



June 22, 2015

Pascua-Lama is committed to developing strong mutually beneficial relationships with the communities of the Huasco Valley that are built on trust, transparency and respect.

We have been working to improve and enhance our community engagement with the local communities and authorities, to ensure that engagement is transparent, inclusive and open. The local community relations (CR) team uses a variety of methods to do this, including a grievance mechanism, public meetings, door to door visits, and having offices located in the communities to directly engage with local stakeholders. On average in 2014, the CR team engaged with over 650 stakeholders each month.

As part of this effort to improve and enhance our community engagement, we hired a leading Chilean social consultant in March 2015 to assist us in carrying out a baseline social assessment in the communities near the Pascua-Lama project. The baseline results will provide us with an up-to-date understanding of the current situation of the local communities, which will be used to inform our future engagement and community development work.

Following the floods in late March, this consulting work was suspended and only reinitiated after careful review of the situation. This decision is consistent with the very high degree of professionalism that the consultant has ensured throughout the project to date, and especially in ensuring that their work is conducted in an open and respectful manner.

If there are any further concerns about the consultant's work, we welcome feedback either directly to us or through the grievance mechanism. We remain open and make ourselves accessible to all of our stakeholders, and know that transparency is essential to build and sustain trusting relationships.