This document has undergone an independent external review process. The data relating to the financial and non-financial information, and the indicators, refer to MATSA’s 2019 financial year from 1 October 2018 to 30 September 2019, except those expressed in section 2.4., Facilities, which correspond to the period January-December 2019.
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With the objective of clearly and transparently reflecting the economic, environmental and social performance of MATSA, this document was born from our first Non-Financial Information Statement, corresponding to 2019. A report that will be edited and published every year from now on and that will allow us to measure our actions and results. It is also the result of our commitment to continue making progress in improving the information we share with the stakeholders directly linked to our activity.

Our responsibility as a company is to continue working to strengthen our position of reference in the Andalusian mining sector, always placing the health and safety of our employees, contractor company workers, visitors and society in general at the centre of our entire business strategy. This is based, in the same way, on the firm conviction to leave a positive footprint in the territory, through a sustainable environmental management, and in the neighbouring communities, being socially active, generating socio-economic development and qualified employment.

Thus, the year 2019 closed with a positive balance, consolidating MATSA as a company for the future and highlighting, on the one hand, for our export activity and, on the other, for being an employment and wealth engine in the province of Huelva.

Our operation has a stable workforce with an average of 700 workers, of which 90% are permanent jobs, around 18% female and around 80% local, with an average age of 40 years, promoting diversity, the inclusion of women in a traditionally male sector and the development of our nearby municipalities. To this figure, we have to add another 1,300 employees of contractor companies, as well as 2,000 induced jobs.

Although our turnover was significantly reduced this year compared to the previous one, as a consequence of the progressive drop in the metal prices and due to a corporate restructuring, which had an impact on the financial statements. However, the investment in 2019 exceeded 121 million euros, focusing, among others, on projects to improve production and infrastructures, on horizontal and vertical development in the mines and on exploration works in the operating deposits. With this data, MATSA has already invested 1,492 million euros since the beginning of our activity.

The 2019 financial year resulted in the sale of 528,152 tons of ore concentrates, which are shipped through the port of Huelva to their final destination. This figure places MATSA among the top ten exporting companies in Andalucia. Copper represents around 60% of these concentrates, while the rest corresponds to zinc and lead.

Regarding the activity in our three mines, Aguas Teñidas, Magdalena and Sotiel, we closed 2019 with a total of 4.3 million dry metric tons of copper and poly metallic mineral extracted, following a stable trend with respect to the previous year.

Magdalena mine recorded a new extraction record with 2.03 million dry metric tons, added to 1.8Mt from Aguas Teñidas and 0.47Mt from Sotiel, a figure that also represents an increase of more than 9%. The company achieved another important milestone by executing nearly 23,000 meters of development at the three mining operations, 17% more than in 2018.

MATSA processes the mineral from its three mines in a world-class treatment plant, equipped with the most advanced technologies in the sector and which has three operating lines 24 hours a day, 365 days a year. During 2019, a series of improvements were carried out, including the completion of the capacity increase in one of its lines, which made it possible to close the year with a total of 4.3 million tons of ore processed.

This commitment to the social welfare of people is also reflected internally, favoring personal and professional development and continuous training of our main capital: human, as well as a quality work environment. Within our policy of social benefits for employees, we want to highlight, for example, the 450 applications granted annually through the School Aid Program for employees’ children, with 80,000 euros allocated; as well as the annual financing of some 15 grants for employees for the completion of master’s and postgraduate degrees, with more than 20,000 euros / year.

In the same way, the company through its Scholarship Program has benefited to date 25 students with a good academic record in the High School to start university studies or Professional Training, thus finding in MATSA support to start their higher studies. And, complementing
the above, in the last three years a total of 260 young people have had the opportunity to complete their internships at our mining complex.

Likewise, this social commitment is linked to the environment. At MATSA we promote sustainable development and continuous improvement, also thanks to the permanent application of innovation in our different areas. Prevention, responsible management of natural resources and the use of the best available techniques allow us to carry out a modern and respectful activity with the environment.

Stability in employment, concern for health and safety at work and commitment to the environment and society are, therefore, fundamental pillars for MATSA, as you can deduce as readers of this corporate dossier. Thank you for your interest in our company, which I hope you can discover and learn in greater depth throughout these pages.

Welcome to MATSA.

AUDRA WALSH
CEO
2019 Highlights

EXTRACTED ORE FROM:
THE AGUAS TÉNIDAS, MAGDALENA
AND SOTIEL MINING OPERATIONS

4,3 M_{dry} mT
of copper and polymetallic ore

CONCENTRATES OF PRODUCTION

66% COPPER
29% ZINC
5% LEAD

BREAKDOWN OF SALES
OF ORE CONCENTRATE

528,152 T
of mineral

PROCESSED ORE

4,3 M_{dry} mT
2019 HIGHLIGHTS

ECONOMIC VALUE GENERATED 2019
LOCAL PAYMENTS

- LOCAL SUPPLIERS 179 M€
- LOCAL WAGES AND BENEFITS 146 M€
- DUTIES AND TAXES 33 M€
- TURNOVER 685 K€

ACCUMULATED INVESTMENT

- INVESTMENT IN 2019 1.492 M€
- TURNOVER 474 M€

MATS - A MUBADALA & TRAFIGURA COMPANY DOSSIER CORPORATIVO 2019
50% Reduction in accidents with sick leave registered in the last 3 years

113 Record of days without accidents with sick leave started in Dec. 2018

3,89 Lost time injury frequency rate (LTIFR) in 2019

13 Internal and external drills performed

133 Safety induction talks given

749 WOrforce

4,000 Indirect and induced employment

±90% Permanent employment

80% Local employment

±18% Female employment
<table>
<thead>
<tr>
<th>Training Actions</th>
<th>Internal Training</th>
<th>External Training</th>
<th>Attendees</th>
<th>Hours Per Year</th>
<th>Safety Training Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>199</td>
<td>36%</td>
<td>64%</td>
<td>2,314</td>
<td>15,592</td>
<td>9,195 HOURS PER YEAR</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>5,49</td>
<td></td>
<td>1,673 ATTENDEES</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5,49 HOURS PER ASSISTANT</td>
</tr>
</tbody>
</table>
Minas de Aguas Teñidas is a modern, sustainable Spanish mining company that holds the rights to operate the Aguas Teñidas and Magdalena mines located in Almonaster la Real and the Sotiel mine located in Calañas, both in the province of Huelva.
MATSA is based in the Almonaster la Real municipality in Huelva, in the north of the Iberian Pyrite Belt. This mining district extends over 250 km. There is evidence of this activity dating back to the Copper Age, some 4,500 years ago.

MATSA is owned by a company owned 50% by Mubadala Investment Company, which manages a global asset portfolio, endorsing the vision of a globally integrated and diversified economy through sustainable returns for its shareholder, the Government of Abu Dhabi, and 50% by Trafigura, one of the world’s leading commodity trading houses.

MATSA’s business is centred on the exploration and extraction of mineral deposits which are processed at the company’s facilities in Almonaster la Real. The processing plant currently has the capacity to process between 4.3 and 4.6 million tonnes of copper and polymetallic ore each year and operates 24 hours a day, 365 days of the year.

The underground exploitation takes place mainly in primary and secondary stopes, which are subsequently backfilled with a paste generated from the tailings exiting the processing plant. Thanks to its three operational mining projects, MATSA is currently the main driving engine in terms of employment and wealth generation in the area.

Mission, vision and values

Mining, minerals and metals are important for economic and social development in many countries and essential for modern life. For this reason, at MATSA we see our activity as a way to promote development through our mineral resources.

The company’s mission is to generate value and wellbeing from these mineral resources. Our vision is to become a mining company recognised for its leadership, operational excellence and employee development.

Our values:
- Life is first and foremost.
- Integrity and respect in all our actions.
- Teamwork, sharing our achievements and those of others.
- Permanent innovation to generate value and benefits for all.
Our history

MATSA was discovered in the 1980s by the company Navan Resources PLC, which acquired the mining rights in 1995 and began to extract the mineral deposits.

In 1997, the first access ramp was built to extract the ore, which was processed at the Almagrera plant in the municipality of Calañas.

After three years of production, the mine was closed in 2001 due to the low price of the metals. When metal prices recovered, in 2005 the company Iberian Minerals Corp. purchased 100% of the mining rights and presented the Relaunch of Operations Project.

In 2006, this project received a favourable environmental report and a year later, in 2007, the permits were granted to build the mineral processing plant, the paste deposit and a new access ramp.

In 2009, once the construction phase was completed, commercial production commenced. Two years later, in 2011, plans to increase production at the mineral processing plant from 1.7 million to 2.2 million tonnes per annum were authorised.

In 2013, the company received authorisation for a new plant capacity increase to 4.4 million tonnes per year.

In June 2014, MATSA obtained Unified Environmental Authorisation for the Sotiel mine and, in January 2015, obtained the permit to reopen and operate the project.

In July 2015, the company was granted the operating permit for the Magdalena mine.

In October 2015, Mubadala became a shareholder of MATSA by setting up a joint venture owned 50% with Trafigura to promote mining in Andalusia.

In October 2017, MATSA’s Integrated Use Project for the paste deposit was authorised, allowing the life of the current facility to be extended and the construction of a second paste deposit to be postponed.
The company has three underground mines in operation located in the province of Huelva. The Aguas Teñidas and Magdalena mines in the municipality of Almonaster la Real and the Sotiel mine in Calañas.

Shareholders Since 2015, MATSA has been owned 50/50 by Mubadala and Trafigura Group Pte Ltd in order to promote mining in Andalusia.

REGARDING TRAFIGURA GROUP PTE LTD
Founded in 1993, Trafigura is one of the largest physical commodities trading groups in the world. Trafigura sources, stores, transports and delivers a range of raw materials (including oil and refined products and metals and minerals) to clients around the world. The trading business is supported by industrial and financial assets, including 49.3 percent owned global oil products storage and distribution company Puma Energy; global terminals, warehousing and logistics operator Impala Terminals; Trafigura’s Mining Group; and Galena Asset Management.

The Company is owned by over 700 of its 8,000 employees who work in 80 offices in 41 countries around the world. Trafigura has achieved substantial growth over recent years, growing revenue from USD 12 billion in 2003 to USD 171.5 billion in 2019. The Group has been connecting its customers to the global economy for more than two decades, growing prosperity by advancing trade.

www.trafigura.com

REGARDING MUBADALA INVESTMENT COMPANY
Mubadala Investment Company manages a global asset portfolio, endorsing the vision of a globally integrated and diversified economy through sustainable returns for its shareholder, the Government of Abu Dhabi. As an active and innovative investor, we deploy capital with integrity across a variety of asset classes and geographies to generate sustainable risk-adjusted financial returns for the greater benefit of the United Arab Emirates.

Mubadala’s consolidated assets, valued at USD 229 Billion, span five continents and industries such as aerospace, ICT, semiconductors, metals and mining, renewable energies, oil and gas, petrochemicals, public services, healthcare, real estate, pharmaceutical and medical technology, agro business and a global portfolio of financial investments. Mubadala now has offices in Río de Janeiro, Hong Kong, Moscow, New York and San Francisco.

Mubadala is a trusted partner, a committed shareholder and a responsible global company with a focus on ethics and world class standards.

www.mubadala.com
The new record set by Magdalena stands out in 2020, which reached 2.03 million dry metric tons, added to 1.8 for Aguas Teñidas and 0.47 for Sotiel.

Facilities

OPERATIONAL CENTRES AND EXTRACTED ORE

The company has three underground mines in operation located in the province of Huelva. The Aguas Teñidas and Magdalena mines in the municipality of Almonaster la Real and the Sotiel mine in Calañas.

The area where the company is located has a strong mining tradition. The search for metals, especially copper and silver, began under Roman rule during the first few centuries AD and resumed at the end of the 19th century and at the beginning of the 20th century, when French and British companies exploited the near-subsurface copper veins. Aguas Teñidas has always been closely linked to the two nearby mining towns, Valdelamusa and Cueva de la Mora, where the companies built their offices and housing facilities.

<table>
<thead>
<tr>
<th>Year</th>
<th>Cu Poly</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>1,269 1,465</td>
</tr>
<tr>
<td>2017</td>
<td>1,295 885</td>
</tr>
<tr>
<td>2018</td>
<td>1,262 698</td>
</tr>
<tr>
<td>2019</td>
<td>1,264 780</td>
</tr>
<tr>
<td>2020</td>
<td>1,797 780</td>
</tr>
</tbody>
</table>
for their employees. The two towns are connected by an 8-kilometre long railway built at the beginning of the 20th century.

MATSA concluded 2019 (January-December) with a total of 4.3 million dry metric tons of copper and polymetallic ore extracted from its three mining operations, Aguas Teñidas, Magdalena and Sotiel, so its activity is stable in this area compared to the previous year.

However, the new record set by Magdalena stands out, which reached 2.03 million dry metric tons, added to 1.8 for Aguas Teñidas and 0.47 for Sotiel. The company achieved another important milestone in terms of development meters executed in the three mines: 22,914, 17.01% more than in 2018.
**MATSA** has two paste plants, one in Aguas Teñidas and another in Magdalena. The company also has a gunnite plant located in the first of these two deposits. 

Paste Backfill and shotcrete plant  
**MATSA** has two paste plants, one in Aguas Teñidas and another in Magdalena.

Up to 40% of tailings come from the process plant and are pumped to the paste plants at Aguas Teñidas and Magdalena to be mixed with cement and used to backfill mined stopes.

This process makes it possible to backfill and stabilise the cavity generated in the exploitation process, being a decisive safety factor, while optimising the nearly full recovery of the deposit and reducing the surface of the paste tank above ground.

Almost all of the most important equipment has been almost completely renewed and the operations of both plants are currently being managed in a centralised manner from a single control room located in general offices.

The company has two geotechnical laboratories, one located at the Aguas Teñidas paste plant and another at the Magdalena mine. The main function of these laboratories is to give support to the paste plant and mine operations areas.

Each laboratory is fully equipped with cutting-edge technology for checking the quality of the gunnite in terms of resistance and durability. Furthermore, stope paste compression resistance testing is carried out at these laboratories until reaching optimal levels that ensure stability in the empty stopes in order to subsequently continue mining the secondary stopes.

The company also has a gunnite plant located in Aguas Teñidas that supplies this product to the Aguas Teñidas, Magdalena and Sotiel mines. This plant produces fine-grained concrete with a high cement content which is sprayed to fill the galleries to reinforce the internal stability and, thus, safety of the mine.
PROCESSING PLANT AREA AND PROCESSED ORE
MATSA processes the ore from its three mines in a world-class treatment plant, equipped with the most advanced technologies in the sector and which has three operating lines for 24 hours, 365 days a year. One of the main benefits of its current configuration is its ability to manage the usual variations in the ore of each of the deposits. This versatility gives the company great potential, since it offers the opportunity of optimising production in accordance with the extraction supply of each of the deposits and provides greater flexibility in the treatment of the two types of ore that are extracted from the mine: copper and polymetallic. At the end of 2019, it had processed close to 4.3 million dry metric tonnes of ore.

**Processed ore (M dmt)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Cu</th>
<th>Poly</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>1.900</td>
<td>2.076</td>
</tr>
<tr>
<td>2017</td>
<td>2.394</td>
<td>4.177</td>
</tr>
<tr>
<td>2018</td>
<td></td>
<td>2.560</td>
</tr>
<tr>
<td>2019</td>
<td></td>
<td>2.420</td>
</tr>
</tbody>
</table>
Process phases

**Stockpiling and crushing:** The treatment process commences once the ore extracted from the mine is deposited in a stockpiling area, where it is sorted by type. From here it is conveyed to the crushers to reduce its size. After the crushing phase, the crushed ore is conveyed to three stockpiles by means of conveyor belts: the north dome and the south dome, that feed lines 1 and 2, respectively, and the reclaimer, which feeds line 3.

**Storage:** These large stockpiles fulfil two important functions: preventing the dispersal of dust and maintaining ore reserves for the continuous operation of the treatment plant. The stored ore is conveyed to the crushing phase via conveyor belts at the processing plant.

**Milling:** Lines 1 and 2 are composed of mills that reduce the ore in different stages. The first milling stage in these lines is carried out in a SAG (semi-autogenous) mill and the second stage in a ball mill. The last stage before being conveyed to flotation is tertiary milling, which is carried out in vertical mills which, using small ceramic balls, reduce the size of the ore to the values required for the flotation phase. Also, line 3 of the processing plant has two ball mills for the primary and secondary milling stages, respectively. As in lines 1 and 2, the tertiary milling stage is carried out using vertical mills.

**Flotation:** During the flotation phase different reagents are added, such as collectors, modifiers and foammers, and air is injected forming small bubbles, to whose surface the copper, zinc and lead sulphide particles are selectively adhered.

**Thickening and filtration:** The pulp formed in the flotation stage is conveyed to the thickeners and finally to the filtration stage, where all the moisture is extracted and which results in the final product: the copper, zinc and lead concentrates. The sterile flotation tailings are also thickened to recover the process water and are subsequently used to backfill the mine stopes; the remainder is stored in the paste tank.

2019 ended with the delivery of 528,152 tons of mineral concentrates. Copper represents around 60% of the total.
ABOUT THE COMPANY

- About the Company
- Filters
- Flotation Lines
- Concentrates Warehouse
- Milling
Lastly, related to sales, 2019 ended with the delivery of 528,152 tons of mineral concentrates, a slightly lower amount compared to the previous year. Copper represents around 60% of the total of these concentrates, while the rest corresponds to zinc and lead. The ore concentrates that MATSA produces are shipped, through the port of Huelva, to their final destination and are marketed by Trafigura, one of the world’s leading raw material trading companies and one of MATSA’s shareholders.
Chemical and metallurgical laboratories

It should be noted that the company has its own chemical and metallurgical laboratory. The metallurgical laboratory, part of the metallurgy and process control department, plays a key role in the optimisation of the plant’s processes and the development of new processes. The company has modern facilities and equipment. Its staff is highly qualified to meet any requirements that arise in the plant's metallurgy area.

Furthermore, the chemical laboratory provides the necessary analytical data for decision-making in the spheres of mine production, exploratory drilling, trading of copper, zinc and lead concentrates, process control and even for the plant’s metallurgical performance and/or environmental control.

**MATSA** posted a turnover of €474 million at year-end 2019 and, as regards financial highlights by type of metal, copper still leads, followed by zinc and lead.

Cumulative investment totals €1,492 million, the majority of which relates to the plant and mining areas. In 2019, the investment amounted to €121.8 million, half of which was earmarked for infrastructures and mine improvements to guarantee that operations will continue. The company has transformed mining in the Iberian Pyrite Belt as regards development and employment in the area, thanks to its three operational projects in operation.

As a result, the company is in good health, one of the main objectives being to carry on cutting and optimizing costs.
Occupational health and safety policy
Commitment to health and safety

Safety remains the company’s main priority and it aims to ensure that the health and safety of employees, contractor workers, visitors and the community in general are always guaranteed during production tasks. Policies designed to safeguard all these people are the focus of MATSA’s activities.

Through this commitment, the company aspires to be recognised as a leader in safety in the mining industry. MATSA works intensely to prevent occupational accidents by implementing a management system founded on continuous improvement. The company also promotes a culture of prevention to assure suitable working conditions and provides ongoing training on the identification and control of occupational risks in all activities.

Thanks to our workers’ efforts and commitment to safety, lost-time accidents have decreased by 50% in the last three years.

Specifically, this year the number of lost-time accidents has fallen 6% and we are working on new tools to boost prevention and worker awareness so as to achieve our zero-accidents target. The record for the number of days without lost-time accidents is 113 days, beginning in December 2018.

In line with this precept, all the company’s activities come under the commitment to assure the safety of all our workers as an absolute priority. The company is focused on occupational risk prevention by detecting and correcting unsafe actions and conditions that may occur inside the mining complex, during tasks performed in the mine and in the industrial zone.

The company is responsible for guaranteeing an optimal, safe place of work that allows all the workers to return home safe and sound at the end of their working day, thereby fulfilling the main objective of zero accidents and protecting life, which is first and foremost.

Along these same lines and in order to continue working for a company with zero accidents, we encourage our workers to take part in Challenge #365 so as to go a whole year without occupational accidents and cut all safety rates by half in the next three years.

A safe mining operation is a productive operation
Most of the rates recorded in this period have improved significantly. So for 2019 the company posted a total recordable incident frequency rate (LTIFR) of 3.89. As regards the gender distribution, the lost-time injury frequency rate (LTIFR) for women stands at 2.56 and at 4.02 for men. The severity rate (SR) was 0.27, or 0.25 for women and 0.27 for men. During this period, the number of accidents by gender was one for women and 16 for men, no professional diseases having been reported.

Safety inspections recorded rose by 68% to total 1,900. Risks and improvements reported increased by 16%, 1,173 by MATSA and 899 by contractors.

As regards alcohol and drug controls, it is vital for the people working at MATSA to be in a good physical and mental state in order to work safely. Alcohol and drug controls conducted therefore totalled 1,192, of which 10 tested positive for alcohol and nine for drug use.
We have stepped up the safety campaigns implemented in previous years. Specifically, the campaign to avoid the repetition of accidents affecting hands, one of the most valuable and versatile parts of the human body and essential for our wellbeing and our work.

In addition, in relation to World Safety Day, MATSA launched an awareness campaign in which the leading roles were played by employees’ children, under the slogan “Dad, mum, if you take care of yourself . . you take care of me”, to raise employee awareness of the importance of working safely to return home safe and sound at the end of the working day.

Thanks to the design of a suitable safety strategy based on the implementation of tools to identify, communicate and manage risks, applicable to all our workers, the company has reduced and improved accident rates in recent years.

Some of these tools are:

- **Risk and improvement reporting procedure**
  This procedure allows each worker to identify and resolve situations at her workstation that require safety improvements. An email address has been created to report directly to company management.

- **Safety awareness-raising**
  The most valuable thing human beings have is our family. Through an ongoing safety awareness campaign, highlighting the harsh consequences of an accident for those around us and our families, our personnel become aware of the importance of managing risks by acquiring basic safety habits.

- **Safety campaigns**
  The company continuously conducts safety awareness campaigns. Some of these campaigns are:
10 RULES THAT SAVE LIVES
The positive results showing a decline in accident rates in 2019 are due largely to employee observance of the 10 Rules that Save Lives.

Rule # 1 Suitable for work: I will not work if I am not in a good physical and mental state to do so.
Rule # 2 Ground stability: I will never enter zones in which the soil has not been suitably stabilised.
Rule # 3 Driving: I will never drive a vehicle without making sure that all the occupants are wearing a seatbelt.
Rule # 4 Raising and hoisting: I will not stay within a load fall zone.
Rule # 5 Power insulation: I will never work with equipment that has not been insulated.
Rule # 6 Height work: I will never work at height without suitable protective equipment.
Rule # 7 Explosives: I will always follow blasting procedures.
Rule # 8 Hazardous substances: I will never handle hazardous substances if I have not been authorised to do so.
Rule # 9 Confined spaces: I will never enter a confined space if I do not understand the procedure.
Rule # 10 Protection devices: I will never modify, avoid or remove protective devices and I will always wear my individual protection equipment.

GOLDEN RULES
The rules are not negotiable and are the focus of our strategy, the objective being to implement and fully integrate safe work practices in our workers’ daily tasks.

1. Follow safety procedures
   Obey laws and regulations, and follow standards and procedures.

2. Be attentive to others
   Help others to stay protected.

3. Use suitable equipment
   Use protective equipment and make sure the equipment and tools are suitable for their intended purpose.

4. Question unsafe actions
   Let others know if they do not follow safety procedures.
   Intervene in situations in which an injury could be caused.

5. Stop work if it is not safe
   If in doubt, interrupt your work or the work of others.

6. Share good practices
   Make sure that safety is a priority for those around you.
   Share safe practices with your colleagues.

7. Report all incidents
   Notify your team manager or safety manager immediately.
   Record all incidents in the system.

CUIDA-TREM
This safety campaign takes cares of ankles, knees, back and hands so as to make MATSA a safer place to work.

GET DRUNK ON LIFE
Anti-alcohol and anti-drug safety campaign to encourage healthy habits.

"5-POINTS" SYSTEM
Campaign that invites us to reflect for five minutes and identify possible risks before starting work.
OCCUPATIONAL HEALTH AND SAFETY POLICY

I-CARE

"I Care" campaign to build awareness and encourage safe work habits among colleagues.

JOIN THE #365 DAYS WITHOUT LOST-TIME ACCIDENTS CHALLENGE

Campaign to make MATSA a safe place by reaching one year without occupational accidents.

STAYING ALIVE

Campaign to make us reflect on the importance of always wearing a safety belt, in all cases, without exception.

The company has an Occupational Health and Safety Committee (HSC), a joint, collegiate body for participation in and consultation of matters related to health, safety and risk prevention for the company’s workers. This committee, formed by workers and management, meets monthly to discuss all relevant safety matters.

MATSA’s Mine Rescue Brigade (MRB) is an example of the investment made by the company to guarantee safety. Eight new members have joined the BRM in 2019 and now officially form part of a team of some thirty company workers who, voluntarily and altruistically, prepare and train to take action in emergency situations.

The human team forming the brigade receives regular, high-level training and programmed simulations with the Asturias Central Mining Rescue Brigade and the Huelva Firefighters Consortium. The aim of this training is to search for, locate and rescue workers in the different emergency situations that may arise, such as fires, traffic accidents involving vehicles and machinery, rescues at height, etc.

The Brigade has a wide range of intervention equipment adapted to the specific needs of each emergency, including mobile fire extinguishment and open- and closed-circuit autonomous breathing equipment, height work equipment and defibrillators.

The BRM is critical to MATSA’s focus on safety. It has performed excellent work in recent years and is now an industry benchmark.

On 28 February 2019, an act was held at the Asturias Museum of Mining and Industry in honour of MATSA’s BRM together with the other Spanish mine rescue brigades.

Safety training

Our safety specialists provide continuous occupational risk prevention training throughout the year in order to achieve zero accidents.

In 2019, the Safety Department coordinated thirteen internal and external simulations and gave a total of 133 safety induction talks. In September, an online training course was made available for users and trainers, 20 online induction sessions having been completed. Training has been provided for 2,021 workers.

The company has once again successfully completed the annual Statutory Audit of the Occupational Risk Prevention Management System, according to the technical opinion issued by IP Control S.L.
MATSA’s Environmental Policy lays the foundations for our environmental strategy to contribute towards sustainable development, applying the prevention as a basic principle.
ENVIRONMENTAL MANAGEMENT POLICY

Environmental, Social and human and Economic commitment, main focus areas of MATSA’s corporate social responsibility strategy.

MATSAs policy is centred on applying and maintaining the corporate social responsibility strategy that has been in progress since the project started and has three main focus areas:

- Environmental commitment.
- Social and human commitment.
- Economic commitment.

The continuous improvement of results in the area of environmental protection is pursued at all times, making use of Best Available Techniques to consume natural resources as rationally as possible, minimising waste and discharge generation, as well as the consumption of energy and raw materials, so our activity is environmentally friendly.

MATSA also conducts an environmental impact study on each of the substantial modifications to its Unified Environmental Authorisations, identifying and assessing the impacts and planning preventive and corrective measures as necessary to ensure that the project is integrated with the environment.

In the period from October 2018 to September 2019, no significant fines or penalties were imposed due to the infringement of environmental laws or regulations by any of MATSA’s three mining operations.

MATSA’s Environment Department verifies compliance with all application environmental legislation and the submission of the performance reports required by the competent administration. An IT tool called EcoGestor is used for this purpose, which automatically selects the applicable legislation and extracts the articles that must be taken into account to meet legal requirements, based on the environmental aspects identified for MATSA’s activity.

Compliance with environmental laws and regulations

MATSA, as stated in its Environmental Policy, has a procedure to identify and assess legal and other requirements, which describes the process for identifying and recording the legal stipulations applicable to the environmental aspects identified in each of the company’s mining operations, so that the degree of fulfilment of applicable environmental legislation may be assessed.

MATSA’s Environment Department is responsible for evaluating compliance with the legal requirements extracted from new environmental resolutions at least annually.

MATSA’s Environmental Policy lays the foundations for our environmental strategy in order to contribute towards sustainable development, applying as a basic principle the prevention and control of pollution in all activities related to mineral extraction and processing. It is essential to integrate environmental principles into the company’s general policy so that they are included in the planning of activities and in the processing of products. This strategy is based on the following action principles:

CONTRIBUTE to sustainable development by seeking the continuous improvement of results in the area of environmental protection and making use of Best Available Techniques to consume natural resources rationally, minimising waste and discharge generation, as well as the consumption of energy and raw materials, so our activity is environmentally friendly.

COMPLY with applicable environmental regulations at the European, national, regional and municipal levels, as well as with other requirements endorsed by the company. Where possible, these requirements will be exceeded by implementing more stringent internal rules.

PROMOTE training for personnel on the correct functioning of the facilities and on the minimisation of environmental impacts in the copper, zinc and lead extraction and processing activities. Drive awareness of matters related to the environment, encouraging communication within the company and furnishing environmental information to contractors and their workers.
REPORT on the environmental repercussions of our activity, contributing towards the dialogue with all stakeholders: administrations, employees, contractors and the general public.

DOCUMENT, IMPLEMENT AND MAINTAIN an Environmental Management System that foments respect for the environment and also assures the fulfilment of the principles stipulated in the environmental policy. Care is also taken to ensure adequate control of the Environmental Management System by means of regular reviews and the assessment of compliance with system requirements, as well as the identification and monitoring of environmental objectives and goals.

The mechanisms in place to apply the precautionary principle and actions designed to minimise impacts are described below:

• Environmental Impact Studies of each of the mining projects and related modifications, in which impacts are identified and assessed and protective and corrective measures are proposed, on the basis of which Environmental Surveillance Programmes are defined for each mining operation, establishing the monitoring and control actions for each environmental aspect on a preventive basis.

• Environmental Risk Assessment of the mining operation. The method followed to perform the ERA is based on the UNE 150008:2008 standard for the assessment of environmental risks.

• MATSA has participated directly in a pilot project led by the Directorate General for Environmental Quality and Assessment and the Natural Environment of the Ministry of Agriculture, Food and Environment (MAGRAMA) and supported by the company TRAGSA, in which a Methodological Guide was prepared for the “Mining of polymetallic sulphides and mining of sodium and potassium salts”, so the company is a pioneer in the development and application of this method.

• MATSA’s incident research system (SIIM Model) for the investigation of environmental incidents, a very powerful tool to identify causes and avoid new incidents.

• Development of a number of procedures related to environmental risks and to the identification and assessment of environmental aspects (in abnormal operating conditions). Procedures for preparing and responding to environmental incidents and accidents, and for identifying, recording and assessing environmental matters.

It is essential to integrate environmental principles into the company’s general policy so that they are included in the planning of activities and in the processing of products.
CONSUMPTION AND WATER SUPPLY IN ACCORDANCE WITH LOCAL LIMITS

In recent years, MATSA has carried out many pilots using Best Available Techniques (BATs), resulting in the development, design and execution of the existing infrastructure for the integrated management of water, as described below:

- Water treatment plants (PTA1 and PTA2): treatment plants for mine water, industrial process water and other contact water; total treatment capacity of approximately 800 m³/h.
- Water purification plant: potable water treatment facility (ETAP) designed to supply 14 m³/h for consumption in the mining complex.
- Water distribution centre (CDA): infrastructure that includes the necessary pumps and tanks based on flow volume needs in the water treatment plants and the mineral processing plant.
Measures taken to improve energy efficiency

The main energy efficiency measures adopted during the period are as follows:

1. In mineral processing plant 1 (PTM1), all incandescent lighting has been replaced by LEDs, entailing a 60% energy saving and enhancing lighting efficiency by 80%. A total of 180 luminaires were replaced.

2. All the luminaires were also replaced in PTM2, obtaining the same energy saving and efficiency values.

3. More efficient engines were installed in several machines, increasing efficiency from IE1 to IE3 or 82% to 95% in percentage terms.

4. Flotation cell bypass where not necessary for operations (L2 PTM1).

5. Automation of the process water pumping system at PTM2.

6. Monitoring of the operating signals of the secondary and tertiary cone crushers to optimise the use of the equipment.

7. Design of a control role for monitoring energy KPIs of large consumers (equipment with an installed capacity of over 200 Kw).

MATSA does not currently use renewable energies.

Surface water is collected for subsequent industrial use in accordance with the mandatory permit issued by the competent environmental body.

The company’s demand for mineral processing water is limited, since over 85% of needs are covered by recirculated water.

As part of MATSA’s environmental management policy, it has a natural resource consumption procedure that minimises water consumption by means of an inspection and control programme (water, fuel, cement, energy and chemical products) that is applied to the mining operations.

This flexible, versatile system optimises the management and use of all available water resources, reducing fresh water consumption and improving the quality of process waters to obtain better metal yields.
MATSA is aware that climate change is one of the century’s most complex environmental challenges. The company is therefore researching to reduce consumption and find alternatives for the acquisition and use of the energy needed in our operations.

As a first step, we have identified and measured energy consumption and greenhouse gas emissions.

The company has identified two possible projects the main purpose of which is to replace fossil energy with renewable energy and to optimise energy use in one of the most significant activities, which is the transportation of finished products.

One of these projects is in the administrative approval and feasibility study phase (Rail Transport of Concentrates) and the other is in the study phase (Installation of a Solar Energy Plant).

About the first one, MATSA has carried out a project to replace truck transportation of ore concentrate to the port of Huelva by rail.

Currently, MATSA uses about 150 daily round trips by truck to transport concentrates from its facilities to the port of Huelva, which is equivalent to around 1,200 km per day. MATSA is studying transporting ore concentrate to the port of Huelva by rail, reactivating a line of considerable relevance for the province. With an investment of €3M, the Company plans to transport 2,000 tonnes of concentrate per day by rail.
The Environment Department is currently calculating the carbon footprint for the company’s three mining operations.

The purpose of this work is to study the company’s current status as regards greenhouse gases so as to then analyse the scopes and propose improvements.
The Company has launched a project promoting the conservation and awareness of the uses, benefits and importance of native plant species. The project, of a social and environmental nature and developed jointly with various local associations, seeks to instil the value of this natural resource not only internally, but also for people living near our facilities. This concerns the Edition and publication of the Ethnobotanical Guide: The sense of plants.

The objective of this project is to ascertain, through the participation of social groups from ten municipalities around MATSA, the different ways in which plants have traditionally been used in these regions. The topographic, cultural, social and natural differences of the two regions covered by the project, so close yet historically very different, have enriched the content of this guide.

In addition, MATSA carries out revegetation and recovery projects for areas degraded by mining in the past through revegetation with species native to these areas, recovering and preserving the habitats for other wildlife species in the area.

MATSA argues that one of the premises that must be pursued in the development of new mining projects is to seek a commitment to reduce the mining footprints of the past, but without jeopardising the viability of future projects. It is therefore essential to seek synergies that allow this strategy to be implemented.

This is how restoration projects have been developed for mining liabilities such as the “Environmental Improvement of the Landfill Quarry” at Sotiel Mine, the “Environmental Improvement of the Monte Romero Tip” at Magdalena Mine and “Improvement and Conditioning of Barranco del Herrerito” in Aguas Teñidas.

The intention is to recover environmentally an area degraded by past mining by means of modern mining activities. At present, this project is at the revegetation stage.
For MATSA it is essential to promote a quality work environment, based on respect, diversity and personal and professional development. It also has a Code of Ethics that lays down the guidelines that govern the ethical conduct of all its employees in their day-to-day performance, particularly with regard to relationships and interactions with all stakeholders.
In MATSA, people are our main value. Currently, the company generates more than 4,000 direct and indirect jobs.

**Distribution of the workforce**

MATSA applies best practices in the identification, recruitment and retention of the talent required to develop its business, respecting the principles of equity and non-discrimination for any reason (disability, age, gender, previous professional career, etc.).

MATSA has a Collective Agreement in force since 2016, which expires on 31 December 2019. It covers 69% of the workforce, 85% including Technicians to whom only certain articles of the Collective Agreement are applicable, as well as employees in professional Group V for directors and managers, not included in the above percentages.

This Collective Agreement regulates the different professional categories and levels of the workforce, based on the operational framework and whether work is carried out inside or outside the mine, qualifications, complexity of the position, work post, autonomy and associated risk, although these categories are provided only for illustrative purposes.

In MATSA, people are our main value. Currently, the company generates more than 4,000 direct and indirect jobs. At 30 September 2019, MATSA has a workforce of 749 employees. The number of employees at the end of 2018 was 692, 90% of whom were permanent staff. The average age is 42 for men and 38 for women.

MATSA operates in Spain. The number of employees by gender, age, type of contract and professional category at 30 September 2019 is set out below:
Employees by professional category
Professional category has been divided into four groups to allow them to be
differentiated by level. Senior management includes superintendents and/or
managers, directors and general management; middle management comprises
department heads and supervisors; technical personnel comprises technical experts,
technicians and specialists and “other personnel” includes most of the workforce
made up of outdoor and indoor operational personnel, outdoor and indoor
maintenance personnel and administration personnel, as indicated above:

<table>
<thead>
<tr>
<th>PROFESSIONAL CATEGORY</th>
<th>HEADCOUNT</th>
<th>INTERIMS</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>SENIOR MANAGEMENT</td>
<td>21</td>
<td>-</td>
<td>21</td>
</tr>
<tr>
<td>MIDDLE MANAGEMENT</td>
<td>105</td>
<td>1</td>
<td>106</td>
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<tr>
<td>TECHNICAL PERSONNEL</td>
<td>102</td>
<td>4</td>
<td>106</td>
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<tr>
<td>OPERATIONAL AND ADMINISTRATIVE PERSONNEL</td>
<td>471</td>
<td>45</td>
<td>516</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>699</strong></td>
<td><strong>50</strong></td>
<td><strong>749</strong></td>
</tr>
</tbody>
</table>

Work-life balance
Within its work-life balance commitment MATSA facilitates a reduction in working
hours for all employees that need it, provided they meet the legal requirements in
force at the time. Working hours are always adapted, where possible.

Currently, although it is only applicable to technical, senior management and middle
management personnel, MATSA has a flexible working procedure through tele-
working and/or remote work which depends on the employee’s position and must
be authorised by their direct superior, enabling them to work from home one day per
week. This procedure has not yet been extended to the rest of the workforce as it
would be necessary to reach an agreement with the workers’ representatives. This is
one of MATSA’s objectives for 2020.

Concentric circles
Over the years the company has implemented a recruitment policy based on
concentric circles, prioritising the engagement of staff and suppliers located in
neighbouring communities. Thus, 80% of the company’s workforce are from towns
near the mine, which reflects a clear commitment to local development.
The MATSA management team is made up of professionals with extensive experience in the mining sector who share the same mission and values in order to make MATSA a benchmark company in the sector.

The management team leadership is based on overseeing their teams, supporting them, recognising their efforts and understanding their concerns in order to resolve their difficulties.
Equality and the role of women in MATSA

At 30 September 2019, MATSA’s workforce includes 131 women and there is a female presence in all areas and at all levels, from management positions to technical and supervisory levels, and team leaders. In the administration area parity is absolute, 51% of employees being women, and the company continues to encourage a greater number of women in operational areas. The percentage of female employment in the company is 18%, which is highly significant considering that mining has traditionally been a male-dominated sector. Nowadays we have female geologists, truck drivers, laboratory analysts, general service operators, engineers, chemists, accountants, rescue-brigade members and fork-lift operators, among others. For this reason, on International Women’s Day the company launched the “Minería con M de Mujer” campaign, to highlight the increasingly prominent role of women in the mining sector.

The company continues to work on gender equality policies to favour the incorporation of women and improve access to management positions, the company’s General Manager being a woman.

Although MATSA drew up its Equality Plan in 2012, which is available to all workers, on 2 April 2019, an Equality Committee was formed comprising worker and management representatives with the aim of preparing a new Equality Plan aligned with the company’s present situation.
This year the company has launched the new web Employment Portal, “Work with us”, in order to enhance the recruitment processes to obtain more quality, speed and talent and help eliminate paper résumés. In addition, it has implemented a new Payroll Management Platform to automate and optimise processes and allow payroll details and withholding certificates to be accessed autonomously and privately.

It is important to highlight the importance of the Human Resources liaison officer appointed by the company to directly address the Administration, Plant and Mining areas. This initiative serves to cover workers’ needs on any questions related to their own specific issues, such as leave of absence, salary, vacations, welfare benefits, etc.

Finally, on December 4th each year the company celebrates the day of Santa Bárbara, patroness of miners, with a breakfast for family, friends and neighbours at the company’s facilities, as well as a Christmas lunch for employees. During the Christmas period MATSA also organises an annual Christmas competition for employees’ children, where the youngest members of the family take centre stage.
The company’s Human Resources policy envisages a number of welfare benefits and personnel benefits that are complementary to those stipulated by law in the economic, social and labour areas, including those provided for in the Collective Agreement.

In this respect, the company carries out numerous initiatives such as assistance on the birth or adoption of a child or for marriage or common law marriage; a length-of-service award whenever an employee completes a five-year period of service at MATSA; free dining and laundry services for employees irrespective of their contract type; school and university assistance for employees and their children; free English classes; monthly assistance for children and spouses with a recognised disability equal to or greater than 33%; alcohol and drug help schemes; and assistance for medical analyses, diagnoses and tests, complementary benefits for temporary disability and accident insurance, among other items.

With the aim of promoting a culture of healthy living, the company has continued with its “Healthy MATSA” programme. This includes several health initiatives such as the recovery of a recreational area among orange trees or “Mondays with energy”, where every Monday morning a local supplier provides employees with fresh fruit to begin the week in a healthy way by following a diet rich in vitamins.
In 2019, a new Mining Training Department was created that aims to work on the training and development of operational staff with a view to improving process safety, productivity and quality.

People’s personal and professional development is very important and is part of the company’s vision, which is to be a mining company recognised for its leadership, operational excellence and development of its employees. This philosophy is addressed to our workers through training and talent retention schemes and incentives.

Aware of the importance of middle management development, the company concluded a training agreement with Loyola Executive Education for the delivery of the Lidera programme. Thirty-nine heads of department took this course, which provided them with an overview of company management and how to obtain positive results, as well as addressing leadership, teamwork, quality, flexibility, and health and safety. The closing ceremony took place at MATSA’s facilities in the first quarter of 2019 with the aim of recognising the participants’ hard work, contribution, involvement and commitment throughout the course.

During this period, training courses related to mining JTIs, explosives experts’ permits, the mining rescue brigade, the fire-fighting system and plant self-protection system have continued.

On-line training is still offered through the e-Learning platform to optimise employee time. Through this platform, workers can choose the training they are most interested in and complete it comfortably, enabling them to manage their time better.

It is important to highlight the training provided to workers in the handling of drones to meet the company’s needs, such as reconnoitring within mining galleries and underground chambers and, outside, taking measurements of materials, identifying roadways, locating people, etc., as well as the company’s commitment to the training of its workers in foreign mining companies, putting into practice skills such as teamwork and leadership.

The company has concluded collaboration agreements with secondary schools and universities to carry out internships at its facilities. This programme is part of a compulsory module of the intermediate, higher or university educational cycle being followed by the students concerned.

In 2019, a new Mining Training Department was created that aims to work on the training and development of operational staff with a view to improving process safety, productivity and quality.

### OVERALL TRAINING STATISTICS

<table>
<thead>
<tr>
<th>Training Initiatives</th>
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</thead>
<tbody>
<tr>
<td>Internal Training</td>
<td>36%</td>
</tr>
<tr>
<td>External Training</td>
<td>64%</td>
</tr>
<tr>
<td>Attendees</td>
<td>2,314</td>
</tr>
<tr>
<td>Hours per Year</td>
<td>15,592</td>
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</table>

### SAFETY TRAINING STATISTICS

<table>
<thead>
<tr>
<th>Hours per Year</th>
<th>9,195</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attendees</td>
<td>1,673</td>
</tr>
<tr>
<td>Hours per Attendee</td>
<td>5,49</td>
</tr>
</tbody>
</table>

**Training**
6. Research, development and innovation

Located on the first floor of the general office building, the main purpose of our Operations Control Centre is to control the three MATSA mining operations on the surface: Aguas Teñidas, Magdalena and Sotiel.
RESEARCH, DEVELOPMENT AND INNOVATION

An example of the major investment in innovation undertaken by the company is the Operations Control Centre, equipped with 4.0 technology, with the objective of centralising control over mining operations and decision making with maximum efficiency, with worker safety being the main priority. It has been designed based on ergonomic standards to provide operators with a comfortable work environment.

Located on the first floor of the general office building, its main purpose is to control the three MATSA mining operations on the surface: Aguas Teñidas, Magdalena and Sotiel. Thanks to the most advanced technology and through various systems, technicians can verify the most relevant operational information with the help of a videowall installed in the room. One of these systems is the Scada mine interior service, whose technology allows monitoring and control of ventilation equipment, water extraction stations and transformation centres inside the mine.

Another cutting-edge system is the Pitram system, which manages a large database in which all the information on indoor activities is stored, based on which the performance of operations and activities may be supervised. Using this system information is transmitted in real time, fully tracking ore from source to destination. The centre also has closed circuit television (CCTV) that monitors critical points in the facilities, such as pumps, indoor transformer centres, pitheads, etc.

Tele-remote system

Within its control system, the company has two tele-remote rooms to operate, from the surface, essential equipment inside the mine with the aim of increasing its availability in shift changes and also enhancing worker safety.

The tele-remote system is an important tool for operational safety. The automation of excavators and Simbas allows this equipment to be controlled by operators on the surface who visualize the machinery on screens. From a safety viewpoint, the system drastically reduces operators’ exposure to dust, gases and noise, since they only have to enter the mine occasionally in the event of track repairs, dislodgements of materials involving risk, stope preparation or equipment review. Additionally, it is not necessary to be physically mounted on the excavator, which eliminates constantly entering and leaving the cabin and reduces fatigue caused by prolonged work on mobile equipment.

The equipment has an automated security system that constantly checks the status of the equipment and the work area. It is composed of laser barriers that detect any movement in the drilling area, automatically stopping it. For safety reasons, if the equipment loses contact with the tele-remote control room due to signal problems the pumps stop immediately and drilling is automatically suspended. If contact cannot be restored within 10 seconds, the machine stops completely. Both the machine and the control room have emergency cut-off systems that can be used for any unforeseen event.

This system allows us to work 24 hours per day, seven days per week, eliminating down time caused by shift changes (entry and exit of mining personnel) and halts due to gas ventilation in work areas. Thanks to these two factors, time optimisation by the tele-remote system can reach 1,000 additional drilling hours per year, per team.
The commitment to innovation is evident inside the mines, where cutting-edge systems have been installed. We have installed Wi-Fi at the Aguas Teñidas and Magdalena mines and provided staff with tablets to improve communications and security. It is important to note that the tele-remote system has been implemented thanks to the Wi-Fi installation. This Wi-Fi network opens the gate for the incorporation of new technologies, such as VOIP (voice over IP) that will allow people working on the faces to communicate directly with others through a smartphone.

In this respect, the Pitram Mobile system has been implemented in the fleet of trucks and excavators and a digital system has been installed in excavators to control them through the Wi-Fi network and implement new functions, such as the possibility of operating more than one excavator at a time.

The tele-remote system has been implemented thanks to the Wi-Fi installation and it opens the gate for the incorporation of new technologies.

The company innovates and is committed to non-polluting technologies. One of the main innovations in this project is using paste fill in the mining galleries. This paste, generated from the tailings exiting the process plant, allows around 95% of the deposit to be recovered by backfilling stopes while reducing the need for surface land to deposit tailings. Thanks to this process it is possible to fill in and stabilise the stopes produced in the mining process, which is a decisive safety factor.
One of the most important innovations applied to the operation is the paste deposit infrastructure. About 60% of the tailings from the plant ore processing are stored in paste form in this deposit. This facility has all necessary environmental controls and safeguards and is built with a waterproofing system, bottom drainage and filtration collection systems to avoid environmental damage.

According to studies conducted by the University of Huelva in 2019, the Magdalena mine ore contains a proportion of gold which is not typical of the Iberian Pyrite Belt. This aroused some interest in the company to seek an extraction treatment for this mineral. By the year end, 95% progress was achieved in the recovery project.

At present the company is focused on investigating new extraction solutions for this mineral through a process other than flotation for later commercialisation.
Innovation in research and development

The company has implemented a new trial research system called “Sísmica 3D-Pasiva”, which unlike the conventional system does not require the use of explosives or a vibrator truck to obtain seismic signals, but instead uses the ambient noise itself. This technology is part of an interesting European project in which MATSA is currently cooperating and which will result in a significant reduction in research costs.

Along these lines, a new geophysics technology through drones is also being trialled, in addition to a new scanner system called hyperspectral, which studies mineralogy and alterations in drilling samples.

In view of the successful explorations, the useful life of MATSA is estimated at more than twenty years with current resources, which is indicative of the mineral wealth to be found in this area of Andalusia.

These results place the company as the leading geological research enterprise in the region and are the result of MATSA’s commitment to research and the experience accumulated by the professionals in our geology team.
During the year the company will continue to investigate passive water treatment with the aim of reducing sulphate and metal concentrations through the wetland system, making adjustments to improve performance and demonstrate its technical and economic feasibility.

This innovative system shows that plants native to the area have a high capacity to withstand this type of water and can survive in adverse conditions thanks to their capacity to partially purify the water. As a result, the reduction in sulphate concentration, in chemical oxygen demand, in thioxals and in other elements has been proven.

Additional benefits include the durability of these systems over time and the opportunity to create habitats for the development of animal and plant species.
7. Corporate Social Responsibility
MATSA, Developing our people

MATSA’s approach to Corporate Social Responsibility is based on protecting the health and well-being of our employees and our communities, as well as conducting business in accordance with the highest ethical standards and conserving the environment and natural resources.

From this starting point, we analyse the economic, social and environmental impact of our operations on the environment and community and determine how we want to interact with our stakeholders and the local community.

Principles of MATSA’s Corporate Social Responsibility Policy

MATSA’s main stakeholders are detailed below:

LOCAL COMMUNITIES AND GLOBAL SOCIETY:
REGIONAL AND SUSTAINABLE DEVELOPMENT
• Commitment to environmental sustainability and the sustainable use of natural resources.
• Contribution to local and regional development, recognising social and cultural differences.
• Commitment to open dialogue and transparency.

WITH EMPLOYEES: HEALTH AND SAFETY IN THE WORKPLACE
• Accident, injury and illness prevention and employee protection.
• Development of employee skills, providing equal opportunities.

WITH BUSINESS PARTNERS: FAIR BUSINESS PRACTICES
• Compliance with all internal and external regulatory requirements.
• Building win-win relationships based on mutual trust and high ethical standards.

WITH SHAREHOLDERS: A PROFITABLE BUSINESS
• Creating sustainable value and commitment to innovation.

THE FACTORS THAT DRIVE US ARE:
• Good governance
• Sustainable operations
• Profitability
• Environmental protection
• Health care
• Transparency
• Social equality
• Regional development

Stable employment, concern for safety and health in the workplace and our commitment to the environment and society are essential pillars for MATSA.
Currently, MATSA is the most important company in the area in terms of job creation and a driver of wealth in the region. Its presence entails significant economic opportunities, contributing to the area’s well-being.

For its part, the company has contributed over €179 million to the social and economic development of the surrounding area, comprising €146 million to local suppliers, €33 million in salaries and other benefits and more than €685 thousand in taxes and charges to local authorities.

MATSA has contributed over €179 million to the social and economic development of the surrounding area, comprising local suppliers, salaries and other benefits, and taxes and charges to local authorities.

The commitment to people’s well-being extends to the municipalities around the site, in which MATSA implements all kinds of programmes aimed at boosting its economic, social, educational and cultural development, including the following:

“LA FUERZA DE LA UNIÓN” (STRONGER TOGETHER) COOPERATION PLAN
In 2019 the company launched a new Cooperation Plan that replaced the former programme of sponsorships and cooperation aimed at strengthening the commitment towards the surrounding municipalities. The new plan has three lines of action to promote business initiatives and projects backed by the municipal authorities and community organisations: “Pueblos”, “Emprende” and “Alianza”.

The “Pueblos” (Peoples) Programme is a direct collaboration with the municipal authorities to carry out projects for the benefit of the community. The “Emprende” (Do Business) Programme supports new business initiatives in the area. The “Alianza” (Alliance) Programme will channel support to the non-profit organisations in the region.

The financial aid provided helps to launch projects that contribute to improving people’s quality of life, fomenting education and the conservation of the environment. In addition to others related to culture, solidarity, sports or the enhancement of the area’s heritage.

OPEN DOORS PROGRAMME
Within its policy of rapprochement and transparency with neighbouring communities, a few years ago the company launched its open-doors programme with the aim of providing information on the mining sector and the basic aspects of our business activity to anyone wishing to visit the installations.

Since the launch of the programme, we have received visits from over a thousand people from different areas of the provinces of Huelva and Seville.

In that time, more than 300 visitors have rated this initiative very positively by means of a satisfaction survey, giving a score of 4.91 out of 5. These visits take place on the last Friday of each month from 9:30 am to 1:30 pm, and can be reserved by email at visitasmatsa@grupotms.com.

At the beginning of 2019, we opened Sotiel Mine to welcome the residents of this town and offer them the opportunity to visit these operations facilities.
TALKS AND SCHOLARSHIP PROGRAMME

At the end of 2018, the fifth edition of our scholarship programme took place, which is endowed with a total of €8,000 distributed in four grants of €2,000 each. They are intended for the two students with the best Baccalaureate grades in the Calañas and Cortegana high schools.

This programme helps with the economic effort involved in studying at university and supports local youth, highlighting the company’s commitment to the education and training of young students.

FOOD CAMPAIGN

The food campaign that the company organises at Christmas is possible thanks to the solidarity of employees and contractors. On a voluntary basis, workers provide non-perishable foodstuffs for the neediest families in the area. As well as the food donated by employees, the kilos contributed by the company must also be taken into account, which are usually acquired in nearby shops in order to support the local economy.

MATSA is the most important company in the area in terms of job creation and a driver of wealth in the region. Its presence entails significant economic opportunities, contributing to the area’s well-being.
BLOOD DONATION CAMPAIGN
Under the slogan “Donate blood, donate life”, MATSA workers leave their daily activities for a few minutes to donate blood in order to meet the needs of health centres in the Huelva province. This initiative was joined by neighbours from nearby communities, in a gesture of solidarity.

MAGIC BOX
Coinciding with the start of the school year, the company has implemented the “La Caja Mágica” (Magic Box) programme. This initiative consists of a major contribution of school material aimed at families with limited resources at the schools of Almonaster la Real, Calañas, Cortegana, El Cerro de Andévalo, La Zarza-El Perrunal and San Telmo.

In 2019, 80 boxes have been distributed including backpacks, notebooks, pencil and marker cases, ruler and compass sets, folders, scissors, etc., purchased at a stationery store in the area to promote local commerce.

MINING DIARIES FOR YOUNG CHILDREN
At the beginning of the school year, the company distributed a thousand mining diaries to primary school children in schools in the area. This initiative is part of the activity carried out by AMINER, the Andalusian Employers’ Association, which reflects the sector’s interest in bringing mining closer to children.

This school diary, which is amenable and designed for small children, is illustrated with educational content about the history of mining, the usefulness of metals, the means of extracting ore, the machinery used, etc., with a view to promoting mining and the values associated with sustainability and innovation.
“DEVELOPING OUR PEOPLE” AWARDS

MATSA celebrated the first edition, in its external version, of the “Mining for People” awards in the first quarter of the year, recognising the good practices carried out in the area. In this edition the award was granted to the members of the second company of the Civil Guard at Valverde del Camino, the INFOCA operational centre in Huelva and the Provincial Firefighters Consortium.

The second edition, in its internal version, recognised the commitment, work, effort and dedication of MATSA’s workers. These awards acknowledge employees’ efforts in any of the company’s operations or departments. Candidates are identified based on the following four corporate values: safety, integrity and respect in all their actions, teamwork and permanent innovation. These awards are presented during the annual Christmas lunch on Santa Barbara day.

BOOKS TO FACTORIES

This concerns an initiative, recognised by the Ministry of Education, Culture and Sport of the Spanish central government, to promote reading in work environments. This initiative has been launched by the company in line with the cultural values that form part of its corporate social responsibility.

It consists of the distribution of a specific publication on the proposal of the Anastasio de Gracia-FITEL Foundation, and a colloquium at the facilities among the author of this book and the interested employees.
SEMINARS AND CONFERENCES
Since the beginning of the project, MATSA has cooperated closely with the University of Huelva (UHU) and the International University of Andalusia (UNIA) in relation to mining studies.

In 2019, MATSA has celebrated the first five years of its cooperation agreement with the UHU and the UNIA for the development of a Specialisation Seminar, sponsored by the company, which is included in the “Masters in Geology and Environmental Management of mineral resources”. This agreement arises from their common interest in the promotion of and specialized training in subjects related to the study of mineral resources and their exploration and exploitation from a sustainable point of view.

Similarly, the company entered into a cooperation agreement until 2019 with the Women, Business and Society Chair, promoted by the San Telmo Foundation, the aim of which is to promote diversity and the contribution of men and women to the construction of society.

This year the company has played a leading role in seminars and conferences on the mining sector, participating in the conference on “Industrial Development and Environmental Protection” organized by the Engineering School of Seville University. It has also taken part in the “1st Women and Mining Symposium” organised by the Official College of Engineers and Graduates in Mining and Energy of Huelva, Seville, Cádiz, Badajoz, Cáceres and the Canary Islands.
CORPORATE SOCIAL RESPONSIBILITY

**Awards**

MATSA strives to carry out its activities in an ethical and responsible manner. In this respect, the company is proud that its commitment in various areas of activity, particularly during the present year, has been recognised:

- 2019 Almonaster la Real Medal.

**Institutional representation**

MATSA is a founding partner of the Association of Research, Extraction, Mining, Metallurgical, Auxiliary and Service Companies (AMINER). This is a non-profit organisation that represents the main companies in the metal mining sector and the associated auxiliary industries in Andalusia, defending their interests and publicising the benefits of sustainable mining activities for the economy.

During its ten years of existence, AMINER has maintained a continuous dialogue with the authorities and other national and international sectoral and professional organisations, which also promoting the current reality of mining based on innovation and respect for the environment in which mining companies operate through numerous initiatives. AMINER currently has 27 members representing most metal mining entities in Andalusia.

In addition, MATSA is a member of the National Mining and Metallurgy Business Confederation (CONFEDEM), which acts as the mining sector representative before national institutions, in the Andalusia Business Confederation (CEA) and in the Onubense Business Federation (FOE).

MATSA received the Almonaster la Real Medal, awarded by the City Council of said municipality, in recognition of the reactivation of mining in the Huelva province and its commitment to the socio-economic development of the area.