

Health and Safety

Safety is an essential part of our operation, through preventive measures and risk control. Our goal: **ZERO accidents**. And to achieve this we have developed specific strategies and policies in Mexico and Peru, appropriate for our operating conditions, legislation, and work culture.

At both Minera México and Southern Peru, we have Safety management instruments in place. In Mexico, our safety policy includes our Integral Management System on Health and Safety in the Workplace. In Peru, we have adopted the DET NORSKE VERITAS "Total Loss Control" Safety Management System since 1995, which provides us with our management tools.

All our underground operations in Mexico are OHSAS 18001:2007 certified and our goal for 2010 is for all our operations to be certified. In Peru, we are committed to certifying seven units in 2010.

Investments in safety

Investments in safety totaled US \$24.18 million, allocated to three principal areas: a) Training and course materials; b) Purchase of personal protective equipment; and c) Engineering projects (mainly dust and gas collection systems and also ventilation and anchoring systems for underground mining), considering the modernization and optimization of our operations, reducing the risks associated with health and safety.

INVESTMENTS IN SAFETY (US\$ MILLIONS) MINING DIVISION 2009

AREA	SCC
Training and course materials	\$ 1.39
Purchase of personal protective equipment	\$ 4.54
Safety-related engineering projects	\$ 18.25



We reduced the incident rate by 17% and the gravity rate by 26% for the Mining Division overall

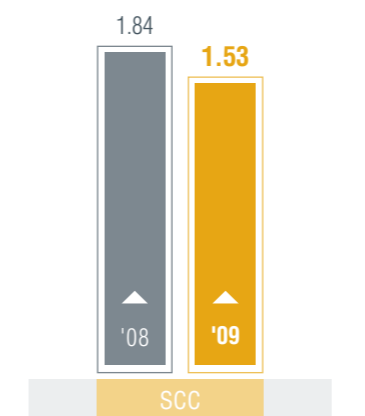
Performance in health and safety

Industrial safety

Our people are represented on matters of health and safety. Each property has a Central Safety Committee and a Health and Safety Commission, in addition to department committees and safety cells.

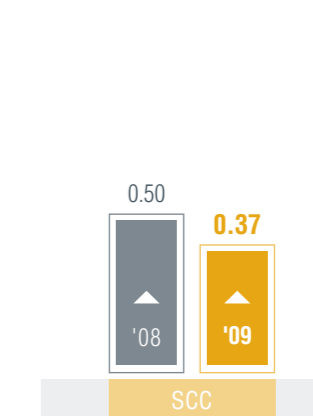
Our efforts on safety have reduced the Gravity index for the Mining Division overall by 26%, Mexico by 25% and Peru 30%.

INCIDENT RATES MINING DIVISION 2008-2009



$$IR = \frac{\text{Total No. incidents}}{\text{Total hours worked}} \times 200,000$$

GRAVITY RATE MINING DIVISION 2008-2009



$$GR = \frac{\text{No. days lost}}{\text{Total hours worked}} \times 1000$$

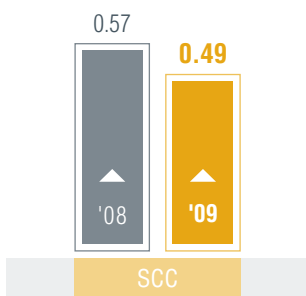
Charcas underground mine, San Luis Potosí, Mexico.

The company has six underground-miner rescue teams and five first aid teams, the crews at the Santa Bárbara mine received first place in mine rescue from the CAMIMEX.



Occupational health

OCCUPATIONAL DISEASE RATE MINING DIVISION 2008-2009



$$\text{ODR} = \frac{\text{Total No. cases of occupational diseases}}{\text{Total hours worked}} \times 200,000$$

We conduct preventive and timely detection programs directed mainly at those over 40 years of age, when there is a greater risk of the development and complication of chronic-degenerative illnesses, such as diabetes mellitus, high blood pressure, obesity, degenerative disorders, and occupational diseases that are predominant in our sector: hearing loss and silicosis in the lungs.

As a result of our actions taken on health, we reduced the Rate of occupational diseases by 15%.

The total investment made by the Mining Division in health during 2009 reached US \$14 million, distributed in Mexico as follows: medications, lab work, inputs, and equipment maintenance. In Peru, the investment is based on managing hospitals.