

# SOCIEDAD QUIMICA Y MINERA DE CHILE SA (GROUP)

Chile | Manufacture of basic chemicals, fertilizers and nitrogen compounds, plastics and synthetic rubber in primary forms

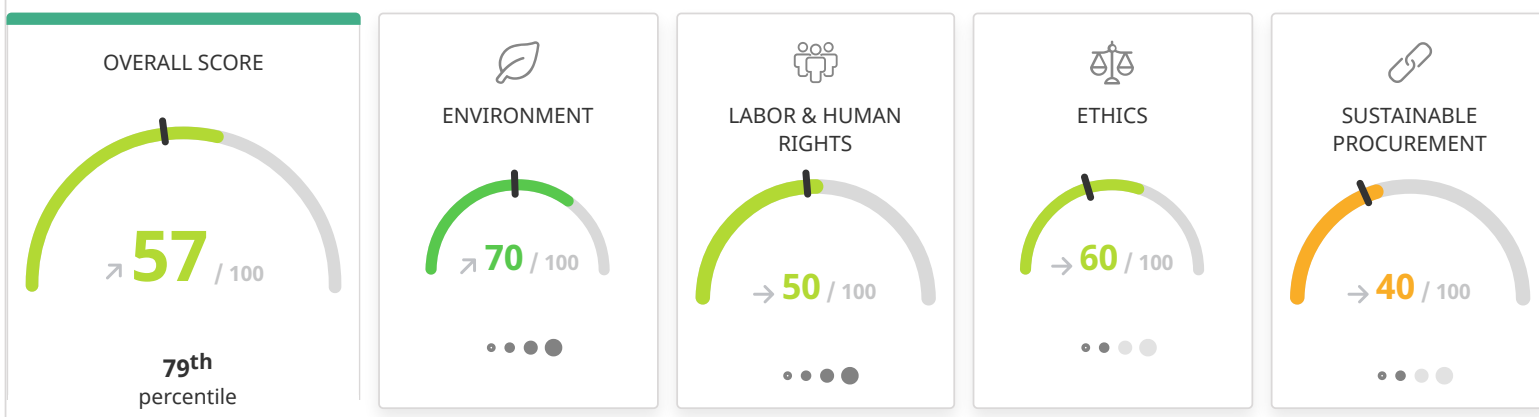


79th percentile

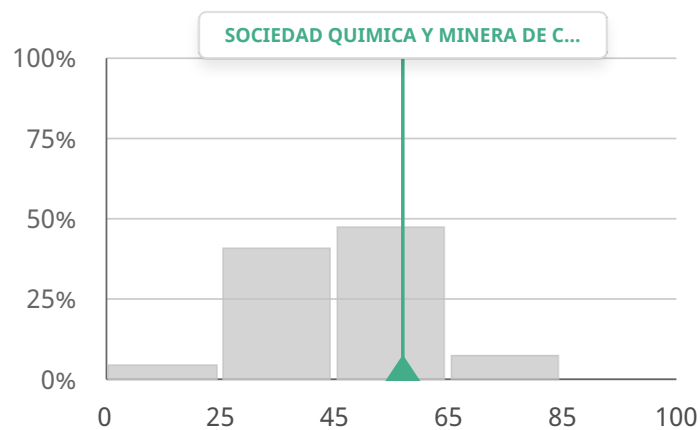
Publication date: 12 Feb 2021

● Insufficient 
 ● Partial 
 ● Moderate 
 ● Advanced 
 ● Outstanding

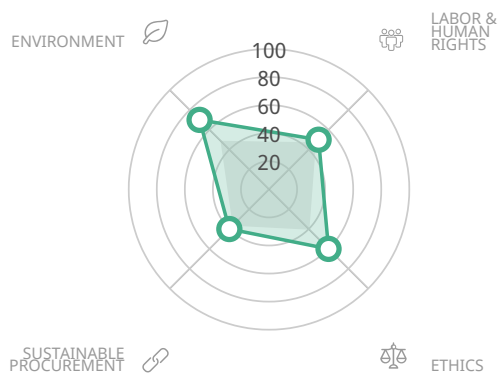
— Average industry score



Overall score distribution



Theme score comparison



● All companies rated by EcoVadis in this industry

○ SOCIEDAD QUIMICA Y MINERA DE CHILE SA (GROUP) score

● All companies rated by EcoVadis in this industry

## Strengths and Improvement Areas

## Strengths (29)

### Policies

Strengths

Quantitative objectives set on some relevant issues [GHG emissions, water, materials, chemicals and waste]

Comprehensive policy on a majority of environmental issues

Endorsement of external initiative on environmental issues [i.e. Global Battery Alliance, Accion Empresas]

Endorsement of the United Nations Global Compact (UNGC)

### Actions

Strengths

Company-specific emergency preparedness and response procedure regarding local pollution

Measures to detect and/or eliminate accidental water contamination (e.g. groundwater, surface water)

Measures to reduce CO2 emissions from transport

Reduction of energy consumption through technology or equipment upgrades

Formalized procedure related to materials / chemicals management (e.g. storing, handling, transportation)

RCMS (Responsible Care Management System) certified

Provision of Safety Data Sheets (SDS)

Registration of substances to the ECHA

Company's checklists with safety requirements to support loading and unloading operations

On-site wastewater treatment unit

Infrastructure implemented to reuse water from operational processes (e.g. recover water from evaporation operation)

Provision of safety data sheets (SDS) adapted for the REACH regulation

Measures to avoid emissions of dust or particles

Waste management measures in place

Measures for handling hazardous substances

Use of renewable energies

### Results

Strengths

CSR report has been prepared in accordance with GRI Standards [i.e. 'Core' Option]

Reporting on total water consumption

Reporting on total weight of non-hazardous waste

Reporting on total weight of hazardous waste

Reporting on total gross Scope 1 and 2 GHG emissions

Materiality analysis in sustainability reporting

External assurance of sustainability reporting

Reporting on total energy consumption

Comprehensive reporting on environmental issues

## Improvement Areas (1)

### Actions

Priority

Improvement Areas

Medium

Supporting documentation demonstrates a medium level of coverage of environmental actions throughout the company operations



## Labor & Human Rights

Weight ● ● ● ●

## Strengths (34)

### Policies

Strengths

Standard policy on a majority of labor or human rights issues

Endorsement of external initiative on labor or human rights issues [i.e. Global Battery Alliance, Accion Empresas]

Endorsement of the United Nations Global Compact (UNGC)

### Actions

Strengths

Measures to promote gender and/or minority inclusion in the workplace

Additional leave beyond standard vacation days

Employee satisfaction survey

Bonus scheme related to company performance

Collective agreement on working conditions

Health care coverage of employees in place

RCMS (Responsible Care Management System) certified

Formalized process in place to assess and document risks related to employee health and safety

Training on health and safety issues for subcontractors working on the company premises

Emergency preparedness plan to all impacted employees (e.g. fire drills)

Whistleblower procedure on human rights issues

Employee representatives or employee representative body (e.g. works council)

Internal audits on health & safety issues

Specific measures on discrimination issues

Provision of protective equipment to all impacted employees

Employee health & safety detailed risk assessment

Training of drivers on health & safety risks and best working practices

Regular assessment (at least once a year) of individual performance

Active preventive measures for stress and noise

Health & safety procedures translated in major languages spoken by employees

Provision of skills development training

Joint labor management health & safety committee in operation

Specific measures implemented for the integration of employees with disabilities

Training of relevant employees on health & safety risks and best working practices

## Results

Strengths

CSR report has been prepared in accordance with GRI Standards [i.e. 'Core' Option]

Reporting on average training hours per employee

Materiality analysis in sustainability reporting

External assurance of sustainability reporting

Reporting on the percentage of women in top executive positions

Comprehensive reporting on labor and human rights issues

Reporting on accident frequency rate

## Improvement Areas (6)

### Policies

Priority

Improvement Areas

Low

No quantitative target on labor and human rights issues

### Actions

Priority

Improvement Areas

Medium

Supporting documentation demonstrates a medium level of coverage of labor and human rights actions throughout the company operations/workforce

Low

Does not declare special remuneration or time off for overtime work throughout the entire scope of operations

Low

Does not declare that employees receive 24 hours rest within a time frame of 7 consecutive days throughout the entire scope of operations

### Results

Priority

Improvement Areas

Medium

Our 360° screening has identified at least one significant controversy, fine or penalty regarding labor and human rights issues in the last five years (see news flagged with red warning sign in the 360° section) [i.e. complaints from local communities over water and human rights intake]

Low

Declares reporting on accident severity rate, but no supporting documentation available

## Strengths (18)

### Policies

Strengths

Disciplinary sanctions to deal with policy violations

Employee signature acknowledgement of ethics policies

Exceptional policy on ethics issues

Endorsement of external initiative on ethics issues [, Accion Empresas]

Endorsement of the United Nations Global Compact (UNGC)

## Actions

Strengths

Ethics due diligence program on third parties in place

RCMS (Responsible Care Management System) certified

Incident response procedure (IRP) to manage breaches of confidential information

Whistleblower procedure to report ethics issues

Corruption risk assessments performed

Audits of control procedures to prevent corruption

Awareness training performed to prevent corruption

Specific approval procedure for sensitive transactions (e.g. gifts, travel)

Awareness training performed to prevent anticompetitive practices

## Results

Strengths

CSR report has been prepared in accordance with GRI Standards [i.e. 'Core' Option]

Materiality analysis in sustainability reporting

External assurance of sustainability reporting

Comprehensive reporting on ethics issues

## Improvement Areas (2)

### Actions

Priority

Improvement Areas

Medium

Supporting documentation demonstrates a medium level of coverage of ethics actions throughout the company operations

### Results

Priority

Improvement Areas

Medium

Our 360° screening has identified at least one significant controversy, fine or penalty regarding ethics issues (e.g. corruption, anticompetitive practices, data confidentiality) in the last ten years (see news flagged with red warning sign in the 360° section) [FCPA settlement]



Sustainable Procurement

Weight ● ● ● ●

## Strengths (11)

### Policies

Strengths

Endorsement of external initiative on sustainable procurement issues [Accion Empresas]

Sustainable procurement policies on both supplier environmental and social practices

**Actions**

Strengths

Supplier CSR code of conduct in place

Formal assessment of suppliers' progress with regards to REACH requirements

Capacity building of suppliers on environmental or social issues (e.g. corrective actions, training)

On-site audits of suppliers on environmental or social issues

Integration of social or environmental clauses into supplier contracts

**Results**

Strengths

CSR report has been prepared in accordance with GRI Standards [i.e. 'Core' Option]

Materiality analysis in sustainability reporting

External assurance of sustainability reporting

Declares using no tin, tantalum, tungsten, gold, and/or their derivatives

**Improvement Areas (5)**

**Actions**

Priority

Improvement Areas

High

No supporting documentation on the coverage of sustainable procurement actions throughout the company supplier base/operations

High

No information on CSR risk analysis being conducted (i.e. prior to supplier assessments or audits)

Medium

No information regarding training of buyers on social and environmental issues within the supply chain

Low

No information on whether sustainable procurement objectives are integrated into buyer performance reviews

**Results**

Priority

Improvement Areas

High

Declares reporting on sustainable procurement, but no supporting documentation available

Corrective action in progress

**360° Watch Findings**

17 Jan 2021

**SQM lucha por ganarse a las comunidades indígenas chilenas**

ocmal.org

En 2018, SQM llegó a un acuerdo con Chile que le permitió elevar la producción en el Salar de Atacama, un ecosistema frágil cuyos habitantes indígenas temen que la minería pueda poner en peligro.



→ No score impact

12 Nov 2020

**SQM alcanza acuerdo para terminar con juicio en EE.UU.**

diarioestrategia.cl

Sociedad Química y Minera de Chile S.A. (SQM) consignó ayer a través de un hecho esencial que con esta fecha, la Sociedad ha firmado documento en inglés que contiene un resumen de términos vinculantes para terminar con el juicio de acción de clase iniciada por Tyne and Wear Pension Fund, caratulado Villella v. Chemical and Mining Company of Chile, Inc.,.



→ No score impact

9 Oct 2020

**SQM to cut water, brine use by 50% over ten years**

mining.com

The company, which produces lithium by pumping brine from beneath the desert and concentrating it through evaporation in pools, has committed to reduce its use of "continental" water by 20% from November this year. The goal, it said, is cutting water use by 50% by 2030.



→ No score impact

**Specific Comments**

The implementation coverage of sustainability measures and actions throughout the company is unclear.

Company not associated with Politically Exposed Persons (PEPs) by third party risk and compliance database.

Company identified in third party risk and compliance database.

Since the last assessment, the overall score has increased thanks to the implementation of additional policies.

Since the last assessment, the overall score has increased thanks to the implementation of additional measures.

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