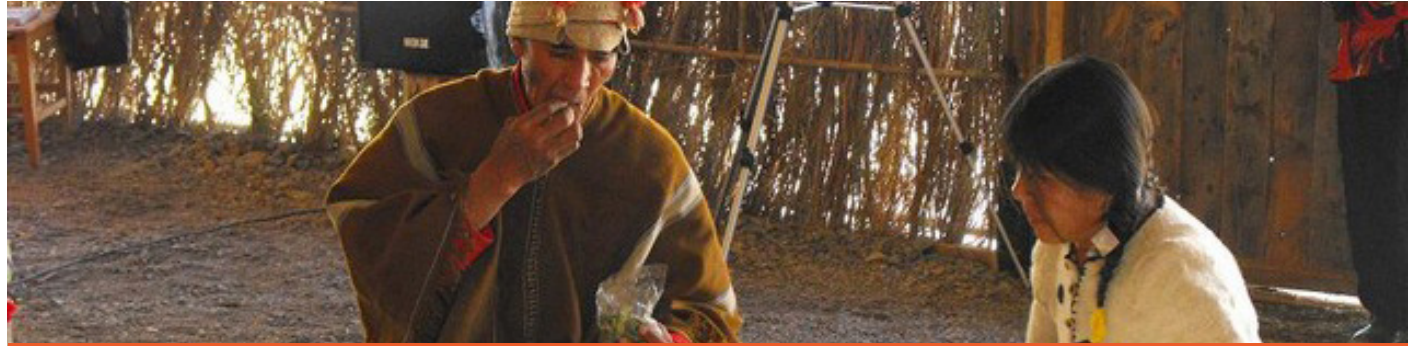
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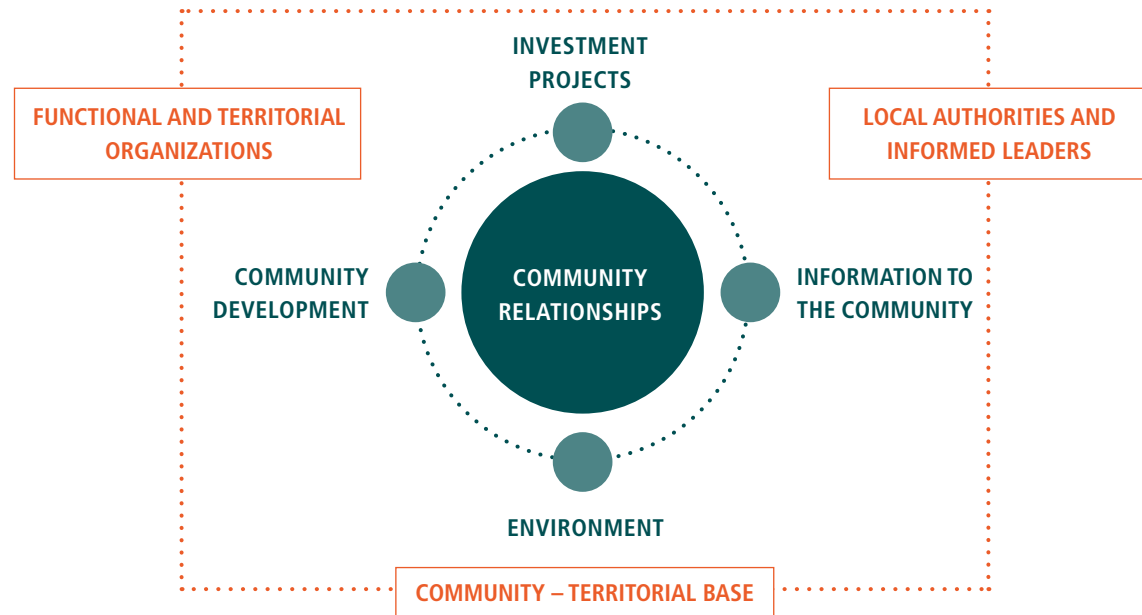
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Territorial development is a challenge for 2016.

Action axes in 2015



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Community tools:

Work groups: with work plans approved by the member organizations and informative and dialogue actions with each community. 44 work groups were installed. These teams gathered representatives from territorial and functional organizations. Meetings were held per groups and were tracked through the community SECO platform.

For 2016, Codelco has aimed at the definition of relationship plans per village with the aid of the entire set of available tools to achieve permanent, cross-cutting, and transparent relationships.

G4-SO2 G4-MM6

Social-environmental conflicts: During 2015 Codelco did not participate in any significant dispute or conflict with local communities and/or indigenous peoples.

Ejes de acción

Investment projects: We have moved forward in the early incorporation of the social-environmental variable in investment projects. Divisional teams have added project review to their activities, and act as the “guarantors” in the incorporation of the social-environmental variable.

As for 2016, we are planning on pursuing the same line of work, adding capabilities in the divisional technical teams in order to incorporate the social-environmental variable in the early stages of investment projects.

Information to the community: Dissemination activities have been implemented with territorial coverage through different means of communications (newsletters, lectures, meetings, etc.).

Work groups Division	N° of work groups
Chuquicamata	6
Gabriela Mistral	2
Ministro Hales	6
Radomiro Tomic	3
El Salvador	8
El Teniente	3
Andina	9
Ventanas	5
Headquarters	2
Total	44

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Chuquicamata division

Actualidad

Alta convocatoria tuvo gira "Elige Vivir Sano" en Calama

NOTICIAS Establecimientos educativos, jardines infantiles, club del adulto mayor y la comunidad completa fue llamada a participar.

Por Redacción

Con el objetivo de promover la salud, prevenir y reducir el consumo de drogas, alcohol y tabaco, la Municipalidad de Calama, a través de la Dirección de Tránsito y Seguridad, realizó una gira denominada "Elige Vivir Sano" por diferentes establecimientos educativos, jardines infantiles, club del adulto mayor y la comunidad en general.

El programa "Elige Vivir Sano" es una iniciativa que busca promover la salud y prevenir el consumo de drogas, alcohol y tabaco. Este programa es una iniciativa que busca promover la salud y prevenir el consumo de drogas, alcohol y tabaco.

Municipalidad mantuvo paro por 24 horas

Noticias Dirección de Tránsito y Seguridad también se sumaron al paro.

La Municipalidad de Calama, a través de la Dirección de Tránsito y Seguridad, mantuvo un paro de 24 horas en apoyo a la huelga de los trabajadores de la minería.

Obsequio infantil

El programa "Elige Vivir Sano" también incluyó un obsequio infantil para los niños de los establecimientos educativos.

558 visas de trabajo han sido tramitadas entre enero y octubre de 2012 en Calama

COMUNICACIÓN Se busca flexibilizar tramitación del documento con contrato laboral a través de reformas a la ley de extranjería.

El Servicio Migratorio de la Dirección General de Migración y Extranjería informó que entre enero y octubre de 2012 se tramitaron 558 visas de trabajo en Calama.

Actualidad

Colegio Don Bosco comenzó primera etapa de construcción

COMUNICACIÓN Legajo de dos millones de dólares, así se podrá ver los primeros trabajos de infraestructura que darán vida al establecimiento educativo.

El Colegio Don Bosco, ubicado en la comuna de Calama, comenzó la primera etapa de construcción de su nueva infraestructura educativa.

El proyecto, que costará dos millones de dólares, incluye la construcción de aulas, salas de actividades, biblioteca y otros espacios educativos.

Los trabajos de construcción están siendo realizados por una empresa contratada para el efecto.

Ventanas division

La bufanda más larga de Chile

COMUNICACIÓN Codelco Ventanas y la comunidad se unieron para celebrar el día del trabajador.

En el marco del Día del Trabajador, Codelco Ventanas y la comunidad se unieron para celebrar este día con una actividad especial.

Se realizó una bufanda gigante que simboliza la unión entre la empresa y la comunidad.

La bufanda mide más de 100 metros de largo y fue confeccionada por cientos de personas.

La apuesta medioambiental de Codelco Ventanas

COMUNICACIÓN Codelco Ventanas apuesta por la sostenibilidad y el medio ambiente.

La división Ventanas de Codelco ha implementado diversas iniciativas para mejorar su desempeño medioambiental.

Entre ellas, se encuentran la implementación de sistemas de gestión ambiental y la promoción de prácticas sostenibles entre los colaboradores.

Estas acciones buscan reducir el impacto ambiental de las operaciones y contribuir al bienestar de la comunidad.

Trabajadores en obra

COMUNICACIÓN Los trabajadores de Codelco Ventanas participan en actividades de capacitación y desarrollo profesional.

Los trabajadores de Codelco Ventanas participan en actividades de capacitación y desarrollo profesional para mejorar sus habilidades y conocimientos.

Estas actividades incluyen cursos, talleres y programas de mentoría.

El objetivo es fomentar el crecimiento personal y profesional de los colaboradores.

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In 2016, we will prepare communication plans per division, zeroing in on providing timely information to the community (bases), in our search to find new communication tools to inform in an efficient manner.

Environment:

We have moved further in the identification of areas of interest for the communities located near our operations (archaeological sites).

Community development:

G4-EC7

Support to social projects: In 2015, community investment projects reached an approximate total of \$ 5,670 million, as budgeted in the total number of agreements.

Community investment projects were focused on three main axes:

- Social-environmental impact in the area of influence.

- Human capital.
- Indigenous peoples.

The Headquarters' Social Investment Fund (FIS) is intended to provide partial financing of the total amount of each selected project; at least 20% of projects must be afforded by the divisions, 10% by beneficiary institutions or organizations and/or executives (can be assessable contributions) while the other percentage is funded by the FIS.

In 2015, a total investment of \$ 234,428,265 were allocated to 3 projects selected; from that sum, \$ 207,298,571 were contributed by Codelco (\$ 119,621,000 from FIS and \$ 87,677,571 from divisions), in three divisions while the rest was provided by the communities.

División	Project name	Amount co-funded by Codelco (FIS & DIVISIONS)
Andina	Mining route of sustainable schools and environmental community monitors for Codelco.	\$ 80,000,000
Ventanas	La Greda through a single voice: we recycled oil to manufacture soaps.	\$ 51,428,571
Gabriela Mistral	Sustainable community tourism: indigenous communities leading their own development.	\$ 75,870,000
Totals		\$ 207,298,571

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Fostering employability

G4-EC8

The use of available training tools was furthered in order to level up the skills in the areas of influence and thus have access to jobs in mining.

In 2015, through SENCE surpluses (2014 SENCE surpluses -executable in 2015- for \$ 2,507 million), 212 courses were imparted to nearly 3,100 people by means of three internal programs: Veta Minera, Juntos, and agreement with contractors.

	Program name	Operational focus	Description of beneficiaries
	Servicio que realiza capacitación	Course name	N° of trained people
MEJ	Veta Minera	Molybdenum plant operator	44
DMH	Apprentices (led by division)	* Mine management	24
DAND	Vice Presidency of projects (VP)	* HDPE and steel installation techniques * Civil works, concretes	6
DVEN	HR (apprentice program)	* Refining and casting operator * Flash furnace base operator * Mobile equipment operator	14
DET	Vice Presidency of projects (VP)	* First or second-level craftsmen (carpenters, masons) * Cleaning assistant * Dining hall assistant	80

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Once the training process was completed, a total of 113 people were hired, still with some available positions for the next period.

Additionally, total resources for \$ 2,660 million were transferred to provide a total of 181 courses and 1,254 competency certifications to be completed in 2016, in all 8 divisions, focused on two main training targets: mining trades and community development tools, imparted under 4 internal programs:

- a** VETA MINERA, 1,254 courses and competency certifications in mining.
- b** Program JUNTOS, 96 training courses provided to vulnerable groups of communities next to Codelco operations.
- c** Agreement with contractors, 60 courses and mining competency certifications.
- d** Historical institutions, 25 courses associated to collaboration activities with SENDA, Artesanías de Chile, PRODEMU, and others.

SENCE surpluses will be distributed among the above mentioned programs through Technical Training Organizations (OTIC), topic experts, pursuant to Law 19.518.

Support to undertakings:

Upholding of local initiatives destined to become a business and generate alternative income opportunities for families. Strong efforts have been deployed in installing capabilities and allocating seed funding among 8 ventures, 7 of which have been formalized with SII and reported sales during 2015.

Undertakings with a business view

Total N° of undertakings	8
Total N° of beneficiaries	65
N° undertakings formalized with SII	7
Total Codelco contributions (\$)	\$132,400,000 (approx.)
Total contributions from other org.(\$)	\$19,000,000 (approx.)

Also, we worked with 37 initiatives associated to future undertakings.

Our challenge for 2016 is the implementation of a model conducive to business consolidations (business model and formalization), building of associative networks, and leverage of State resources.

Tracking and assessment:

Follow-up is conducted through online informatics platforms that provide data traceability, control, and tracking of social projects (community investments), of work groups, of commitments reached with communities, stakeholder management, and the identification of early warnings and follow-up of likely social-environmental conflicts.

Also, in 2015 Codelco retained the services of an independent company to conduct a perception study with the object of learning the opinion, needs, expectations, and relationship level between divisions and communities located near our operations. The results made Codelco change its relationship strategy whose short and

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mid-term focus was placed on building transparent relationships, based on mutual benefit and collaboration working.

Indigenous peoples

G4-MM5

Five of Codelco’s eight divisions are sited in areas close to indigenous communities. In the light of the regulatory structure, community standards –specifically in relation to indigenous peoples-, and their implementation guides, the management of social-environmental impacts, the relationships Codelco maintains with indigenous communities (Aymara, Atacameño, Quechua, and Colla) recognize their organizational structures, respect their interests and needs, their traditions, cosmovision, and way of life.

The indigenous communities from the different areas of influence in each division have set up work groups. As of today, 10 work teams are active, as follows:

Division	N° work groups indigenous peoples
Ministro Hales	Taira community
	Conchi Viejo community
Radomiro Tomic	Valle de Lasana indigenous community
	Estación San Pedro community
	Chiu-Chiu community
Chuquicamata	Ollagüe community
	Cupo community
Salvador	Diego de Almagro Colla community
	Geocultuxial Colla community
	Colla de Chiyagua community

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Additionally, divisions maintain their presence in the territory by visiting the communities periodically. This is the case of Gabriela Mistral division, which has favored the “one-on-one” type of relationship with the communities living in San Pedro de Atacama commune.

Based on the new indigenous peoples standard, new work plans have been generated and community participatory and associative projects developed with indigenous communities.

Some of the outstanding initiatives developed in 2015 are mentioned below.

Ministro Hales division has generated programs focused on indigenous communities, such as:

- Alto El Loa Apprentices: program exclusively devoted to indigenous peoples employability, through theoretical and hands-on training during a 1-year stay in the division.
- Indigenous community of Taira designed to promote preservation, conservation, and recording of anthropological and ethnographic material and intangible heritage representative of the Taira community, with a view to preserving and disseminating their culture; support of specific undertakings; and support to pursuing superior-level education.

In Cupo and Ollagüe indigenous communities, Chuquicamata division has addressed three main topics: water resources, territory and cultural heritage.

Radomiro Tomic division has worked permanently and systematically with indigenous communities of:

- Lasana, improvement of the community’s quality life by providing dental health care, supporting agriculture, and using solar energy for water heating purposes.
- Chiu-Chiu, by strengthening the Indigenous Association of Farmers and Irrigators in the efficient use of the land through rotation of profitable crops (quinoa).
- Indigenous Association Council of Atacameño Peoples, focused on the advancement of learning and academic performance in children and youths of Alto El Loa Atacameño peoples (Andino boarding school).

In Gabriela Mistral division, activities have been centered on San Pedro de Atacama commune through initiatives that directly or indirectly benefit the members of indigenous communities:

- Social investment competitive funds.
- Sustainable community tourism project designed to install, together with indigenous communities and organizations from Atacama la Grande ADI, a model of communal tourism.
- Development and rehabilitation of boys and girls with special needs from the community, aimed to create favorable conditions that encourage and strengthen their development and autonomy.
- Regularization of studies for youths and adults by imparting levelling courses and taking free exams that will allow them

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to complete their primary and/or high-school education to improve their quality of life.

- Fostering of sports activities among community members, promoting physical activity and healthy life by joining different free sports workshops, potentiating physical and social skills in a recreational and participatory community climate.

Besides the above, 5 other agreements were subscribed during 2015 around the Indigenous peoples axis, for a total of \$ 352,536,480.

As to relationship aspects, we can mention the Indigenous Consultation carried out in the context of the Environmental Impact Study (EIA) of project Radomiro Tomic Sulfides. This process, which is part of the regulation in place, was applied by the Environmental Assessment Service (SEA) in the villages of Lasana and Chiu-Chiu; important agreements were reached with the organizations that took part in the process.

Joint work with Caspana indigenous community

As part of the dialogue and joint work activities with the communities located near our operations, Codelco is assuming its social-environmental and heritage challenges, in a responsible and transparent way. The Corporation is making efforts to progressively improve the standards of the operations developed in shared territory by working with the community in a respectful and participatory way, on the basis of mutual benefit and collaboration and thus learn their opinion about decisions made by the Corporation that may affect their development and living conditions; and, especially with respect to indigenous peoples, based on the recognition and

strong respect for their interests, organization structures, customs and way of life.

In this sense, mention should be made of the efforts made to repair and overcome the archeological incident occurred in the indigenous village of Caspana in 2008.

The joint work conducted with the community has resulted in the execution of a series of heritage-related projects, like the repairs of Virgen de la Candelaria Chapel, repairs of the Caspana Church, the repairs of Virgen de Lourdes altar, a project associated to Territorial Communal Recognition, Recovery of Surfaces after the Cleaning of the Canals, repair of Cemetery's Rest Area, repair of Priest's House Roof and Gazebo, and Repair of Chapels of Caspana Village.

In September 2015, we worked coordinately with Caspana community members in the roof repair and re-thatching of Caspana San Lucas Church where approximately 100 people participated. This activity required us to gather information from the construction craftsmen of the village to request a permit from the Council of National Monuments to intervene this national monument.

The active contribution and involvement of the Caspana community in these projects reveals the interest this indigenous community has in preserving the material heritage of the village. Between April and August 2015 preparatory meetings were held to organize the repair and re-thatching works in the community church, collection, selection, and drying of Paja Brava straw, brought from high altitudinal levels. Also, more than 14 cubic meters of special mud used in the church roof had to be screened and stockpiled.

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Joint work the community has allowed the execution of a number of heritage-related projects.

In the Caspana church repair and re-thatching activities, the massive participation of people proved that the tradition of community work continues to be practiced in this Andean village. And it was this tradition that made the re-thatching possible, as Caspana people manually transported and laid several tons of straw and mud on the church roof.

No doubt the methodology applied and worked deployed with the systematic involvement of Caspana people becomes especially

important; also, the lessons learned have allowed us to move forward with the community, in terms of overcoming the archeological incident. Thus, we have improved our internal processes in our pursuit of improved management practices and the challenge of achieving sustainable mining in the territory where we operate.

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Permanent communication

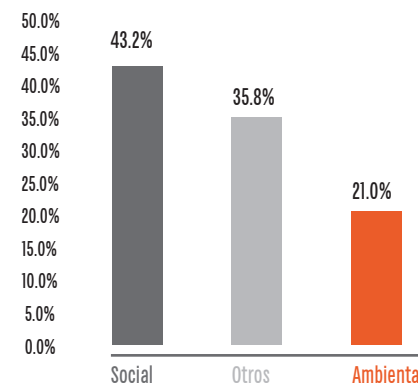
G4-SO11

In 2015, the Corporation received 81 contacts through the Social-Environmental Complaint and Feedback System –a permanent listening platform, open to communities from the different territories where we operate- intended to give prompt response to the neighbors’ concerns, inconveniences, and suggestions resulting from production processes and/or investment projects.

The system works through the toll-free telephone line 800 222 600 and the email contactosocioambiental@odelco.cl

G4-HR8

From the 81 contacts received, 35 were of social nature, 17 were environmental topics, 17 questions and information, and 12 were suggestions.



It must be noted that none of the social-environmental calls reported violations of indigenous rights.

Finally, the following graph illustrates the total contacts received per division:

