

Compania de Minas Buenaventura S.A. ADS

Overall score 33/100

ISIN CODE: US2044481040

Sector: Mining & Metals Emerging Market

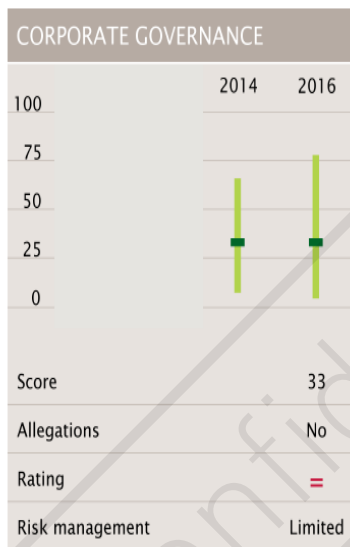
Information rate: 48% (Sector average: 54%)
Company cooperation level: Not responsive *

Companies in sector panel: 51

General information

Compañía de Minas Buenaventura SAA engages in the mining, processing, development and exploration of gold and silver and other metals through wholly owned mines, as well as through its participation in joint exploration projects. The Company also generates electric power and provides consulting engineering and insurance services. Compañía de Minas Buenaventura was founded by Alberto Benavides de la Quintana in July 1953 and is headquartered in Lima, Peru.

Main Economic Segment**	Turnover 2014
Mining	77.0 %
Corporate	13.6 %
Construction and engineering	4.8 %



Key issues

Corporate governance is critical to ensuring that a well functioning system of checks and balances protects the interests of all of the company's stakeholders. The effectiveness of the Board of Directors is a key issue to be addressed: this can be gleaned from information on Board composition (independence and competencies) and its way of functioning (regularity of Board meetings, evaluation of performance). Other important corporate governance factors include the effectiveness of the Audit and Internal control system, the protection of Shareholders Rights and the establishment of Executive Remunerations which align executives' and company's interests.

Company performance

- The Company's performance in the Corporate Governance domain is limited in absolute terms.
- The domain's score has remained stable compared to the previous review.
- Shareholders' rights seem to be respected, although no information on the voting

results at AGM or the governance and CSR items put to a vote is disclosed. Less than half of the Board of Directors is considered independent and, contrary to international standards, roles of Chairman and CEO are combined. The Audit & Internal Control Committee, has a comprehensive role, but fees paid to external auditors are not disclosed and the fact that the Sustainability Report is not audited by an external auditor brings performance to a limited score. As far as Executive Remuneration is concerned, the Remuneration Committee has one independant members but executive remuneration is disclosed on a collective basis.

* On a 4-level scale: proactive, responsive, partially responsive, not responsive

** See detailed economic indicators in Selected financial data section

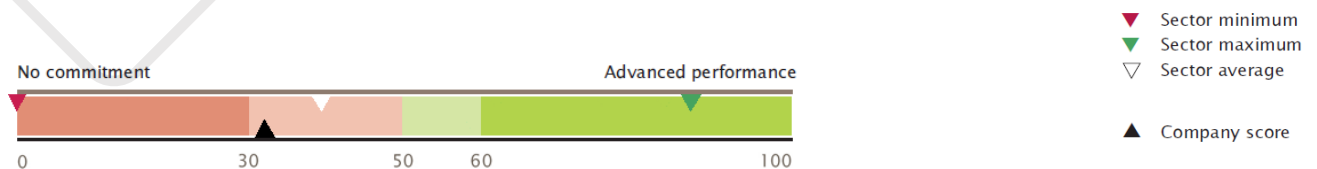
*** Based on the most recent Index at the date of publication

Corporate Governance

Score : 33

CGV1.1 Board of Directors

(score: 32, weight: 3)



Existence and independence of Nomination Committee

A specific committee is in place, but at least one executive is part of it, which might raise concerns.

Independence of board Chairman Contrary to standards advocated by Vigeo, the roles of Chairman and CEO are combined.
Roque Benavides Ganoza is chairman of the Board, President and Chief Executive Officer and member of the Nominating Committee.

Total % of independent shareholder-elected board members The board is between 34 and 50% independent, which is slightly less than the recommended level.
Four members of the eight-member Board are considered independent

Skills and backgrounds of non-executive board members Non-executive board members have complementary and relevant skills and backgrounds.

Training and expertise provided to board members *Information obtained from the company and public sources regarding training provided to board members is insufficient.*

Regularity of and attendance at board meetings *Information obtained from the company and public sources regarding the regularity of and attendance at board meetings is insufficient.*

Regular election of board members Board members are elected at least every 3 years.
Directors can be reelected indefinitely every three years according to the bylaws.

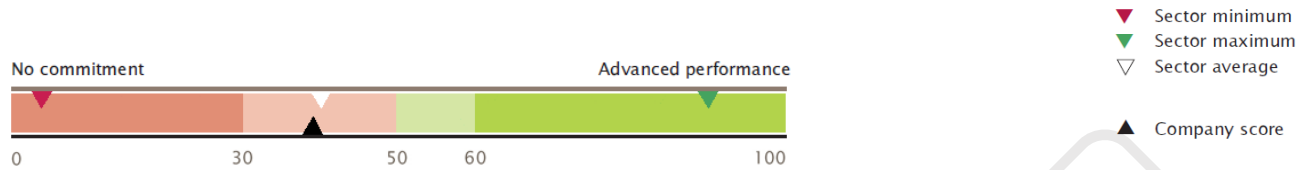
Evaluation of board functioning and performance Performance is evaluated regularly, but with no disclosure on the results.
the nominating and Good Corporate Governance Committee Charter (comprised of all board members) ensures full compliance of the Good Corporate Governance Principles by each of the directors and management. Annually, the Nominating and Corporate Governance Committee shall review its own performance and verify its fulfillment of all of the functions provided herein.

Review of CSR issues at board meetings *Information obtained from the company and public sources regarding the review of CSR issues at board meetings is insufficient.*

Non-independent board members (excl. employee representatives)	Role	Current or Former Executive	More than 9 years on board	Stock options or warrants	Paid >1/2 executive salary	Owns or represents >3% company's shares	Other
Roque Benavides	Chairman & CEO - Nomination Committee	X	X				
José Miguel Morales			X				
Felipe Ortiz-de-Zevallos	Audit Committee - Compensation Committee		X				
German Suárez	Audit Committee		X				

CGV2.1 Audit & Internal Controls

(score: 39, weight: 2)



Existence and independence of Audit Committee

No executive is a member of the committee, but half or fewer are independent, contrary to standards advocated by Vigeo.
One member of the 3-member Audit Committee are considered independent.

Skills and backgrounds of Audit Committee members

Members appear to have financial and audit experience and relevant operational experience.

Operational and CSR risks covered by the company's internal controls system

The system covers the standard issues related to financial, operational, and legal risks.

Role of the Audit Committee in overseeing internal and external controls

The Audit Committee does not oversee CSR risks but has a comprehensive role that includes:

- Oversee internal audit and internal controls
- Review accounting policies and be responsible for updates
- Nominate the statutory auditor
- Oversee the work of the external auditor
- Approve the type of audit and non-audit services provided and fees paid to the external auditor

Independence of the firm's external auditors

Information obtained from the company and public sources regarding the independence of the firm's external auditors is insufficient.

Inclusion of CSR issues in company reporting

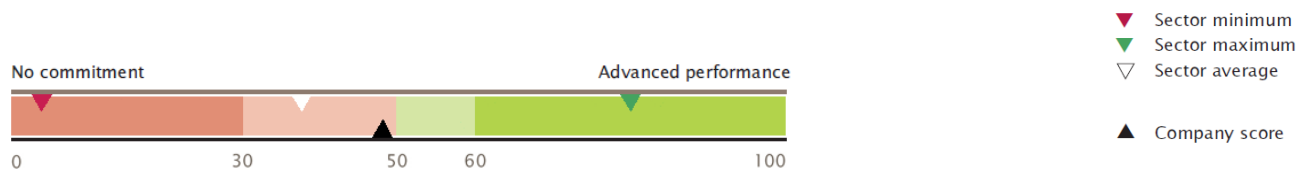
The company publishes significant environmental reporting, with quantitative indicators, but this reporting is not reviewed by a 3rd party.

Reliability of the company's internal controls system

A review of stakeholder sources did not reveal any allegations for internal control failures against the company during the period under review: stakeholders' feedback is neutral.

CGV3.1 Shareholders

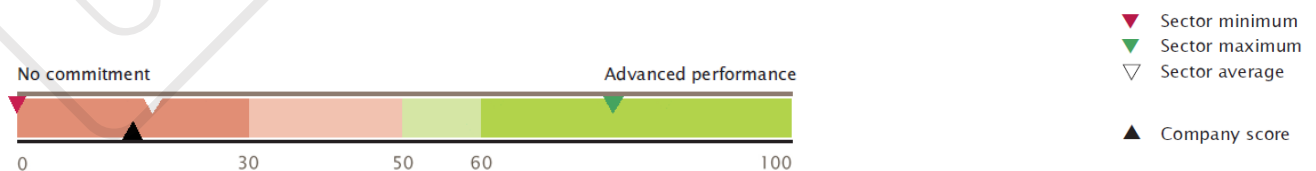
(score: 48, weight: 2)



Voting rights restrictions	The company respects the "one share - one vote" principle.
Existence of anti-takeover devices	There is no reference to anti-takeover devices in the company's reporting.
Safeguards on transactions with major shareholder(s)	No safeguards appear to be in place, which might raise concerns with regard to the fairness of any such transaction.
Ability to add items to the agenda of the AGM and to convene an EGM.	No major restrictions have been identified.
Access to voting at General Meetings	There are no major restrictions on shareholders' ability to vote, however there is no possibility of voting through online services.
Governance and CSR items put to a vote at General Meetings	<i>Information obtained from the company and public sources, regarding which items are customarily put to a vote at the AGM, is insufficient.</i>
Voting results of the latest AGM	<i>Information obtained from the company and public sources regarding voting results of the latest AGM is insufficient.</i>
Feedback from shareholders and other stakeholders on the company's corporate governance performance	A review of stakeholder sources did not reveal any allegations against the company during the period under review: stakeholders' feedback is neutral.

CGV4.1 Executive Remuneration

(score: 15, weight: 2)



Existence and independence of Remuneration Committee	All members are non-executive directors, and the majority are independent. <i>One members of the 3-member Committee is considered independant.</i>
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Disclosure of senior executives' individual remuneration

Executive remuneration is disclosed, but on a collective rather than on an individual basis.

Link between Short Term Incentive Plans and the economic and CSR performance of the company

There is no disclosure on what rules guide the company in allocating bonuses and other short-term incentives to senior executives.

Link between the main Long Term Incentive Plan and the economic performance of the company

There is no disclosure on what rules guide the company in allocating stock options and other long-term incentives to senior executives, and what performance conditions are attached to the right to exercise these incentives.

Severance pay for senior executives

Information obtained from the company and public sources regarding severance pay for senior executives is insufficient.

Voting results on executive remuneration at the AGM

Information obtained from the company and public sources regarding voting results on executive remuneration at the AGM is insufficient.

Confidential Information

Contacts

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