

## Kennecott Utah Copper Facts

**Location**

South Jordan, Utah

**Ownership**

Rio Tinto – 100 percent

**Founded**

1903

**Kennecott Utah Copper President & CEO**

Kelly Sanders

**Employees**

1,885

**Landholding**

93,000 acres

**Contact Information**

4700 Daybreak Parkway

South Jordan, UT 84095

Phone: 801.204.2000

Website: [www.kennecott.com](http://www.kennecott.com)

**About Kennecott Utah Copper**

Kennecott Utah Copper is a mining, smelting and refining company committed to integrating sustainable development into every facet of the company's business. For more than 100 years, Kennecott has been mining and processing the rich minerals found in the huge ore body of the Bingham Canyon Mine. Nearly everything people do today relies on materials that are mined — from minerals used daily in medicine, food, shampoo and soap, to metals used to conduct heat and electricity, as well as those used for CAT scans and in the space shuttle.

As the second largest copper producer in the United States, Kennecott provides about 18-25 percent of the country's copper needs. Kennecott's Bingham Canyon Mine is the largest manmade excavation on earth. It has produced more copper ore, 19 million tons, than any mine in the world. Every year, Kennecott produces approximately 300,000 tons of copper, 500,000 ounces of gold, 4 million ounces of silver, 30 million pounds of molybdenum, and about 1 million tons of sulphuric acid, a useful by-product of the smelting process. Rio Tinto purchased Kennecott in 1989 and has invested about \$2 billion in modernization projects. Kennecott has also spent more than \$400 million on groundwater and soils cleanup.

**Products**

- Copper
- Molybdenum
- Gold
- Silver
- Sulphuric Acid

## 2010 Production Statistics

- Copper – 296,000 tons
- Gold – 596,000 ounces
- Silver – 4.7 million ounces
- Molybdenum Production – 28 million pounds

## Safety

Kennecott's goal is to ensure that each employee goes home safe at the end of each day. This type of commitment and the investment of time, resources and training, have produced recent safety statistics that are significantly better than the industry average for all injury frequency rates. Safety is a core value and an essential part of the culture at Kennecott.

## Main Operations

- Bingham Canyon Mine
- Copperton Concentrator
- Garfield Smelter
- Kennecott Refinery
- Kennecott Tailings Impoundment

## Economic Contribution

- Total in-state spending by combined KUC and Rio Tinto business units in 2009 was \$900 million, composed of approximately \$250 million in wages, salaries, pensions and benefits and approximately \$650 million in purchases from Utah firms. The \$900 million includes payments to Utah state and local governments.
- KUC and Rio Tinto business units directly employed 2,400 people with an annual payroll of approximately \$250 million, which includes wages, salaries, pensions and benefits. The average payroll per job (including benefits) of nearly \$93,000 in 2009 makes these among the highest-paid jobs in the state.
- In 2009, the direct employment of 2,400 people at KUC and Rio Tinto business units added 14,800 indirect jobs totaling approximately 17,200 jobs in Utah.
- No other single private sector operation has generated more production, exports, income, and employment for as many years in Utah.

*\*All information is sourced from the Bureau of Economic Research, University of Utah – August, 2010*

## Sustainable Development

At Kennecott, sustainable development is integral to the company's success as a fully integrated producer of copper cathode, molybdenum, sulphuric acid, gold and silver, and to the social and financial investment stakeholders and surrounding communities have made in the company. By anchoring business strategy and daily practices to align with the concept of sustainable development, Kennecott is able to strengthen operations and products, and provide lasting benefits for employees and stakeholders. These benefits include lower risks, improved efficiency and a superior reputation.

Kennecott's mission "to maximize the long-term value of the resources under our stewardship" is supported by focused efforts in all four pillars of sustainable

development: economic prosperity, social well-being, environmental stewardship, and governance, which includes the management systems and processes that enable us to accomplish our goals in these areas.

One example of Kennecott's commitment to sustainable development is the Daybreak community in South Jordan. The land where the community sits had once been impacted by adjacent mining activities, which led to a period of unprecedented remediation, restoration and reclamation in the 1990s.

This land is now home to more than 2,000 families and is a sustainably developed community that balances the social, environmental, and economic needs of residents and local businesses. It is a place where important elements of life have been combined to allow residents to live, work, play and learn in a walkable, vibrant community that provides transportation options and integrates intelligent design choices.

### **LEED Certified Buildings**

The Leadership in Energy and Environmental Design® Green Building Rating System™ was developed by the United States Green Building Council to certify buildings where measures have been taken to reduce environmental impacts, and it is the internationally accepted benchmark for the design, construction and operation of high-performance green buildings.

Rio Tinto and Kennecott Utah Copper's goal is to build a portfolio of assets in a sustainable manner and has adopted this rating system to provide an immediate and measurable impact on building performance and contribute to sustainable development.

Our LEED certified buildings include:

- Kennecott Utah Copper Mine Administration Building
- Bingham Canyon Mine Visitor's Center
- Rio Tinto Regional Center (commercial interiors)
- Daybreak Corporate Center
- Rio Tinto Distribution Center
- SoDa Row Village Center (pending)
- Daybreak Elementary School and Community Center