FORMULARIO HECHO ESENCIAL

COLOCACIÓN DE BONOS EN EL EXTRANJERO

1.0 IDENTIFICACIÓN DEL EMISOR

1.1	Razón Social	Corporación Nacional del Cobre de Chile
1.2	Nombre fantasía	CODELCO-CHILE
1.3	R.U.T.	61.704.000-K
1.4	N° Inscripción Reg. Valores	785
1.5	Dirección	Huérfanos 1270, Comuna de Santiago, Santiago
1.6	Teléfono	22 690 3000
1.7	Actividades y negocios	Ver **Anexo 1**.

2.0 ESTA COMUNICACIÓN SE HACE EN VIRTUD DE LO ESTABLECIDO EN EL ARTÍCULO 9° E INCISO SEGUNDO DEL ARTICULO 10° DE LA LEY N° 18.045, Y SE TRATA DE UN HECHO ESENCIAL RESPECTO DE LA SOCIEDAD, SUS NEGOCIOS, SUS VALORES DE OFERTA PÚBLICA Y/O DE LA OFERTA DE ELLOS, SEGÚN CORRESPONDA.

3.0 CARACTERÍSTICAS EMISIÓN

3.1	Moneda de denominación	Dólares de los Estados Unidos de América (US$).
3.2	Moneda total emisión	US$ 900.000.000
3.3	Portador / a la orden	Bonos registrados a nombre de los tenedores en los libros de The Depository Trust Company ("DTC")
3.4	Series	Bonos 2033
3.4.1	Monto de la serie	US$ 900.000.000
3.4.2	N° de bonos	Ver 3.4.3
3.4.3	Valor nominal bono	US$200.000 mínimo. En caso de sumas superiores, serán por múltiplos de US$1,000.
3.4.4	Tipo reajuste	N/A

3.4.5	Tasa de interés	5,125%
3.4.6	Fecha de emisión	02/02/2023

3.4.7 Para cada serie llenar la siguiente tabla de desarrollo:

Bonos 2033:

El capital de los bonos será pagadero en su integridad a su vencimiento, el día 2 de febrero de 2033.

Los bonos devengarán un interés de 5,125% anual, base de un año de 360 días, el cual será pagadero en 20 cuotas los días 2 de febrero y 2 de agosto de cada año, a partir del 2 de Agosto de 2023. Los intereses serán devengados desde el 2 de febrero de 2023.

Nº Cuota Interés	Nº Cuota Amortiz.	Fecha	Intereses	Amortización	Total Cuota	Saldo Capital
1	-	2-ago-2023	23.062.500	-	23.062.500	900.000.000
2	-	2-feb-2024	23.062.500	-	23.062.500	900.000.000
3	-	2-ago-2024	23.062.500	-	23.062.500	900.000.000
4	-	2-feb-2025	23.062.500	-	23.062.500	900.000.000
5	-	2-ago-2025	23.062.500	-	23.062.500	900.000.000
6	-	2-feb-2026	23.062.500	-	23.062.500	900.000.000
7	-	2-ago-2026	23.062.500	-	23.062.500	900.000.000
8	-	2-feb-2027	23.062.500	-	23.062.500	900.000.000
9	-	2-ago-2027	23.062.500	-	23.062.500	900.000.000
10	-	2-feb-2028	23.062.500	-	23.062.500	900.000.000
11	-	2-ago-2028	23.062.500	-	23.062.500	900.000.000
12	-	2-feb-2029	23.062.500	-	23.062.500	900.000.000
13	-	2-ago-2029	23.062.500	-	23.062.500	900.000.000
15	-	2-feb-2030	23.062.500	-	23.062.500	900.000.000
15	-	2-ago-2030	23.062.500	-	23.062.500	900.000.000
16	-	2-feb-2031	23.062.500	-	23.062.500	900.000.000
17	-	2-ago-2031	23.062.500	-	23.062.500	900.000.000
18	-	2-feb-2032	23.062.500	-	23.062.500	900.000.000
19	-	2-ago-2032	23.062.500	-	23.062.500	900.000.000
20	-	2-feb-2033	23.062.500	900.000.000	923.062.500	0

3.5 Garantías ----- No X

3.5.1 Tipo y montos de las garantías

No aplica.

3.6 Amortización Extraordinaria: ----- No X

3.6.1 Procedimientos y fechas:

No aplica.

4.0 OFERTA: Pública | Privada X | X

5.0 PAÍS DE COLOCACIÓN

5.1 Nombre

Bonos vendidos a los Compradores Iniciales ("*Initial Purchasers",* según dicho concepto se define en el Purchase Agreement, definido más abajo) domiciliados en los Estados Unidos de América.

5.2 Normas para obtener autorización de transar

Rule 144 A y *Regulation S* de la *US Securities Act* de 1933 de los Estados Unidos de América.

6.0 INFORMACIÓN QUE PROPORCIONARÁ

6.1 A futuros tenedores de bonos

Prospecto informativo ("*Offering Memorandum*") de fecha 30 de enero de 2023. Ver **Anexo 2.**

6.2 A futuros representantes de tenedores de bonos

Mismo documento mencionado en el punto 6.1 precedente.

7.0 CONTRATO DE EMISION

7.1 Características generales

Contrato de Compraventa ("*Purchase Agreement*") celebrado el día 30 de enero de 2023 entre (A) Corporación Nacional del Cobre de Chile, como emisor de los bonos, y (B) BNP Paribas Securities Corp; BofA Securities Inc.; Santander Investment Securities Inc. y Scotia Capital (USA) Inc. como Compradores Iniciales ("*Initial Purchasers*"). Ver **Anexo 3.**

El objeto del Purchase Agreement fue la adquisición, por los Compradores Iniciales ("*Initial Purchasers*"), de la totalidad de los bonos emitidos por Corporación Nacional del Cobre de Chile, bajo los términos y condiciones que se expresan en dicho contrato.

7.2 Derechos y obligaciones de los tenedores de bonos

Los bonos emitidos por Corporación Nacional del Cobre de Chile constituyen obligaciones directas, no garantizadas y no subordinadas de la compañía emisora. Los tenedores de bonos pueden declarar exigible anticipadamente la totalidad del capital más intereses en ciertos casos de incumplimiento por parte de Corporación Nacional del Cobre de Chile.

8.0 OTROS ANTECEDENTES IMPORTANTES

Los bonos no han sido registrados en los Estados Unidos de América bajo la *U.S. Securities Act* de 1933 y, por lo tanto, solamente podrán ser vendidos a ciertos compradores institucionales calificados de acuerdo a lo dispuesto en la *Rule 144 A* de la mencionada ley y/o fuera de los Estados Unidos de América, de acuerdo con lo señalado en la *Regulation S* de la misma norma.

9.0 DECLARACION DE RESPONSABILIDAD

El suscrito, en su calidad de Presidente Ejecutivo de la Corporación Nacional del Cobre de Chile (la "**Sociedad**"), ambos domiciliados en calle Huérfanos 1270, Santiago, a fin de dar debido cumplimiento a lo dispuesto en la Circular N°1072 de la Superintendencia de Valores y Seguros (hoy CMF), declara y da fe, bajo juramento, en este acto y bajo su correspondiente responsabilidad legal, respecto de la plena y absoluta veracidad y autenticidad de toda la información presentada y adjuntada por la Sociedad a la CMF en el presente "Formulario de Hecho Esencial Colocación de Bonos en el Extranjero", con fecha 2 de febrero de 2023.

NOMBRE	CARGO	C.N.I.	FIRMA
André Sougarret	Presidente Ejecutivo	9617644-9	

ANEXO 1

MEMORIA ANUAL

https://www.codelco.com/memoria2021/site/docs/20220219/20220219165533/memoria_codelco_2021.pdf

ANEXO 2

OFFERING MEMORANDUM

ANEXO 3

PURCHASE AGREEMENT

IMPORTANT NOTICE

THIS OFFERING IS AVAILABLE ONLY TO INVESTORS WHO ARE EITHER (1) QUALIFIED INSTITUTIONAL BUYERS ("QIBs") (WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT")) OR (2) NON-U.S. PERSONS (WITHIN THE MEANING OF REGULATION S UNDER THE SECURITIES ACT) OUTSIDE THE U.S.

IMPORTANT: You must read the following before continuing. The following applies to the Offering Memorandum following this page, and you are advised to read this carefully before reading, accessing or making any other use of the Offering Memorandum. In accessing the Offering Memorandum, you agree to be bound by the following terms and conditions, including any modifications thereto any time you receive any additional information from us.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION AND THE SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE LAWS OF OTHER JURISDICTIONS. THE OFFERING MEMORANDUM AND THE OFFER OF THE NOTES ARE ONLY ADDRESSED TO AND DIRECTED AT PERSONS IN MEMBER STATES OF THE EUROPEAN ECONOMIC AREA (THE "EEA") OR IN THE UNITED KINGDOM WHO ARE "QUALIFIED INVESTORS" AS DEFINED IN REGULATION (EU) 2017/1129 (THE "PROSPECTUS REGULATION") OR, IN THE UNITED KINGDOM AS DEFINED IN THE PROSPECTUS REGULATION AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018 (THE "EUWA") (THE "UK PROSPECTUS REGULATION"). NO KEY INFORMATION DOCUMENT REQUIRED BY REGULATION (EU) NO 1286/2014 (AS AMENDED, THE " PRIIPS REGULATION") OR IN THE UNITED KINGDOM BY THE PRIIPS REGULATION AS IT FORMS PART OF DOMESTIC LAW BY VIRTUE OF THE EUWA (THE "UK PRIIPS REGULATION") FOR OFFERING OR SELLING THE SECURITIES OR OTHERWISE MAKING THEM AVAILABLE TO RETAIL INVESTORS IN THE EEA OR THE UNITED KINGDOM, HAS BEEN PREPARED AND THEREFORE THE OFFERING OR SELLING OF THE SECURITIES OR OTHERWISE MAKING THEM AVAILABLE TO ANY RETAIL INVESTOR IN THE EEA OR THE UNITED KINGDOM MAY BE UNLAWFUL UNDER THE PRIIPS REGULATION OR THE UK PRIIPS REGULATION. THIS COMMUNICATION IS ONLY BEING DISTRIBUTED TO AND IS ONLY DIRECTED AT (I) PERSONS WHO ARE OUTSIDE THE UNITED KINGDOM (II) INVESTMENT PROFESSIONALS FALLING WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005, AS AMENDED (THE "ORDER"); (III) PERSONS FALLING WITHIN ARTICLES 19(2)(A) TO (D) OF THE ORDER; OR (IV) PERSONS TO WHOM AN INVITATION OR INDUCEMENT TO ENGAGE IN INVESTMENT ACTIVITY (WITHIN THE MEANING OF SECTION 21 OF THE FINANCIAL SERVICES AND MARKETS ACT 2000, AS AMENDED (THE "FSMA")) IN CONNECTION WITH THE ISSUE OR SALE OF ANY NOTES MAY OTHERWISE LAWFULLY BE COMMUNICATED (ALL SUCH PERSONS TOGETHER REFERRED TO AS "RELEVANT PERSONS"). THE NOTES ARE ONLY AVAILABLE TO, AND ANY INVITATION, OFFER OR AGREEMENT TO SUBSCRIBE, PURCHASE OR OTHERWISE ACQUIRE SUCH NOTES ARE ONLY AVAILABLE TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. ANY PERSON WHO IS NOT A RELEVANT PERSON SHOULD NOT ACT OR RELY ON THIS DOCUMENT OR ANY OF ITS CONTENTS.

THE FOLLOWING OFFERING MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS NOTICE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

Confirmation of your Representation: In order to be eligible to view this Offering Memorandum or make an investment decision with respect to the securities, investors must be either (1) QIBs or (2) non-U.S. persons (within the meaning of Regulation S under the Securities Act) outside the United States. This Offering Memorandum is being sent at your request and by accepting the e-mail and accessing this Offering Memorandum, you shall be deemed to have represented to us that (1) you and any customers you represent are either (a) QIBs or (b) non-U.S. persons (within the meaning of Regulation S under the Securities Act) and (2) you consent to the delivery of such Offering Memorandum by electronic transmission.

You are reminded that this Offering Memorandum has been delivered to you on the basis that you are a person into whose possession this Offering Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorized to, deliver this Offering Memorandum to any other person.

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the initial purchasers or any affiliate of the initial purchasers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the initial purchasers or such affiliate on behalf of the issuer in such jurisdiction.

The following Offering Memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission, and consequently neither the initial purchasers, nor any person who controls them nor any of their directors, officers, employees nor any of their agents nor any affiliate of any such person accept any liability or responsibility whatsoever in respect of any difference between the Offering Memorandum distributed to you in electronic format and the hard copy version available to you on request from the initial purchasers.

OFFERING MEMORANDUM **Strictly Confidential**

Corporación Nacional del Cobre de Chile
U.S.$900,000,000 5.125% Notes due 2033

The notes (the "notes") will bear interest at the rate of 5.125% per year and will mature on February 2, 2033. The interest on the notes will be payable semi-annually in arrears on February 2 and August 2 of each year, beginning on August 2, 2023.

We may redeem the notes at our option, in whole or in part, at any time and from time to time prior to the date that is three months prior to the maturity date, at a redemption price equal to the greater of 100% of the outstanding principal amount of the notes to be redeemed and a redemption price based on a "make-whole" premium, plus accrued and unpaid interest to the date of redemption. In addition, we may redeem the notes at our option, in whole or in part, at any time and from time to time, beginning on the date that is three months prior to the maturity date, at a redemption price equal to 100% of the outstanding principal amount of the notes to be redeemed, plus accrued and unpaid interest to the date of redemption. Upon the occurrence of specified events relating to Chilean tax law, we may redeem the notes in whole, but not in part, at 100% of their principal amount, plus accrued and unpaid interest to the date of redemption. See "Description of Notes—Tax Redemption" and "—Optional Redemption".

The notes will constitute direct, general, unconditional, unsecured and unsubordinated obligations of Corporación Nacional del Cobre de Chile ("CODELCO" or the "Company"). The notes will rank without any preference equally among themselves and equally with all other unsubordinated and unsecured obligations of CODELCO, other than certain obligations granted preferential treatment pursuant to Chilean law. It is understood that this provision will not be construed so as to require CODELCO to make payments under the notes ratably with payments being made under any other obligations. See "Description of Notes—Ranking."

We intend to use the net proceeds from the sale of the notes for general corporate purposes. We intend to apply to list the notes on the Official List of the Luxembourg Stock Exchange and for trading on the Euro MTF market of the Luxembourg Stock Exchange; however, the notes have not yet been listed. Currently, there is no public market for the notes. No guarantee can be given that such application will be approved or that the notes will trade in the Euro MTF market.

See "Risk Factors" beginning on page 16 for a discussion of certain risks that you should consider in connection with an investment in the notes.

Neither the U.S. Securities and Exchange Commission (the "SEC") nor any other regulatory body has approved or disapproved of these securities or passed upon the adequacy or accuracy of this offering memorandum. Any representation to the contrary is a criminal offense.

The notes have not been registered under the United States Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws, and are being offered and sold only to (i) qualified institutional buyers under Rule 144A under the Securities Act and (ii) persons outside the United States under Regulation S under the Securities Act. For a description of certain restrictions on the transfer of the notes, see "Transfer Restrictions" and "Plan of Distribution". The notes will not be registered under Law No. 18,045, as amended, (the "Securities Market Law") with the Chilean Financial Market Commission (*Comisión para el Mercado Financiero* or "CMF") and, accordingly, the notes cannot and will not be offered or sold to persons in Chile except in circumstances in which they are offered in reliance on an available exemption from such registration. The notes may be privately offered in Chile to certain "qualified investors", pursuant to Rule (*Norma de Carácter General*) No. 216, dated June 12, 2008, and to Rule (*Norma de Carácter General*) No. 336, dated June 27, 2012, both issued by the former CMF, the Chilean Securities and Insurance Commission (*Superintendencia de Valores y Seguros*).

The notes are being offered pursuant to an exemption from the requirement to publish a prospectus under the Prospectus Regulation, and this offering memorandum has not been approved by a competent authority within the meaning of the Prospectus Regulation. The notes are not intended to be offered, sold, or otherwise made available to and should not be offered, sold, or otherwise made available to any retail investor in the European Economic Area.

The notes are being offered pursuant to an exemption from the requirement to publish a prospectus under the UK Prospectus Regulation and this offering memorandum has not been approved by a competent authority within the meaning of the UK Prospectus Regulation. The notes are not intended to be offered, sold, or otherwise made available to and should not be offered, sold, or otherwise made available to any retail investor in the United Kingdom.

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Issue price per note: 99.938% plus accrued interest, if any, from February 2, 2023.

The notes will be delivered in book-entry form only through the facilities of The Depository Trust Company ("DTC") and its direct and indirect participants, including Euroclear Bank S.A./N.V. ("Euroclear"), as operator of the Euroclear system, and Clearstream Banking, S.A., Luxembourg ("Clearstream") on or about February 2, 2023.

Joint Book-Running Managers

BNP PARIBAS **BofA Securities** **Santander** **Scotiabank**

The date of this offering memorandum is January 30, 2023.

We have not, and the initial purchasers have not, authorized anyone to provide any information other than that contained in this offering memorandum. We and the initial purchasers take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. We are not, and the initial purchasers are not, making an offer of these securities in any jurisdiction where the offer is not permitted. Prospective investors should not assume that the information contained in this offering memorandum is accurate as of any date other than the date on the front of this offering memorandum.

After having made all reasonable inquiries, we confirm that (i) the information contained in this offering memorandum is true and accurate in all material respects, (ii) the opinions and intentions expressed herein are honestly held and (iii) there are no other facts the omission of which would make this offering memorandum as a whole, or any of such information or the expression of any such opinions or intentions, misleading. CODELCO accepts responsibility accordingly.

Unless otherwise indicated or the context otherwise requires, all references in this offering memorandum to "CODELCO," the "Company," "we," "our," "ours," "us" or similar terms refer to Corporación Nacional del Cobre de Chile (CODELCO) together with its subsidiaries.

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The notes may not be offered or sold, directly or indirectly, in the Republic of Chile ("Chile") or to any resident of Chile, except as permitted by applicable Chilean law.

This offering memorandum has been prepared by CODELCO solely for use in connection with the proposed offering of the securities described herein. This offering memorandum is personal to each offeree and does not constitute an offer to any other person or to the public generally to subscribe for, or otherwise acquire, securities. We and the initial purchasers reserve the right to reject for any reason any offer to purchase any of the notes.

This offering memorandum may only be used for the purposes of this offering.

The initial purchasers make no representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this offering memorandum. Nothing contained in this offering memorandum is, or shall be relied upon as, a promise or representation by the initial purchasers as to the past or future. CODELCO has furnished the information contained in this offering memorandum.

In making an investment decision, prospective investors must rely on their own examination of CODELCO and the terms of the offering, including the merits and risks involved. Each prospective investor should consult its own advisors as needed to make its investment decision and to determine whether it is legally permitted to purchase the securities under applicable legal investment or similar laws or regulations. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time.

Prospective investors should not construe anything in this offering memorandum as legal, business, tax or other advice.

This offering memorandum contains summaries believed to be accurate with respect to certain documents, but reference is made to the actual documents for complete information. All such summaries are qualified in their entirety by such reference. Copies of documents referred to herein will be made available to prospective investors (i) upon request to CODELCO or the initial purchasers and (ii) at the office of the paying agent.

IN CONNECTION WITH THIS OFFERING, BNP PARIBAS SECURITIES CORP., BOFA SECURITIES, INC., SANTANDER INVESTMENT SECURITIES INC., AND SCOTIA CAPITAL (USA) INC., OR ANY PERSON ACTING FOR ANY OF THEM, MAY OVER ALLOT OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL FOR A LIMITED PERIOD AFTER THE ISSUE DATE. HOWEVER, THERE IS NO OBLIGATION FOR BNP PARIBAS SECURITIES CORP., BOFA SECURITIES, INC., SANTANDER INVESTMENT SECURITIES INC., AND SCOTIA CAPITAL (USA) INC., OR ANY PERSON ACTING FOR ANY OF THEM, TO DO THIS. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME, AND MUST BE BROUGHT TO AN END AFTER A LIMITED PERIOD.

You must: (i) comply with all applicable laws and regulations in force in any jurisdiction in connection with the possession or distribution of this offering memorandum and the purchase, offer or sale of the notes; and (ii) obtain any consent, approval or permission required to be obtained by you for the purchase, offer or sale by you of the notes under the laws and regulations applicable to you in force in any jurisdiction to which you are subject or in which you make such purchases, offers or sales; neither we nor the initial purchasers shall have any responsibility therefor.

The notes are subject to restrictions on resale and transfer as described under "Transfer Restrictions." By purchasing the notes, you will be deemed to have made certain acknowledgments, representations and agreements as described under "Transfer Restrictions." You may be required to bear the financial risks of investing in the notes for an indefinite period of time.

The price and amount of the notes to be issued under the offering memorandum will be determined by the Issuer and the initial purchasers at the time of issue in accordance with prevailing market conditions.

You acknowledge that:

- you have been afforded an opportunity to request from us, and to review, all additional information considered by you to be necessary to verify the accuracy of, or to supplement, the information contained in this offering memorandum;

- you have not relied on the initial purchasers or any person affiliated with the initial purchasers in connection with your investigation of the accuracy of such information or your investment decision;

- you have made your own assessment concerning the relevant tax, legal, currency and other considerations relevant to investment in the notes;

- you have sufficient knowledge and experience to be capable of evaluating the merits and risks of a prospective investment in the notes; and

- no person has been authorized to give any information or to make any representation concerning us or the notes, other than as contained in this offering memorandum and, if given or made, any such other information or representation should not be relied upon as having been authorized by us or the initial purchasers.

In the United Kingdom, this offering memorandum is for distribution only to, and is directed only at, and any offer of the notes subsequently made may only be directed at persons who: (i) have professional experience in matters relating to investments falling within Article 19(5) of the Order; (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc.") of the Order; (iii) are outside the United Kingdom (the "UK"); or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) in connection with the issue or sale of any securities may otherwise lawfully be communicated (all such persons together being referred to as "relevant persons"). This offering memorandum is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this offering memorandum relates is available only to and will be engaged in only with relevant persons. Any person who is not a relevant person should not act or rely on this offering memorandum or any of its contents.

The notes are not intended to be offered, sold, or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "Insurance Distribution Directive"), where the customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation; and the expression of an "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the notes to be offered so as to enable an investor to decide to purchase or subscribe for the notes. Consequently, no key information document required by the PRIIPs Regulation for offering or selling the notes or otherwise making them available to retail investors in the EEA, has been prepared and therefore the offering or selling of the notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

The notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a "retail investor" means a person who is one (or more) of the following: (i) a "retail client" as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; (ii) a "customer" within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a "qualified investor" as defined in the UK Prospectus Regulation. Consequently, no key information document required by the UK PRIIPs Regulation for offering or selling the securities or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the securities or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

See "Risk Factors" beginning on page 16 for a description of certain risks you should consider before investing in the notes.

NOTE REGARDING FORWARD-LOOKING STATEMENTS

This offering memorandum contains forward-looking statements. We may from time to time make forward-looking statements in (i) our annual report; (ii) prospectuses, press releases and other written materials; or (iii) oral statements made by our officers, directors or employees to analysts, institutional investors, representatives of the media and others. Examples of these forward-looking statements include:

- projections of revenues, profit (loss), capital expenditures, dividends, capital structure or other financial items or ratios;
- statements of our plans, objectives or goals, including those relating to anticipated trends, competition, regulation and rates;
- statements about our future economic performance or that of Chile or other countries in which we have investments; and
- statements of assumptions underlying these statements.

Words such as "believe," "could," "may," "will," "anticipate," "plan," "expect," "intend," "target," "estimate," "project," "potential," "guideline," "should" and similar expressions are intended to identify forward-looking statements, but are not the exclusive means of identifying these statements.

Forward-looking statements involve inherent risks and uncertainties. We caution you that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in these forward-looking statements. These factors, some of which are discussed under "Risk Factors," include economic and political conditions and government policies in Chile or elsewhere, inflation rates, exchange rates, regulatory developments and changes in Chilean law, customer demand, competition, unanticipated mining and production problems, commodity prices, relations with employees and contractors, variances in ore grade, adverse weather conditions, natural disasters and the outbreak of coronavirus ("COVID-19") and its potential impact on our business. We caution you that the foregoing list of factors is not exclusive and that other risks and uncertainties may cause actual results to differ materially from those in forward-looking statements.

You are cautioned not to place undue reliance on these forward-looking statements which reflect our views only as of the date they are made, and we do not undertake any obligation to update them or publicly to release the result of any revisions to these forward-looking statements in light of new information or future developments after the date of this offering memorandum.

ENFORCEABILITY OF CIVIL LIABILITIES

CODELCO is a state-owned enterprise organized under the laws of Chile. All of its directors and executive officers and certain experts named in this offering memorandum reside outside the United States (principally in Chile), and all or a substantial portion of the assets of CODELCO and of such persons are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States on, or bring actions or enforce foreign judgments against, CODELCO or such persons in U.S. courts. In addition, CODELCO has been advised by its Chilean counsel, Carey y Cía. Ltda., that no treaty exists between the United States and Chile for the reciprocal enforcement of foreign judgments. There is also doubt as to the enforceability in Chilean courts of judgments of U.S. courts obtained in actions predicated upon the civil liability provisions of U.S. federal securities laws. Chilean courts, however, have enforced judgments rendered in the United States by virtue of the legal principles of reciprocity and comity, subject to the review in Chile of the U.S. judgment in order to ascertain whether certain basic principles of due process and public policy have been respected, without reviewing the merits of the subject matter of the case. If a U.S. court grants a final judgment for the payment of money, enforceability of this judgment in Chile will be subject to obtaining the relevant exequatur (i.e., recognition of enforceability of the foreign judgment) in a proceeding before the Chilean Supreme Court, according to Chilean civil procedure law in effect at that time and satisfying certain legal requirements. Currently, the most important of these requirements are (except when a treaty between the United States and Chile exists for the reciprocal enforcement of foreign judgments):

- the judgment will be enforced if there is reciprocity, as to the enforcement of judgments (*i.e.*, the relevant U.S. court would enforce a judgment of a Chilean court under comparable circumstances). If reciprocity cannot be proven, the foreign judgment will not be enforced in Chile;

- if reciprocity cannot be proven, the foreign judgment will be enforced, nonetheless, if: (i) it does not contain anything contrary to Chilean law, notwithstanding the differences in procedural rules; (ii) it is not contrary to Chilean jurisdiction and public policy; (iii) it has been duly served, although the defendant may prove that, for other reasons, he or she was prevented from using a defect in service of process as a defense; and (iv) it is final under the laws of the country where the judgment or arbitral award, as the case may be, was rendered. With respect to service of process, the Chilean Supreme Court has decided that, to determine that process was duly served, service should be considered valid in the jurisdiction where the case was decided and it can be proven that the defendant had actual knowledge of the suit; and

- in any event, the foreign judgment must not be contrary to the public policy of Chile or Chilean jurisdiction and must not affect in any way any property located in Chile, which, as a matter of Chilean law, are exclusively subject to the jurisdiction of Chilean courts.

If the exequatur is granted, then the judgment may be enforced by a lower court through a collection proceeding under Chilean civil procedure law.

In addition, it may be necessary for investors to comply with certain procedures, including evidence of timely payment of stamp taxes (currently at a rate of 0.066%. per month or fraction thereof elapsed between the issuance and the maturity of the notes, calculated on the principal amount of the notes, with a maximum 0.8% stamp tax on the principal amount of the notes, which will be paid by CODELCO), to file a lawsuit concerning the Notes in a Chilean court.

Also, foreign judgments specifically related to properties located in Chile, including the attachment of liens on such properties, could be considered to violate Chilean law because such properties are exclusively subject to Chilean law and to the jurisdiction of Chilean courts.

Lastly, CODELCO has been advised by Carey y Cía. Ltda. that there is doubt as to the enforceability in original actions in Chilean courts of liabilities predicated solely upon U.S. federal securities laws.

The notes, the indenture and the purchase agreement will provide that CODELCO will appoint Cogency Global Inc. in New York City as its agent upon whom process may be served in any action arising out of or based upon, respectively, the notes, the indenture, the purchase agreement or the transactions contemplated thereby, which may be instituted in any federal or state court having "subject matter" jurisdiction. See "Description of Notes."

Pursuant to the Chilean Mining Code, mining concessions as well as certain raw materials and other property or assets permanently dedicated to the exploration or extraction of minerals cannot be subject to an order of attachment, except with respect to mortgages, in the case that the debtor consents to the attachment in the same enforcement proceeding or when the debtor is a stock corporation. In addition, pursuant to the Chilean constitution (the "Constitution"), mining concessions corresponding to mining deposits exploited by CODELCO upon its creation in 1976 cannot be subject to attachment nor to any act of disposition by CODELCO. As a result, the rights of holders to attach property of CODELCO in the event of a default under the notes would be limited by such provisions. See "Regulatory Framework—Mining Regulations."

PRESENTATION OF FINANCIAL AND STATISTICAL INFORMATION

In this offering memorandum, references to "U.S.$," "$," "U.S. dollars" and "dollars" are to United States dollars and references to "cents" are to United States cents (U.S.$0.01). References to "pesos" or "Ch$" are to Chilean pesos and references to "UF" are to "*Unidades de Fomento*." References to "AUD" are to Australian dollars. References to "HKD" are to Hong Kong dollars. The UF is an inflation-indexed Chilean monetary unit that is linked to, and adjusted daily to reflect changes in, the Chilean consumer price index during the preceding 30 days. References to "euro" or "€" are to the legal currency of the European Economic and Monetary Union.

Pursuant to Circular No. 368 (*Oficio Circular N° 368*) of October 2006, as amended, of the *Comisión para el Mercado Financiero* (the Chilean securities authority, or "CMF"), since 2010, all companies with publicly traded securities in Chile have been required to prepare and report consolidated financial statements in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

The audited consolidated financial statements as of and for the years ended December 31, 2019 and 2020 and the audited consolidated financial statements as of and for the year ended December 31, 2020 and 2021 included herein are referred to as the "2019-2020 Consolidated Financial Statements" and the "2020-2021 Consolidated Financial Statements", respectively. The 2019-2020 Consolidated Financial Statements and the 2020-2021 Consolidated Financial Statements (together, the "Audited Annual Consolidated Financial Statements") are presented in accordance with IFRS issued by the IASB.

The unaudited interim consolidated financial statements as of September 30, 2022 and for the three-month and nine-month periods ended September 30, 2022 and 2021 included herein (the "Unaudited Interim Consolidated Financial Statements") are presented in accordance with IAS 34 "Interim Financial Reporting." The Unaudited Interim Consolidated Financial Statements and the Audited Annual Consolidated Financial Statements are referred to together as the "Consolidated Financial Statements."

The accounting policies adopted in the preparation of the Unaudited Interim Consolidated Financial Statements are consistent with those applied in the preparation of the Audited Annual Consolidated Financial Statements.

Unless otherwise indicated, the Consolidated Financial Statements and other financial information concerning CODELCO included herein are presented in U.S. dollars in conformity with Decree Law No. 1,350 of 1976 ("Decree Law No. 1,350"), published in the *Diario Oficial de la República de Chile* (the "Official Gazette") on February 28, 1976, as amended by Law No. 20,392 ("Law No. 20,392") published in the Official Gazette on November 14, 2009, and for periods after January, 1, 2009, in accordance with IFRS. Decree Law No. 1,350 is the Chilean law pursuant to which CODELCO was created and which provides for its governance.

Because the notes offered hereby have not been and will not be registered with the SEC, this offering memorandum does not and is not required to comply with the applicable requirements of the Securities Act, and the related rules and regulations adopted by the SEC, which would apply if the notes offered hereby were being registered with the SEC.

The U.S. dollar is the currency used in the primary economic environment in which CODELCO operates. Nevertheless, as an international company operating primarily in Chile, as well as in several other Latin American countries, several European countries and China, a portion of CODELCO's business is transacted in Chilean pesos and other non-dollar currencies.

The body of generally accepted accounting principles is commonly referred to as "GAAP." A non-GAAP financial measure is generally defined by the SEC as one that purports to measure historical or future financial performance, financial position or cash flows but: (i) excludes amounts, or is subject to adjustments that have the effect of excluding amounts, that are included in the most directly comparable measure calculated and presented in accordance with GAAP in the issuer's statement of income, balance sheet or statement of cash flows (or equivalent statements); or (ii) includes amounts, or is subject to adjustments that have the effect of including amounts, that are excluded from the most directly comparable measure so calculated and presented.

In this offering memorandum, CODELCO discloses several non-GAAP financial measures, including "Adjusted EBIT," "Adjusted EBITDA," "cash cost," "total costs and expenses" and "financial debt." Adjusted EBIT is calculated by adding finance cost, impairment charges and income tax expense to profit (loss) for the period. Adjusted EBITDA is calculated by adding finance cost, income tax expense, depreciation and amortization of assets plus export taxes and impairment charges to profit (loss) for the period. Impairments include charges and reversals related to charges of investment projects, research projects and investment in associates and joint ventures and exclude impairment charges related to definite-lived tangible assets which show indicators of impairment under International Accounting Standard No. 36. Cash cost is calculated in accordance with the methodology specified by Brook Hunt & Associates for the determination of C1 cost (cash cost) and includes all direct cash costs of mining, including costs associated with extraction, leaching, smelting and further processing of copper ores into refined metal, as well as labor, electricity, diesel, finance costs, third-party services, other costs, transportation and physical plant costs associated with those processes, net of income from sales of byproducts. Cash cost is presented as a nominal dollar amount, usually expressed as cents per pound, and excludes provisions, amortization, depreciation and central office costs. Total cost and expenses includes all cost and expenses that the cash cost calculation includes, plus other non-cash direct expenses such as depreciation expenses, among others. Financial debt is calculated as loans from financial institutions plus bonds issued. Total debt to capitalization includes total financial debt divided by total financial debt plus total equity.

Adjusted EBIT and Adjusted EBITDA data are included in this offering memorandum because such data are used by investors to assess: (i) the operating trends and financial performance of the Company and (ii) the ability of the Company to (a) service its existing debt, (b) incur new debt and (c) fund its capital expenditures.

CODELCO believes that Adjusted EBIT and Adjusted EBITDA, while providing useful information, should not be considered in isolation or as a substitute for profit for the period as an indicator of operating performance or as an alternative to cash flow as a measure of liquidity. Adjusted EBIT and Adjusted EBITDA are not measures of financial performance in accordance with IFRS. Additionally, CODELCO's calculation of Adjusted EBIT and Adjusted EBITDA may differ from the calculation used by other companies and, therefore, comparability may be affected.

Cash cost is disclosed in this offering memorandum because it is a widely used measure of costs in the mining industry. CODELCO believes that cash cost, while providing useful information, should not be considered in isolation or as a substitute for cost of sales, cost of selling and administrative expenses or as an indicator of costs. Cash cost is not a measure of financial performance in accordance with IFRS.

CODELCO also presents certain ratios and margins that are derived using Adjusted EBITDA, including the ratio of debt to Adjusted EBITDA, the Adjusted EBITDA coverage ratio and earnings to fixed charges (adjusted). CODELCO believes that these ratios are widely used by investors to measure our performance. In the section titled "Summary Consolidated Financial Data," CODELCO provides a reconciliation of Adjusted EBIT and Adjusted EBITDA to profit, along with the ratio of debt to Adjusted EBITDA, Adjusted EBITDA coverage ratios and ratio of earnings to fixed charges (adjusted), for the relevant periods.

Under the accounting policies adopted by CODELCO, gross profit is calculated before the provision for a 10% special export tax. Under Law No. 21,174, that repealed Law No. 13,196 (the "Copper Reserve Law"), CODELCO is required to pay a special export tax on the sales revenues that CODELCO derives from the export of copper sourced and related byproducts produced by CODELCO. In addition, CODELCO is subject to a mining tax at progressive rates of between 5% and 14% in accordance with Law No. 20,026. See "Risk Factors—Risks Relating to CODELCO's Relationship with the Government of Chile—CODELCO is subject to special taxes" for additional information on these special taxes, including the mining tax rate effective for 2019, 2020, and 2021.

Certain figures included in this offering memorandum and in the Consolidated Financial Statements have been rounded for ease of presentation. Percentage figures included in this offering memorandum have in some cases been calculated on the basis of such figures prior to rounding. For this reason, certain percentage amounts in this offering memorandum may vary from those obtained by performing the same calculations using the figures in the Consolidated Financial Statements. Certain other amounts that appear in this offering memorandum may not sum due to rounding.

The Observed Exchange Rate (as defined herein under "Exchange Rates") reported by the Central Bank of Chile (i) as of January 2, 2019 was Ch$694.77 = U.S.$1.00; (ii) as of January 2, 2020 was Ch$748.74 = U.S.$1.00; (iii) as of January 4, 2021 was Ch$710.95 = U.S.$1.00; (iv) as of September 30, 2021 was Ch$803.59 = U.S.$1.00 and (v) as of September 30, 2022 was Ch$966.00 = U.S.$1.00. This offering memorandum contains translations of certain Chilean peso amounts into dollars at specified rates solely for the convenience of the reader. These translations should not be construed as representations that the Chilean peso amounts actually represent such dollar amounts or could, at this time, be converted into dollars at the rate indicated. The Federal Reserve Bank of New York does not report a noon buying rate for Chilean pesos. Unless otherwise indicated, such dollar amounts have been converted from Chilean pesos at an exchange rate of Ch$966.00 per U.S.$1.00, which corresponds to the Observed Exchange Rate on September 30, 2022. As of January 30, 2023, the Observed Exchange Rate was Ch$803.14 per U.S.$1.00. See "Exchange Rates."

In this offering memorandum, all tonnage information is expressed in metric tons and all references to ounces are to troy ounces, in each case, unless otherwise specified. Except where otherwise noted, tonnage information in this offering memorandum does not include: (i) CODELCO's 49% direct share of the El Abra deposit, which is mined by Sociedad Contractual Minera El Abra and 51% owned by Cyprus El Abra Corporation, a subsidiary of Freeport-McMoRan Inc., or (ii) CODELCO's 20% share of Anglo American Sur S.A. ("Anglo American Sur"), unless otherwise specified. See "Business and Properties—Copper Production—Associations, Joint Ventures and Partnerships—SCM El Abra" and "—Anglo American Sur" for a description of these interests. Certain terms relating to the copper mining business are defined in "Glossary of Certain Mining Terms."

Market information regarding CODELCO's share of copper production, reserves and relative cost position has been derived by CODELCO from third-party sources, including reports from Wood Mackenzie, and from CODELCO's own industry research. Wood Mackenzie publishes periodic reports containing global copper production data and cost analysis by mine site. While CODELCO believes that its estimates are reliable, such estimates have not been confirmed by independent sources. The Consolidated Financial Statements do not necessarily reflect the value of CODELCO's mining concessions or its resources and reserves. Fair value of mining properties acquired through business combinations is reflected in the Consolidated Financial Statements when acquired.

As used in this offering memorandum, "Chuquicamata," "Radomiro Tomic," "Gabriela Mistral," "El Teniente," "Andina," "Salvador," "Mina Ministro Hales" and "Ventanas" refer to divisions of CODELCO, not the mines having those names, unless otherwise required by context.

SUMMARY

This summary must be read as an introduction to this offering memorandum and any decision to invest in the notes should be based on a consideration of the offering memorandum as a whole.

The following summary is qualified in its entirety by the more detailed information and financial statements appearing elsewhere in this offering memorandum. Except as otherwise disclosed herein or indicated, financial information with respect to CODELCO provided in this offering memorandum has been presented in U.S. dollars and prepared in accordance with IFRS.

CODELCO is the world's largest copper producer and one of the largest companies in Chile in terms of revenues (U.S.$21.0 billion in 2021). As of December 31, 2021, CODELCO's total assets were U.S.$43.1 billion and equity amounted to U.S.$11.6 billion. As of September 30, 2022, CODELCO's total assets were U.S.$42.4 billion and equity amounted to U.S.$11.8 billion.

CODELCO engages primarily in the exploration, development and extraction of ores bearing copper and byproducts, the processing of ore into refined copper and the international sale of refined copper and byproducts. CODELCO is 100% owned by the Government of Chile and controls approximately 5.4% of the world's proved and probable copper reserves, as such terms are defined by the U.S. Geological Survey.

In 2021, CODELCO had an estimated 8.2% share of total world copper production, with production amounting to approximately 1.73 million metric tons, including: (i) CODELCO's share of the El Abra deposit, which is mined by Sociedad Contractual Minera El Abra and owned 49% by CODELCO and 51% by Cyprus El Abra Corporation (a subsidiary of Freeport-McMoRan Inc.); and (ii) CODELCO's share of Anglo American Sur (of which CODELCO owns a 20% indirect share), and an estimated 7.8% share of the world's molybdenum production, with production amounting to approximately 22,353 metric tons excluding CODELCO's share of Anglo American Sur.

CODELCO's main commercial product is Grade A cathode copper. In 2021 and for the nine-month period ended September 30, 2022, CODELCO derived 93.1% and 90.6% of its total sales from copper and 6.9% and 9.4% of its total sales from byproducts of its copper production, respectively.

CODELCO's sales of copper in 2021 were geographically diversified, with approximately 47.4% of sales made to Asia, including approximately 32.4% to China, as well as approximately 42.1% to North and South America and 10.4% to Europe. CODELCO's top ten customers purchased approximately 40.8% of its total copper sales volume in 2021.

CODELCO's copper operations are divided into the following eight divisions:

- The El Teniente Division operates the El Teniente mine, which is the world's largest underground copper mine and has been in operation for more than 100 years. The El Teniente Division includes the Caletones smelter. In 2021, this division produced 459,817 metric tons of copper, or 26.6% of CODELCO's total copper output (including CODELCO's share of the El Abra deposit and Anglo American Sur), with a cash cost of 108.6 cents per pound, compared to 99.7 cents per pound in 2020, and a total cash cost of U.S.$1,088.3 million in 2021, compared to U.S.$963.0 million in 2020. During the first nine months of 2022, this division produced 291,090 metric tons of copper with a cash cost of 102.4 cents per pound and a total cash cost of U.S.$650.9 million.

- The Radomiro Tomic Division operates the Radomiro Tomic mine, which began its first full year of production in 1998. In 2021, this division produced 326,456 metric tons of copper cathodes, or 18.9% of CODELCO's total copper output (including CODELCO's share of the El Abra deposit and Anglo American Sur), with a cash cost of 138.6 cents per pound, compared to 142.2 cents per pound in 2020, and a total cash cost of U.S.$989.0 million in 2021 compared to U.S.$812.0 million in 2020. During the first nine months of 2022, this division produced 215,920 metric tons of copper with a cash cost of 201.5 cents per pound and a total cash cost of U.S.$950.3 million.

- The Chuquicamata Division operates the Chuquicamata mine, one of the largest copper-producing mines in the world, which began its operations in 1915 and currently includes smelting and refining capacities. In 2021, this division produced 319,280 metric tons of copper cathodes, or 18.5% of CODELCO's total copper output (including

CODELCO's share of the El Abra deposit and Anglo American Sur), with a cash cost of 116.2 cents per pound, compared to 113.0 cents per pound in 2020, and a total cash cost of U.S.$801.7 million in 2021, compared to U.S.$975.0 million in 2020. During the first nine months of 2022, this division produced 200,353 metric tons of copper with a cash cost of 120.0 cents per pound and a total cash cost of U.S.$519.9 million.

- The Mina Ministro Hales Division was created in 2010 for the operation of the Mina Ministro Hales ore body, which first began producing copper at the end of 2013. In 2021, this division produced 181,704 metric tons of copper, or 10.5% of CODELCO's total copper output (including CODELCO's share of the El Abra deposit and Anglo American Sur), with a cash cost of 89.2 cents per pound, compared to 109.9 cents per pound in 2020, and a total cash cost of U.S.$430.3 million in 2021, compared to U.S.$399.9 million in 2020. During the first nine months of 2022, this division produced 108,854 metric tons of copper with a cash cost of 116.2 cents per pound and a total cash cost of U.S.$269.6 million.

- The Andina Division operates the Andina and Sur-Sur mines with production split among open-pit and underground mines. It does not have independent smelting capacity. Andina has been in operation since 1970. In 2021, this division produced 177,216 metric tons of copper, or 10.3% of CODELCO's total copper output (including CODELCO's share of the El Abra deposit and Anglo American Sur), with a cash cost of 154.9 cents per pound, compared to 152.9 cents per pound in 2020, and a total cash cost of U.S.$584.6 million in 2021, compared to U.S.$600.4 million in 2020. During the first nine months of 2022, this division produced 139,805 metric tons of copper with a cash cost of 172.2 cents per pound and a total cash cost of U.S.$512.8 million.

- The Gabriela Mistral Division was created in 2013 and operates the Gabriela Mistral mine, which uses SX-EW technology. The Gabriela Mistral mine produced its first copper cathodes in 2008 after a 26-month construction period. In 2021, this division produced 100,908 metric tons of copper, or 5.8% of CODELCO's total copper output (including CODELCO's share of the El Abra deposit and Anglo American Sur), with a cash cost of 193.4 cents per pound, compared to 189.0 cents per pound in 2020, and a total cash cost of U.S.$430.3 million in 2021, compared to U.S.$425.4 million in 2020. During the first nine months of 2022, this division produced 84,224 metric tons of copper with a cash cost of 265.4 cents per pound and a total cash cost of U.S.$492.8 million.

- The Salvador Division operates the Salvador mine and concentrator and the smelter/refinery complex at Potrerillos, which has the capacity to treat 671,000 metric tons of concentrate. In 2021, this division produced 52,885 metric tons of copper cathodes, or 3.1% of CODELCO's total copper output (including CODELCO's share of the El Abra deposit and Anglo American Sur), with a cash cost of 268.0 cents per pound, compared to 214.6 cents per pound in 2020, and a total cash cost of U.S.$311.4 million in 2021, compared to U.S.$265.0 million in 2020. During the first nine months of 2022, this division produced 21,867 metric tons of copper with a cash cost of 354.6 cents per pound and a total cash cost of U.S.$169.1 million. As of the date of this offering memorandum, the Inca Pit project is still under construction. The Potrerillos smelter and refinery would continue to operate upon any cessation of the mining operations at Salvador.

- The Ventanas Division was created in connection with the acquisition of the Ventanas smelter/refinery complex from Chile's state-owned mining company Empresa Nacional de Minería ("ENAMI") in 2005. In 2021, this division refined 400,000 metric tons of copper, compared to 402,000 metric tons of copper in 2020. During the first nine months of 2022, the Ventanas Division refined 285,800 metric tons of copper. Pursuant to the terms of the acquisition, CODELCO is required to provide on market terms the necessary smelting and refining capacity for the treatment of copper concentrate delivered by the small- and medium-sized mining industry that ENAMI serves. In June 2022, CODELCO's Board of Directors approved the decommissioning of the smelter in the Ventanas Division. In December 2022, a law amendment was approved in Congress allowing CODELCO to smelt copper concentrates in smelters other than those of the Ventanas Division. In January 2023, the Mining and Energy Commission of the Upper House approved the articles particular to the bill, setting definitions regarding the future installation of the new smelting capacity, and its compatibility with environmental safety and the protection of people's health, among others. The bill was approved by the Senate on January 24, 2023. The bill is currently in the Chamber of Deputies for its third constitutional process. As of September 30, 2022, the Ventanas Division employed 769 persons.

- The Chuquicamata Division, the Radomiro Tomic Division, the Mina Ministro Hales Division, the Gabriela Mistral Division and the Salvador Division form part of CODELCO's Northern Operations (*Operaciones Norte*). The

Andina Division, the El Teniente Division and the Ventanas Division form part of CODELCO's Central Southern Operations (*Operaciones Centro Sur*). For a description of CODELCO's associations with other companies, see "Business and Properties—Copper Production—Associations, Joint Ventures and Partnerships."

Competitive Strengths

CODELCO believes that it has certain distinguishing competitive strengths:

- *Copper Reserves*. CODELCO controls approximately 5.4% of the world's proved and probable copper reserves. In 2021, CODELCO's proved and probable reserves represented at least 27 years of future production at current levels.

- *Market Presence*. CODELCO is the largest copper producer in the world, with an estimated 8.2% share of the total world copper production and 1.73 million metric tons (including CODELCO's share of the El Abra deposit and Anglo American Sur) of production in 2021. CODELCO is also one of the largest producers of molybdenum in the world, with an estimated 7.8% share of total world molybdenum production, producing 21,045 metric tons in 2021 (excluding CODELCO's share of Anglo American Sur). CODELCO believes that its significant market presence gives the Company certain advantages in the marketing of its products.

- *Research and Technological Innovation*. CODELCO remains competitive by developing and incorporating new technologies into its production processes, which aim to improve overall operations, including mining processes, efficiency, productivity, environmental protection and worker safety.

- *Stable, Long-term and Geographically Diverse Customer Base*. CODELCO has developed long-term relationships with the majority of its customers, including some of the leading manufacturers in the world.

- *Financial Strength*. In 2021, CODELCO's Adjusted EBITDA amounted to U.S.$10.4 billion, total debt to capitalization as of December 31, 2021 was 54.8%, and the ratio of net financial debt to Adjusted EBITDA was 1.6. As of September 30, 2022, CODELCO's Adjusted EBITDA amounted to U.S.$4.7 billion and total debt to capitalization as of September 30, 2022 was 53.5%.

- *Management Efficiency and Flexibility*. CODELCO believes that it has a highly experienced workforce and executive team with a proven track record of managing long-life copper reserves that is able to respond to market changes by adjusting the allocation of its resources and operations among several different methods of production and ore deposits.

- *One of the Leading Companies in Chile*. CODELCO is one of the largest companies in Chile in terms of revenues as of December 31, 2021 (U.S.$21.0 billion) and is a key contributor to the budget of the Government of Chile. In 2021, CODELCO contributed U.S.$5.5 billion to the Chilean Treasury and accounted for approximately 16.6% of Chile's total exports. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Distributions to the Chilean Treasury" and "Regulatory Framework."

Business Strategy

CODELCO's mission is to maximize the value of its mineral resources for the benefit of its shareholder, the Chilean state, by fully developing its vast mining resources on a timely basis, leveraging the Company's experienced workforce, utilizing its advanced technological assets in key areas and by executing the following key strategic initiatives:

- *Capital Expenditure Program*. We seek to maintain and improve our competitive position in the industry through our three-year capital expenditure program. Following the completion of a number of significant projects in recent years, such as the development of CODELCO's new Mina Ministro Hales, the development of sulfide ores at the Radomiro Tomic mine, the expansion at the Andina mine and the development of the Pilar Norte area at the El Teniente mine, CODELCO intends to continue its development program. Accordingly, the Company expects to make capital expenditures of approximately U.S.$13.4 billion between 2022 and 2024, transforming its main mining operations with a view towards the long-term development of its resources. We expect these expenditures to be funded with a combination of internal and external resources. For a complete list of planned capital expenditures, see "Business and Properties—Copper Production—Operations." CODELCO's expansion and development of major projects between 2022 and 2024 are expected to include:

- The gradual transformation of the Chuquicamata mine from an open pit mine to an underground operation, which we expect will enable Chuquicamata to maintain its annual copper production at its current level starting in 2019 (an approximate investment of U.S.$1.3 billion between 2022 and 2024). Environmental approvals were obtained in September 2010. On March 25, 2020 and on June 20, 2020, CODELCO announced the temporary suspension of construction of this project as a measure to prevent the spread of COVID-19 among employees and contractors. In August 2020, work on the project gradually resumed. In March 2021, the project's design incorporated additional fortification work. The project was completed in September 2022.

- The reallocation of the Andina plant, which involves maintaining the treatment capacity of the concentrator plant in the long-term (an approximate investment of U.S.$64.0 million between 2022 and 2024). In March 2020, CODELCO announced the temporary suspension of this project as a measure to prevent the spread of COVID-19 among employees and contractors. The new primary crusher plant began operation in the first quarter of 2022. The project is currently under review and the conveyor system should begin operations in late 2023.

- The development of a new production level in the existing El Teniente underground mine (an approximate investment of U.S.$2.0 billion between 2022 and 2024) to maintain El Teniente's annual copper production at its current level. Environmental approvals were obtained in March 2011. However, based on geomechanical challenges that need to be addressed, an alternative development plan was approved in January 2018, which will still permit us to maintain our original production goal. The new mining level is expected to be completed in 2023. As of September 30, 2022, the project was approximately 75.9% complete.

- The development of the Inca Pit project is designed to extend the life of the current underground mine operation in the Salvador Division and enable it to maintain its annual production at its current level starting in 2021 and the analysis for a future expansion, which requires an approximate investment of U.S.$1.1 billion between 2022 and 2024. As of September 30, 2022, the project was approximately 37.8% complete. As of the date of this offering memorandum, the Inca Pit project is still under construction.

- *Focus on curbing production costs*. For many years, CODELCO was within the first or second quartiles in the industry with respect to costs. This position was primarily attributable to the quality of its ore bodies, its economies of scale and the experience of its workforce and management. Currently, CODELCO is in the third quartile of the industry's cost curve. The Company intends to make every effort, through investment and management, to be within the first or second quartiles of the industry's cost curve in the long-term. In 2021, CODELCO's total costs and expenses increased by 12.5 cents per pound (5.2%) to 254.3 cents per pound, compared to 241.8 cents per pound in 2020 and 233.5 cents per pound in 2019, mainly due to higher production volume and sales and higher input prices, partially offset by foreign exchange rate depreciation of the Chilean peso against the US dollar. For the first nine months of 2022, CODELCO's total costs and expenses increased by 35.1 cents per pound (14.4%) to 278.7 cents per pound, compared to 243.6 cents per pound for the same period in 2021, mainly due to higher input prices, such as electricity and diesel, appreciation of the Chilean peso against the U.S. Dollar and negative foreign exchange difference on liabilities denominated in Chilean peso. In 2021, CODELCO's total costs and expenses increased to U.S.$9.6 billion, compared to U.S.$8.6 billion in 2020, due to higher production volume, partially offset by the depreciation of the Chilean peso against the U.S. dollar. In 2020, CODELCO's total costs and expenses increased to U.S.$8.6 billion, from U.S.$8.2 billion in 2019, due to higher input prices and the depreciation of the Chilean peso. For the first nine months of 2022, CODELCO's total costs and expenses amounted to U.S.$6.5 billion, compared to U.S.$6.4 billion for the same period in 2021. In 2021, CODELCO's cash cost of production was 132.7 cents per pound, compared to 129.4 cents per pound in 2020 and 141.6 cents per pound in 2019. For the first nine months of 2022, CODELCO's cash cost of production was 157.4 cents per pound, compared to 129.9 cents per pound for the same period in 2021. In 2021, CODELCO'S total cash cost was U.S.$4.7 billion, compared to U.S.$4.5 billion in 2020 and U.S.$4.9 billion in 2019. For the first nine months of 2022, CODELCO's total cash cost was U.S.$3.6 billion, as compared to U.S.$3.3 billion for the same period in 2021 (such total cash cost includes certain cash cost incurred at the corporate level). See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Overview."

- *Improvement in Operations*. A number of improvement initiatives are underway to adopt best industry practices, most notably in the areas of labor productivity, asset utilization rates and process efficiency. Together with its capital expenditure program, these initiatives are expected to enhance CODELCO's competitive position. The Company operates in a cyclical business and CODELCO's strategy is to ensure that it is able to take full advantage of high copper prices. The Company is developing a number of plans to achieve production targets in the coming years. These plans mainly focus on reducing the risk of disruptions to production and providing increased flexibility to its operations.

- *Exploration Efforts*. CODELCO controls the largest copper reserves worldwide, the Company's single most important long-term competitive advantage. The discovery of new mining resources and improving its ability to locate existing ore bodies and prospects are critical to maintain this preeminent position in the industry. Accordingly, the Company's exploration program will continue to be a key part of its business strategy.

- *Investment in Human Capital*. The successful execution of CODELCO's business strategy relies on attracting and retaining a world-class management team and professionals of the highest caliber, as well as promoting a culture of diversity and inclusion. The mining industry faces increased competition for workforce talent. As a result, the Company intends to continue improving career development opportunities for its staff and the overall attractiveness of CODELCO as a preferred employer.

- *Mining Association with Third Parties*. CODELCO seeks to continue to develop and operate assets in association with third parties where these associations will add value to CODELCO's business. A few examples of the Company's willingness and ability to do so are: (i) the association with Freeport-McMoRan Inc. in the El Abra copper mine (CODELCO owns 49%) and (ii) the association with Anglo American plc ("Anglo American"), Mitsui & Co., Ltd. ("Mitsui") and Mitsubishi Corporation ("Mitsubishi Corporation") in Anglo American Sur (CODELCO owns an indirect 20% interest). CODELCO believes its large mining reserve is a strong platform from which to establish such associations.

- *Sustainability is an integral part of our strategy*. CODELCO has set ambitious sustainability targets, which it hopes to reach by December 2030. The targets include: (i) 70% reduction of greenhouse gas emissions from 2019 levels; (ii) 60% reduction of unitary continental water consumption from 2019 levels; (iii) recycling 65% of industrial waste; (iv) implement online monitoring and infiltration control systems to all Tailing Storage Facilities; (v) increase by 60% the goods and services provided by local suppliers from 2019 levels; and (vi) reduce by 25% particulate matter emissions from 2021 levels.

Recent Developments

The Chilean Constitution

On July 4, 2021, Chile started the process of drafting a new Constitution by a Constitutional Convention. In September 2022, the concrete proposal for the new Constitution was rejected in a national exit referendum. On December 12, 2022, the vast majority of the political forces represented in the Chilean parliament subscribed a document titled "*Acuerdo por Chile*" (Agreement for Chile). This document constitutes a new consensus and a starting point to begin drafting a new Constitution.

On January 17, 2023, Law No. 21,533 was published in the Official Gazette of Chile, setting forth the procedure for the elaboration and approval of the new Constitution. Law No. 21,533 contains 12 fundamental principles and criteria for the drafting of the potential new Constitution. It also provides for an Experts' Commission of 24 members to be appointed by the Chilean Congress, in proportion to the current political forces and parties represented in Congress, to be in charge of preparing a pre-draft of a constitutional text. This pre-draft will be subject to the discussion of a Constitutional Council (*Consejo Constitucional*) to be elected on May 7, 2023 applying the rules for the election of members of the Senate. There will be also a Committee on Technical Admissibility (*Comité Técnico de Admisibilidad*), also appointed by the Chilean Congress, composed of 14 members, that will resolve any requests against any provisions of the pre-draft Constitution approved by the Experts' Commission, or the draft approved by the Constitutional Council on the grounds of contradicting the 12 fundamental principles and criteria mentioned above. The proposed new Constitution shall be submitted for approval or rejection in a referendum to be held on December 17,

2023. The process of drafting a new Constitution is ongoing and the new Constitution, if approved, may have an impact on natural resources, labor and social security legislation, among other matters, which in turn may have effects on our business, financial condition or results of operations, that, as of the date of this offering memorandum, we cannot anticipate.

Loan Agreement

CODELCO is currently negotiating a U.S.$500.0 million 10-year loan with Export Development Canada ("EDC"), which is expected to be entered into within a few weeks following the date of this offering memorandum. The terms of the loan are expected to be similar to those in other CODELCO-EDC loans. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources".

Appointment of New Executives

On January 26, 2021, CODELCO announced the resignation of Rodrigo Cerda Norambuena from his position as Director of CODELCO.

On January 29, 2021, CODELCO announced the appointment of Raúl Alejandro Puerto Mendoza as General Auditor effective on March 11, 2021.

On February 18, 2021, CODELCO announced organizational adjustments, consisting of the elimination of the Vice Presidency of Productivity and Costs, distributing its functions across other areas of the corporation. In consideration of the above, CODELCO announced the appointment of Mauricio Acuña Sapunar as Vice President of Supply, a new department reporting to the Executive President, effective on April 5, 2021.

On March 31, 2021, CODELCO announced the appointment of Felipe Larraín Bascuñán as Director of CODELCO.

On May 10, 2021, CODELCO announced the appointment of Patricia Núñez Figueroa and Pedro Pablo Errázuriz Domínguez as Directors of CODELCO.

On May 14, 2021, CODELCO announced the appointment of Marco Bastías Villablanca as Vice President of Projects, effective on October 1, 2021.

On March 10, 2022, CODELCO announced the resignation of Juan Benavides from his position as President of the Board of Directors and Director of CODELCO, effective on March 11, 2022

On March 31, 2022, CODELCO announced the appointment of Maximo Pacheco Matte as President of the Board of Directors, effective on March 31, 2022.

On March 31, 2022, CODELCO announced the appointment of Josefina Montenegro Araneda as Director, effective on May 11, 2022.

On May 20, 2022, CODELCO announced the resignation of Renato Fernández Baeza as Vice President of Corporate Affairs & Sustainability and Marcelo Álvarez Jara as Vice President of Human Resources, effective on September 30, 2022.

On May 23, 2022, CODELCO announced the appointment of Alejandra Wood Huidobro and Nelson Cáceres Hernández as Directors.

On July 12, 2022, CODELCO announced the resignation of Rodrigo Barrera Páez as General Manager of the Andina Division effective on July 12, 2022. In consideration of the above, CODELCO announced the appointment of Roberto Pastén Jeraldo as acting General Manager of the Andina Division.

On August 26, 2022, CODELCO announced the appointment of Mary Carmen Llano Aranzasti as Vice President of Human Resources, effective on October 01, 2022.

On August 26, 2022, CODELCO announced the resignation of Octavio Araneda as Chief Executive Officer and Executive President. In consideration of the above, CODELCO announced the appointment of André Sougarret Larroquete as Chief Executive Officer and Executive President, effective on August 29, 2022.

On September 28, 2022, CODELCO announced the resignation of Lorena Ferreiro Vidal as General Counsel, effective on September 28, 2022. In consideration of the above, CODELCO announced the appointment of María Susana Rioseco Zorn as General Counsel.

On September 30, 2022, CODELCO announced the appointment of Nicolás Rivera Rodríguez as Vice President Northern Operations, Christian Caviedes Núñez as General Manager of the Chuquicamata Division, Lindor Quiroga Bugueño as General Manager of the Andina Division and Julio Díaz Rivera as General Manager of the Radomiro Tomic Division, effective on October 01, 2022.

On November 16, 2022, CODELCO announced the resignation of Marcos Bastías Villablanca as Vice President of Projects effective on November 30, 2022. In consideration of the above, CODELCO announced the appointment of Francisco Carrasco Jerez as acting Vice President of Projects from December 01, 2022 to December 11, 2022 and the appointment of Julio Cuevas Ross as Vice President of Projects, effective on December 12, 2022.

On December 05, 2022, CODELCO announced the appointment of Nicole Porcile Yanine as Vice President of Corporate Affairs & Sustainability, effective on December 12, 2022.

Corporate Information

CODELCO's principal executive offices are located at Huérfanos 1270, Santiago, Chile, postal code 8340424, and its telephone number is (562) 2690-3000. CODELCO was established by Decree Law No. 1,350, published in the Official Gazette on February 28, 1976, as amended by Law No. 20,392, published in the Official Gazette on November 14, 2009.

The Offering

Issuer	Corporación Nacional del Cobre de Chile.
Securities Offered	U.S.$900,000,000 aggregate principal amount of 5.125% notes due 2033 (the "notes").
Issue Price	The issue price of the notes is 99.938%, plus accrued interest, if any, from February 2, 2023.
Issue Date	February 2, 2023.
Interest	5.125% per year. The interest on the notes will be payable semi-annually in arrears on February 2 and August 2 of each year, beginning on August 2, 2023. Interest on the notes will be calculated on the basis of a 360-day year of twelve 30-day months. See "Description of Notes."
Maturity Date	February 2, 2033.
Withholding Tax	Interest will be paid after withholding for or on account of certain taxes imposed by Chile. Under current Chilean law and regulations, payments of interest to holders of the notes that are not residents of Chile for purposes of Chilean taxation will generally be subject to Chilean withholding tax at a rate of 4%. Subject to specified exceptions and limitations, CODELCO will pay Additional Amounts (as defined in "Description of Notes—Payment of Additional Amounts") in respect of such withholding tax on interest payments. See "Description of Notes—Payment of Additional Amounts" and "Taxation—Chilean Taxation."
Tax Redemption	The notes are redeemable at the option of CODELCO in whole, but not in part, at any time at the principal amount thereof, plus accrued and unpaid interest and any Additional Amounts due thereon if, as a result of a change in the laws or regulations affecting Chilean taxation that is announced or becomes effective on or after the date of the agreement to purchase the notes, CODELCO becomes obligated to pay Additional Amounts on interest payments on the notes in respect of withholding or deduction of Chilean tax at a rate in excess of 4%. See "Description of Notes—Tax Redemption," "Taxation—Chilean Taxation" and "Risk Factors—Risks Relating to the Offering."

Optional Redemption	We may redeem the notes at our option, in whole or in part, at any time and from time to time prior to the date that is three months prior to the maturity date of the notes, at a redemption price equal to the greater of 100% of the outstanding principal amount of the notes to be redeemed and a redemption price based on a "make-whole" premium, plus accrued and unpaid interest to the date of redemption. In addition, we may redeem the notes at our option, in whole or in part, at any time and from time to time, beginning on the date that is three months prior to the maturity date of the notes, at a redemption price equal to 100% of the outstanding principal amount of the notes to be redeemed, plus accrued and unpaid interest to the date of redemption. See "Description of Notes—Optional Redemption" and "Risk Factors—Risks Relating to the Offering."
Form and Denomination	The notes will be issued in book-entry form only in denominations of U.S.$200,000 and integral multiples of U.S.$1,000 in excess thereof. The notes will be represented by one or more global notes (the "Global Notes") registered in the name of a nominee of DTC, as depositary, for the accounts of its direct and indirect participants, including Euroclear, as operator of the Euroclear system, and Clearstream. See "Description of Notes."
Payments; Transfers	Payment of interest and principal amount with respect to interests in Global Notes will be credited by DTC, Euroclear or Clearstream, as the case may be, to the account of the holders of such interests with DTC, Euroclear or Clearstream, as the case may be. Transfers of interests in notes held through DTC, Euroclear or Clearstream will be conducted in accordance with the rules and operating procedures of the relevant system. There will be a paying agent.
Ranking	The notes will constitute direct, general, unconditional and unsubordinated obligations of CODELCO. The notes rank and will rank without any preference among themselves and equally with all other unsubordinated obligations of CODELCO, other than certain obligations granted preferential treatment pursuant to Chilean law. It is understood that this provision will not be construed so as to require CODELCO to make payments under the notes ratably with payments being made under any other obligations.

The indenture governing the notes will not contain any restrictions on the amount of additional indebtedness which may be incurred by CODELCO or its subsidiaries; however, as set forth under "Description of Notes—Covenants—Limitation on Liens," the notes will contain certain restrictions on the ability of CODELCO and its subsidiaries to incur secured indebtedness. See "Description of Notes."

Certain Covenants	The indenture governing the notes will contain certain covenants, including, but not limited to, covenants with respect to (i) limitations on liens, (ii) limitations on sale-and-lease-back transactions and (iii) limitations regarding consolidation, merger, conveyance, sale or lease transactions. See "Description of Notes—Covenants—Limitation on Liens," "—Limitation on Sale-and-Lease-Back Transactions" and "—Consolidation, Merger, Conveyance, Sale or Lease."
Transfer Restrictions	The notes have not been and will not be registered under the Securities Act and are subject to restrictions on resales. See "Transfer Restrictions."
Further Issues	In accordance with the terms of the indenture, CODELCO may issue additional notes of the same series as the notes offered hereby at a future date. See "Description of Notes—Further Issues of Notes". The notes offered hereby and any additional notes of this series will be treated as a single fungible series for all purposes under the indenture.
Listing	We intend to apply to list the notes on the Official List of the Luxembourg Stock Exchange and for trading on the Euro MTF market of the Luxembourg Stock Exchange; however, the notes have not yet been listed.
Governing Law; Submission to Jurisdiction	The notes and the indenture will be governed by the laws of the State of New York. CODELCO will submit to the jurisdiction of the United States federal and state courts located in the Borough of Manhattan in the City of New York in respect of any action arising out of or based on the notes or the indenture. See "Description of Notes—Governing Law; Submission to Jurisdiction; Sovereign Immunity."

Expected Ratings	The notes offered hereby will be assigned a rating by Moody's Investors Service, Inc. ("Moody's") and by Standard & Poor's rating group ("S&P"). CODELCO currently has a foreign currency long-term debt rating by Moody's of A3 (stable) and a long-term foreign issuer credit rating by S&P of A (stable). A securities rating is not a recommendation to buy, sell or hold securities, is subject to revision or withdrawal at any time by the assigning rating organization and should be evaluated independently of any other rating.
Use of Proceeds	We intend to use the net proceeds from the sale of the notes for general corporate purposes.
Trustee, Paying Agent, Transfer Agent and Registrar	The Bank of New York Mellon
Luxembourg Listing Agent	The Bank of New York Mellon SA/NV, Luxembourg Branch
Risk Factors	Before investing, you should carefully consider the risks set forth under "Risk Factors" beginning on page 16 of this offering memorandum.

SUMMARY CONSOLIDATED FINANCIAL DATA

The following tables present CODELCO's summary consolidated financial data and other data as of and for each of the periods indicated. This data (other than the average London Metal Exchange ("LME") copper prices) is derived from, and should be read together with, CODELCO's Consolidated Financial Statements, including the notes thereto, included elsewhere in this offering memorandum. This data should also be read together with "Management's Discussion and Analysis of Financial Condition and Results of Operations." The Consolidated Financial Statements and other financial information included in this offering memorandum are presented in accordance with IFRS. The unaudited results of operations for the nine-month periods ended September 30, 2021 and 2022 are not necessarily indicative of the results to be expected for the full year or any other period.

	For the year ended December 31,			For the nine-month periods ended September 30,	
	2019	2020	2021	2021	2022
	(in thousands of U.S.$)				
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME					
Revenue	12,524,931	14,173,168	21,024,815	14,868,179	11,879,784
Cost of sales[1]	(10,051,441)	(10,565,179)	(12,185,688)	(8,822,621)	(8,340,192)
Gross profit	2,473,490	3,607,989	8,839,127	6,045,558	3,539,592
Other income	360,690	97,321	115,741	83,337	39,476
Impairment losses and/or reversal of impairment losses determined in accordance with IFRS 9	378	(206)	(1,250)	(9)	(1,182)
Distribution costs	(17,069)	(9,463)	(9,389)	(7,429)	(10,353)
Administrative expenses	(409,234)	(397,045)	(459,278)	(322,012)	(374,634)
Other expenses, by function[2]	(1,747,838)	(1,456,821)	(2,717,007)	(1,748,250)	(1,305,710)
Other gains	22,672	30,425	37,531	24,032	22,415
Finance income	36,871	40,213	13,657	10,086	29,600
Finance costs	(479,307)	(742,464)	(641,009)	(448,789)	(424,459)
Share of profit of associates and joint ventures accounted for using equity method	13,203	39,436	414,845	305,607	53,391
Foreign exchange differences	153,917	(165,501)	313,736	254,932	129,728
Profit (loss) before tax	407,773	1,043,884	5,906,704	4,197,063	1,697,864
Income tax expense[3]	(393,245)	(787,003)	(3,855,336)	(2,690,160)	(1,206,688)
Profit (loss) for the period	14,528	256,881	2,051,368	1,506,903	491,176
Profit (loss) attributable to owners of the parent	6,637	242,993	1,942,486	1,425,934	471,660
Profit (loss) attributable to non-controlling interests	7,891	13,888	108,882	80,969	19,516
Profit (loss) for the period	14,528	256,881	2,051,368	1,506,903	491,176

	As of December 31			As of September 30, 2022
	2019	2020	2021	
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION	(in thousands of U.S.$)			
Total current assets	6,050,021	7,758,122	7,801,909	6,509,202
Total property, plant and equipment	29,700,164	30,012,945	30,811,432	31,504,559
Investments accounted for using equity method[4]	3,483,523	3,418,958	3,546,011	3,534,431
Non-current receivables	98,544	93,986	104,177	80,220
All other assets[5]	1,012,359	926,375	793,906	784,692
Total assets	40,344,611	42,210,386	43,057,435	42,413,104
Total current liabilities	3,922,957	3,439,907	3,938,877	2,674,075
Total non-current liabilities	24,786,987	27,143,988	27,543,657	27,964,255
Total liabilities	28,709,944	30,583,895	31,482,534	30,638,330
Non-controlling interests	919,757	924,942	946,412	919,222
Equity attributable to owners of the parent	10,714,910	10,701,549	10,628,489	10,855,552

Total equity	11,634,667	11,626,491	11,574,901	11,774,774
Total liabilities and equity	40,344,611	42,210,386	43,057,435	42,413,104

	As of and for the year ended December 31,			As of and for the nine-month period ended September 30,	
	2019	2020	2021	2021	2022
	(in thousands of U.S.$, except ratios and copper prices)				
OTHER ITEMS					
Depreciation and amortization of assets	2,220,069	2,455,070	2,259,324	1,636,784	1,640,339
Interest expense, net	(442,436)	(702,251)	(627,352)	(438,703)	(394,859)
Ratio of earnings to fixed charges (adjusted)[6]	1.9	2.4	16.2	16.6	11.1
Average LME copper price (U.S. ¢ per pound)[7]	272.1	280.3	422.6	416.8	411.1
Adjusted EBITDA[8]	4,042,748	5,289,081	10,378,724	7,426,425	4,697,217
Ratio of debt to Adjusted EBITDA[9]	4.3	3.4	1.7	N.A	N.A
Adjusted EBITDA coverage ratio[10]	9.1	7.5	16.5	16.9	11.9

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(1) "Cost of sales" for any period includes direct and indirect costs, depreciation and amortization associated with the production of copper and byproducts, as well as purchase costs of third-party copper, sold by CODELCO in that period.

(2) "Other expenses" is comprised principally of costs related to the 10% special export tax paid by the Company, retirement plan and severance indemnities and fixed indirect costs below production level. See note 22.b of the Consolidated Financial Statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

(3) CODELCO is subject to a mining tax on operating income at progressive rates of between 5% and 14%. The tax is imposed on operating income generated during the operating year. The statutory rate of the mining tax for CODELCO was 5.0% for each year between 2018 and 2020. In addition, CODELCO is subject to the corporate income tax rate of 25% since 2017 (pursuant to the tax reform in 2014) and a 40% tax on net earnings applicable to state-owned enterprises as specified by Decree Law No. 2,398, Article 2. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Distributions to the Chilean Treasury" for additional information. See note 5 of the Consolidated Financial Statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Distributions to the Chilean Treasury" and "Regulatory Framework." See also "Risk Factors—Risks Relating to CODELCO's Relationship with the Government of Chile—CODELCO is subject to special taxes" for information regarding the mining tax rate effective in 2016.

(4) See note 9 of the Consolidated Financial Statements and the Unaudited Interim Consolidated Financial Statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

(5) All other assets includes other non-current financial assets, other non-current non-financial assets, accounts receivable from related parties, non-current, non-current inventories, intangible assets other than goodwill, investment property, non-current tax assets and deferred tax assets.

(6) For the purpose of calculating CODELCO's ratio of earnings to fixed charges (adjusted), (i) "earnings" consist of Adjusted EBIT and (ii) "fixed charges" consist of finance cost. The ratio of earnings to fixed charges (adjusted) is calculated by dividing Adjusted EBIT by finance cost. Adjusted EBIT is calculated by adding finance cost, impairment charges net of reversals (as defined in note (1) of the following table) and income tax expense to profit (loss) for the period. Adjusted EBIT, while not a financial performance measure under IFRS, is presented as an indicator of funds available to service debt. Adjusted EBIT and Adjusted EBITDA data are included in this offering memorandum because such data are used by investors to assess: (i) the operating trends and financial performance of the Company and (ii) the ability of the Company to (a) service its existing debt, (b) incur new debt and (c) fund its capital expenditures. The Company believes that Adjusted EBIT, while providing useful information, should not be considered in isolation as a substitute for profit for the period, as an indicator of operating performance, or as an alternative to cash flow as a measure of liquidity. Additionally, the Company's calculation of Adjusted EBIT may be different than the calculation used by other companies and therefore, comparability may be affected. See notes 8, 20 and 23 of the Consolidated Financial Statements and Unaudited Interim Consolidated Financial Statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations" for further information about impairment charges and reversals and other non-cash charges.

(7) Average price on the LME for Grade A cathode copper during period.

(8) Adjusted EBITDA is calculated by adding finance cost, income tax expense, depreciation and amortization of assets plus export taxes and impairment charges net of reversals (as defined in note (1) of the following table) to profit (loss) for the period. Adjusted EBITDA is presented because it is a widely accepted indicator of funds available to service debt, although it is not an IFRS-based measure of liquidity or performance. Adjusted EBIT and Adjusted EBITDA data are included in this offering memorandum because such data are used by investors to assess: (i) the operating trends and financial performance of the Company and (ii) the ability of the Company to (a) service its existing debt, (b) incur new debt and (c) fund its capital expenditures. The Company believes that Adjusted EBITDA, while providing useful information, should not be considered in isolation or as a substitute for profit as an indicator of operating performance, or as an alternative to cash flow as a measure of liquidity. Additionally, the Company's calculation of Adjusted EBITDA may be different than the calculation used by other companies and therefore, comparability may be affected. See notes 8, 20 and 23 of the Consolidated Financial Statements and Unaudited Interim Consolidated Financial

Statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations" for further information about impairment charges and reversals and other non-cash charges.

(9) The ratio of debt to Adjusted EBITDA is calculated by dividing debt by Adjusted EBITDA. Debt is defined as loans from financial institutions plus bonds issued.

(10) Adjusted EBITDA coverage ratio is the ratio of Adjusted EBITDA to finance cost net of finance income. See note 8 above for further information about Adjusted EBITDA and notes 20 and 23 of the Consolidated Financial Statements and Unaudited Interim Consolidated Financial Statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations" for further information about impairment charges and reversals and other non-cash charges.

The following table shows CODELCO's earnings, Adjusted EBIT, ratio of earnings to fixed charges (adjusted), Adjusted EBITDA and reconciliation of Adjusted EBIT and Adjusted EBITDA for the periods indicated.

	For the year ended December 31,			For the nine-month period ended September 30,	
	2019	**2020**	**2021**	**2021**	**2022**
	(in thousands of U.S.$)				
Profit (loss) for the period..................	14,528	256,881	2,051,368	1,506,903	491,176
Income tax expense	393,245	787,003	3,855,336	2,690,160	1,206,688
Finance costs...................................	479,307	742,464	641,009	448,789	424,459
Impairments(1)	-	-	-	-	-
Adjusted EBIT(2)	**887,080**	**1,786,348**	**6,547,713**	**4,645,852**	**2,122,323**
Ratio of earnings to fixed charges (adjusted)(3)	**1.9**	**2.4**	**16.2**	**16.6**	**11.1**
Depreciation and amortization of assets(4)	2,220,069	2,455,070	2,259,324	1,636,784	1,640,339
Copper Reserve Law(5)	935,599	1,047,663	1,571,687	1,143,789	934,555
Adjusted EBITDA	**4,042,748**	**5,289,081**	**10,378,724**	**7,426,425**	**4,697,217**

(1) Impairments include charges and reversals related to charges of investment projects, research projects and investment in associates and joint ventures and exclude impairment charges related to definite-lived tangible assets which show indicators of impairment under International Accounting Standard No. 36. See notes 8, 20 and 23 of the Consolidated Financial Statements and Unaudited Interim Consolidated Financial Statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations" for further information about impairment charges and reversals and other non-cash charges.

(2) Adjusted EBIT is calculated by adding finance cost, impairment charges net of reversals (as defined in note (1) above) and income tax expense to profit (loss) for the period. Adjusted EBIT, while not a financial performance measure under IFRS, is presented as an indicator of funds available to service debt. Adjusted EBIT and Adjusted EBITDA data are included in this offering memorandum because such data are used by investors to assess: (i) the operating trends and financial performance of the Company and (ii) the ability of the Company to (a) service its existing debt, (b) incur new debt and (c) fund its capital expenditures. The Company believes that Adjusted EBIT, while providing useful information, should not be considered in isolation as a substitute for profit for the period, as an indicator of operating performance, or as an alternative to cash flow as a measure of liquidity. Additionally, the Company's calculation of Adjusted EBIT may be different than the calculation used by other companies and therefore, comparability may be affected. See notes 8, 20 and 23 of the Consolidated Financial Statements and Unaudited Interim Consolidated Financial Statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations" for further information about impairment charges and reversals and other non-cash charges.

(3) For the purpose of calculating CODELCO's ratio of earnings to fixed charges (adjusted), (i) "earnings" consist of Adjusted EBIT and (ii) "fixed charges" consist of finance cost. The ratio of earnings to fixed charges (adjusted) is calculated by dividing Adjusted EBIT by finance cost.

(4) See note 9 of the Consolidated Financial Statements and the Unaudited Interim Consolidated Financial Statements.

(5) The Copper Reserve Law currently requires the payment of a 10% special export tax on receivables of the sales proceeds that CODELCO receives and transfers to Chile from the export of copper and related by products produced by CODELCO. For further information, see "Risk Factors—Risks Relating to CODELCO's Relationship with the Government of Chile— CODELCO is subject to special taxes."

The following table shows CODELCO's debt and ratio of debt to Adjusted EBITDA and Adjusted EBITDA coverage ratio for the periods indicated.

	As of and for the year ended December 31,			As of and for the nine-month periods ended September 30,	
	2019	2020	2021	2021	2022
	(in thousands of U.S.$, except ratios)				
Debt	17,264,356	18,076,656	17,241,500	17,317,960	16,739,265
Ratio of debt to Adjusted EBITDA	4.3	3.4	1.6	N.A	N.A
Finance income	36,871	40,213	13,657	10,086	29,600
Adjusted EBITDA coverage ratio[(1)]	9.1	7.5	16.5	16.9	11.9

(1) Adjusted EBITDA coverage ratio is the ratio of Adjusted EBITDA to finance cost net of finance income.

RISK FACTORS

Prospective purchasers of the notes offered hereby should carefully consider all of the other information contained herein, including the risk factors set forth below. As a general matter, investing in the securities of an issuer, substantially all of whose operations are in a developing country such as Chile, involves a higher degree of risk than investing in securities of issuers with substantially all of their operations in the United States and other jurisdictions.

Risks Relating to CODELCO's Operations

Developments relating to the COVID-19 pandemic may have a material adverse impact on CODELCO's operations.

In December 2019, the outbreak of COVID-19 began in mainland China and has since spread through most countries, negatively affecting global and regional conditions. In March 2020, the World Health Organization (WHO) declared the COVID-19 outbreak a pandemic. In response to the outbreak, governmental authorities throughout the world imposed lockdowns and other restrictions to contain the virus, and various businesses suspended or reduced operations. The final impact on the global economy and financial markets is still uncertain, but is expected to be significant.

The COVID-19 outbreak spread into Chile and has caused temporary disruptions to some of CODELCO's capital projects as part of measures to contain the spread of the virus. The Chilean government maintained a "step-by-step" gradual lockdown relief program in force since March 2020. On July 8, 2021, the President of Chile announced an update of the "step-by-step" program, which came into effect as of July 15, granting more freedom of movement to vaccinated people, such as allowing them to attend gyms, restaurants and other public spaces, both open and closed. On October 1, 2022, restrictions resulting from the COVID-19 pandemic were lifted. If the pandemic continues or worsens, restrictions may be imposed on CODELCO by governmental authorities and CODELCO may encounter operational difficulties related to insufficient personnel, higher costs and expenses associated with delayed inspections, assessments and authorizations. CODELCO may need to adopt additional contingency measures, such as stricter cleaning protocols and further reductions of employees at its operations, or even suspend operations. In addition, business activities all over the world, including manufacturing activities that drive demand for copper and other metals, declined and have been significantly impacted by the pandemic. The existence and continuance of the pandemic in the countries where the purchasers of CODELCO's products (such as China) are located could result in reduced demand. Due to the pervasive nature of the pandemic, there is uncertainty around its ultimate impact on our business; therefore, the negative impact on our financial and operating results cannot be reasonably estimated at this time, and CODELCO cannot rule out a material impact in the future. The prolonged pandemic or the re-imposition of more restrictive measures in Chile could result in the imposition of further quarantines or closures and/or import and export restrictions which could further adversely affect the business, financial condition, results of operations or prospects of CODELCO. To the extent COVID-19 adversely affects our business and financial results, it may also have the effect of heightening many of the other risks described in this "Risk Factors" section.

CODELCO has in the past recognized significant impairment charges for certain assets and, if market and industry conditions deteriorate, further impairment charges may be recognized.

A substantial amount of CODELCO's total assets are property, plant and equipment. As of December 31, 2021, 70.7% of our total assets were property, plant and equipment. In accordance with IFRS as issued by the IASB, we review the carrying amount of our assets to determine whether there is any indication that those assets have suffered an impairment loss. CODELCO uses the value-in-use methodology to ensure that the recoverable amount of our property, plant and equipment is not impaired. In assessing the value-in-use, the estimated future cash flows are discounted using a pre-tax discount rate that reflects current market assessments at the time value of money and the risks specific to the asset.

In 2020, CODELCO recognized a U.S.$24.0 million impairment loss in the value of the assets of the Ventanas Division. In 2021, the subsidiary Sociedad de Procesamiento de Molibdeno Ltda. recognized an impairment loss of U.S.$125,483 before taxes. We may write off capitalized expenses for engineering and other costs for certain projects that do not go forward or certain mining rights that we determine may no longer be commercialized, which we would not expect to have a material effect on the Company's financial results or operating position. Because the impairment calculation is directly associated with the outlook of copper prices, a downturn in the copper price outlook could require further impairment losses on our plant, property and equipment. Such impairment charges could be material to our financial statements.

CODELCO's business is highly dependent upon the price of copper.

CODELCO's financial performance is significantly affected by the market prices of copper. These prices have been historically subject to wide fluctuations and are affected by numerous factors beyond the control of CODELCO, including international economic and political conditions, levels of supply and demand, the availability and costs of substitutes, inventory levels maintained by producers and others and actions of participants in the commodities markets. To a lesser extent, copper prices are also subject to the effects of inventory carrying costs and currency exchange rates. In addition, the market prices of copper have occasionally been subject to rapid short-term changes. See "Overview of the Copper Market."

In 2021, LME copper prices averaged 422.6 cents per pound, an increase from 279.8 cents per pound in 2020 and 272.1 cents per pound in 2019, which we believe was attributable primarily to demand growth in China and the recovery of the economy post pandemic. China has been the main driver of copper consumption in recent years, and in 2019, 2020 and 2021, 34.5%, 38.1% and 32.4% respectively, of CODELCO's sales were made to China. If economic conditions deteriorate in China or other emerging markets, demand from customers in those markets could decline and the market price of copper could fall. A decline in copper prices would have an adverse impact on CODELCO's revenues and financial results. In 2021, each one-cent change in CODELCO's average annual copper price per pound sold caused a variation in operating profit of approximately U.S.$35.0 million. If CODELCO's average annual copper price per pound declines significantly for an extended period of time, CODELCO may, subject to other factors such as operating costs, be required to recognize asset impairments.

In the event of a sustained decline in prices, CODELCO has in the past and could again determine to curtail operations or suspend certain of its mining and processing operations. See "Management's Discussion and Analysis of Financial Condition and Results of Operations."

CODELCO faces competition in the copper market from other copper producers.

CODELCO faces competition from other copper mining companies and producers of copper around the world. Although CODELCO continues to focus on reducing costs, there can be no assurance that competition from lower cost producers will not have a material adverse effect on the business, financial condition, results of operations or prospects of CODELCO.

The mining industry has experienced significant consolidation in recent years, including consolidation among some of CODELCO's main competitors, as a result of which an increased percentage of copper production is from companies that also produce other products and are, consequently, more diversified. There can be no assurance that the result of current or further consolidation in the industry will not have a material adverse effect on the business, financial condition, results of operations or prospects of CODELCO.

Most of CODELCO's copper output is dependent upon production from three of its main mining complexes.

Three of CODELCO's mining complexes produced over 64% of its copper output in 2021 (including CODELCO's share in the El Abra deposit and Anglo American Sur). The El Teniente Division, including the Caletones smelter, produced an aggregate of 459.8 metric tons of copper in 2021. The Radomiro Tomic mine produced an aggregate of 326.5 metric tons of copper and the Chuquicamata mine produced an aggregate of 319.2 metric tons of copper, each during the same period. If operations in any of these three mining complexes were significantly reduced, interrupted or curtailed, CODELCO's financial condition and its ability to make the required payments on the notes could be materially and adversely affected. CODELCO cannot assure you that production interruptions will not occur or that any such incident would not materially adversely affect its production. See "Business and Properties—Operations—Chuquicamata Division," "—Radomiro Tomic Division" and "—El Teniente Division."

The business of mining is subject to risks, some of which are not completely insurable.

The business of mining, smelting and refining copper is generally subject to a number of risks and hazards, including industrial accidents, labor disputes, unexpected geological conditions, mine collapses, vandalism, theft, changes in the regulatory environment, environmental hazards, weather and other natural phenomena, such as earthquakes, fires and floods. Such occurrences could result in damage to, loss of, or destruction of, mineral properties or production facilities, human exposure to pollution, personal injury or death, environmental and natural resource damage, delays in mining, monetary losses and possible legal liability. CODELCO maintains insurance consistent with copper mining industry standards and in amounts that it believes to be adequate, but which may not provide complete coverage in certain circumstances. Insurance against certain risks (including certain liabilities for environmental pollution and other hazards as a result of exploration and production) is not generally available to CODELCO or to other companies within the industry.

Under each of CODELCO's copper sales agreements, CODELCO or its customer may suspend or cancel delivery of copper during a period of force majeure. Events of force majeure under the agreements include acts of nature, strikes, fires, floods, wars, transportation delays, governmental actions or other events that are beyond the control of the parties. Any suspension or cancellation of deliveries under copper sales agreements that are not replaced by delivery under new contracts or sales on the spot market could have a material adverse effect on the business, financial condition, results of operations or prospects of CODELCO.

CODELCO's water supply could be affected by geological changes or environmental regulations.

CODELCO's business is dependent on the availability of water for the production of copper and subject to environmental regulations regarding water usage. In the past, Chile has experienced droughts severe enough to adversely affect the energy sector of the economy in the central and southern regions of Chile. CODELCO's access to water may also be impacted by changes in geology or other natural factors that CODELCO cannot control. If Chile were to experience a drought or CODELCO was otherwise unable to obtain adequate water supplies, CODELCO's ability to conduct its operations could be impaired.

On April 6, 2022, Law No. 21,435, which reforms the Water Code was published in the Official Gazette (the "Water Code Reform"). The Water Code Reform reaffirms that water rights are a public asset, acknowledging the right to access water and sanitation as an essential and inalienable human right. In effect, water rights granted post Water Code Reform will be limited in time, as the concessions will be granted for a period of 30 years. Moreover, the concession will be automatically renewed, unless Chile's General Water Bureau sets out that the relevant water right is not being used effectively upon its expiration date or that a renewal could affect the sustainability of the water source. Furthermore, the Water Code Reform added the concept of "public interest" as a requirement for the granting of new water rights. Additionally, the Water Code Reform prioritizes human consumption over other uses; recognizes the constitution of rights for non-extractive uses such as environmental conservation and tourism; restricts the use of certain water use rights in situations of scarcity; and reforms the current regulation of mining waters, among other matters.

On June 29, 2021, to mitigate the effects of climate change over water resources in Chile, the previous President of Chile submitted to Congress a draft bill, independent from the Water Code and its reform, aiming to create a new national institutional framework for water resources. This draft bill is intended to strengthen the planning, regulation, investment in infrastructure and management of the water resources in Chile, and is expected to create, among others: (i) the Undersecretary of Water Resources within the Ministry of Public Works, which will change its name to "Ministry of Public Works and Water Resources"; and (ii) a Commission of Water Resources. Currently, the draft bill is in its first constitutional state of discussion in Congress –in an early development stage– and we cannot predict whether this bill will pass, since (i) Chile elected a new President in March 2022, and this bill was submitted by Chile's previous President; and (ii) it is expected that the water rights' discussion will be addressed in a potential new Chilean Constitution. See "Summary—Recent Developments—The Chilean Constitution".

The enactment of these laws and/or other regulatory projects related to water resources currently under discussion in the Chilean Congress may negatively affect CODELCO's water supply.

Also, CODELCO's activities are subject to compliance with obligations, measures and conditions set forth in several environmental authorizations ("*Resoluciones de Calificación Ambiental*"), including those related to water consumption and supply. Environmental authorizations for future expansions or modifications of current activities may set forth stricter limitations to water use and supply. The enactment of these laws and/or other regulatory projects related to water resources currently under discussion in Congress may eventually affect CODELCO's water supply, which in turn may have a material adverse effect on CODELCO's financial condition and results of operations.

CODELCO's compliance with environmental, health and safety laws may require increased costs, including capital commitments, and non-compliance may subject it to significant penalties.

Chile has adopted environmental, health and safety regulations requiring industrial companies operating in Chile, including CODELCO, to undertake programs to reduce, control or eliminate various types of pollutants and to protect natural resources, including water and air, among other requirements. If the *Ministerio del Medio Ambiente* (the Ministry of the Environment) declares an area to be polluted or potentially polluted, a prevention or decontamination plan is required. Either type of plan may contain measures that may increase the costs of developing new facilities or expanding existing ones in the designated area. Some of the areas where CODELCO operates have been declared polluted. The measures currently included in the prevention or decontamination plans that govern these areas are subject to change and may become more stringent over time. CODELCO must comply with certain air quality environmental regulations regarding particulate matter (PM_{10}) and sulfur dioxide (SO_2) in the areas surrounding the Potrerillos, Caletones, Ventanas and Chuquicamata smelting plants. The Potrerillos, Caletones and Ventanas smelting plants have decontamination plans for such pollutants. In the area surrounding the Chuquicamata smelter, there are decontamination plans for PM_{10} under development and under review, and a pollution prevention plan for SO_2 is under development. CODELCO is currently unable to fully assess what may be required of it or the cost of compliance with the revised PM_{10} pollution reduction plans, the SO_2 prevention plan or any future changes to the other plans covering the areas where CODELCO operates. As of the date of this offering memorandum, the impact of operating in latent and saturated zones has not been material to CODELCO; however, it could have a material effect in the future.

An air emissions standard for smelters was enacted by the Ministry of the Environment in 2013. This standard involves arsenic (As), SO_2, PM_{10} and mercury (Hg) emissions. Since 2013, CODELCO's cost of complying with this standard was U.S.$2.2 billion. As of the date of this offering memorandum, the Ventanas, El Teniente, Chuquicamata and Salvador smelters meet the requirements of this standard. See "Regulatory Framework—Environmental Regulations."

Additionally, in 2015, Supreme Decree No. 10 declared the boroughs of Concón, Quintero and Puchuncaví, where the Ventanas smelting plant is located, as a saturated zone with regards to $PM_{2.5}$ and as a latent zone with regards to PM_{10}, and new decontamination and prevention plans were enacted in March 2019. CODELCO estimates that the cost of such plans will be U.S.$27.0 million, which will be incurred over a period of approximately four years.

In May 2022, the Ministry of the Environment approved the Preliminary Draft on Emission Standards Applicable to Heavy Motor Vehicles, which aims to reduce the accumulative exposure of the emissions from heavy vehicles. The preliminary draft recently completed the public consultation phase.

Environmental, health and safety laws and regulations are complex, change frequently and have tended to become increasingly stringent over time. For example, changes to current environmental laws and regulations, and additional environmental laws and regulations, have been adopted, including mine closure legislation that requires financial guarantees, and have recently been proposed, including green taxes, climate change, environmental crimes and glacier protection laws that could (i) prevent expansion of our operations into certain areas, (ii) require us to obtain additional permits and (iii) result in increased cost and potential delays. Moreover, certain changes to environmental, health and safety laws and regulations are pending and other new laws or regulations may be adopted in Chile in the future. In addition, community and environmental activist groups have protested the development of certain mines of our competitors in Chile and may increase demands for socially responsible and environmentally sustainable practices, and their efforts may lead to operational delays and the creation or revision of government regulations and policies with respect to the mining industry in Chile, litigation and increased costs.

Finally, as a result of the Paris Agreement reached during the 21st Conference of the Parties to the United Nations Framework Convention on Climate Change in 2015, a number of governments have pledged "Nationally Determined Contributions" to control and reduce greenhouse gas emissions. Assuming that the Chilean economy grows at the same rate it has grown over the previous ten years, excluding the years of the global financial crisis, and such growth rate is sufficient, Chile has committed to reducing its CO_2 emissions per GDP unit by 30% below 2007 levels by 2030 and, subject to an international monetary grant, reducing its CO_2 emission per GDP unit by 2030 until it reaches a 35% to 45%

reduction with respect to the 2007 levels. In addition, the Paris Agreement resulted in increased international pressure for the establishment of a global carbon price, and on companies to adopt carbon pricing strategies. The pricing of greenhouse gas emissions may impact our operational costs, mainly through higher price for electricity and fossil fuels as mining is an energy intensive industry. In 2019, during the 25th Conference of the Parties to the United Nations Framework Convention on Climate Change in Madrid, the Chilean government announced an update to its Nationally Determined Contribution, which includes the reduction of its CO2 emissions per GDP unit by 45% below 2016 levels by 2030.

In June 2022, Law No. 21,455 on climate change was published in the Official Gazette. This law creates a legal framework for the management and implementation of climate change mitigation and adaptation measures, aiming to face its challenges and to decrease greenhouse gas emissions, until reaching greenhouse gas emissions neutrality by 2050. In addition, this law aims to reduce the country's vulnerability and to increase level of resilience to the possible adverse effects of climate change, as a solution to comply with the international commitments assumed by Chile and to ensure access of information on climate change.

Any of these new laws or regulations could result in significant additional environmental compliance costs or delays in expansion projects. As of September 30, 2022, CODELCO had provisions of U.S.$2.1 billion for future decommissioning and site restoration costs, primarily related to tailing dams, closures of mine operations and other mining assets. CODELCO's operations outside Chile are also subject to extensive international, national and local environmental, health and safety laws and regulations.

Besides the aforementioned laws and regulations, CODELCO's operations are regulated by several environmental authorizations which set forth specific obligations, conditions and measures that have to be fulfilled. Environmental authorizations for future expansions or modifications of current activities may set forth obligations, conditions and measures that entail increased costs. Failure to comply with the applicable environmental regulations and obligations, conditions and measures can result in civil, administrative, or criminal fines or sanctions, claims for environmental damages, remediation obligations, the revocation of environmental authorizations or the temporary or permanent closure of facilities.

CODELCO's environmental permits may be revoked, annulled or delayed through judicial action brought by interested parties to challenge environmental licenses (*recurso de reclamación*) or other remedies set forth in general administrative regulations that are frequently used to seek the revocation of granted environmental approvals (*solicitud de invalidación*).

CODELCO is developing and implementing environmental management systems at each of its divisions to monitor and achieve compliance with applicable environmental laws and regulations. While CODELCO has budgeted for future capital and operating expenditures to maintain compliance with these laws and regulations, there is no guarantee that current levels of expenditures and capital commitments will be sufficient to achieve future compliance. There also can be no assurance that CODELCO has been or will be at all times in complete compliance with environmental laws and regulations, or that proceedings or civil actions will not be brought, or that fines and other sanctions will not be imposed for such non-compliance in the future. In addition, there can be no assurance that more stringent enforcement of, or changes in, existing laws and regulations, the adoption of additional laws and regulations or the discovery of new facts resulting in increased liabilities would not have a material adverse effect on CODELCO's business, financial condition, results of operations or prospects.

For further information on environmental matters, and current and proposed environmental laws and regulations, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Environmental" and "Regulatory Framework—Environmental Regulations."

CODELCO is subject to legal proceedings and legal compliance risks that may adversely impact its financial condition, results of operations and liquidity.

CODELCO spends substantial resources ensuring that it complies with local regulations, contractual obligations and other legal standards. Notwithstanding this, CODELCO is subject to a variety of legal proceedings and compliance risks in respect of various matters, including tax, environmental- and labor-related matters that arise in the course of its business and in its industry as well as disputes with governmental agencies. For example, CODELCO is subject to various labor proceedings in which workers and families of deceased workers allege that working conditions caused the workers to contract silicosis. Although CODELCO has undertaken precautionary measures, there have been fatalities involving CODELCO personnel in the past and there may be additional fatalities in the future. Serious accidents, including fatalities, may subject CODELCO to substantial penalties, civil litigation or criminal prosecution. Claims for damages to persons, including claims for bodily injury or loss of life, could result in substantial costs and liabilities, which could materially and adversely affect CODELCO's financial condition, results of operations or cash flows. If CODELCO's safety record were to substantially deteriorate over time or CODELCO were to suffer substantial penalties or criminal prosecution for violation of health and safety regulations, CODELCO's contracts may be cancelled or it may not be awarded future business. As of December 31, 2021, CODELCO estimates a negative effect of approximately U.S.$49.0 million due to a probable unfavorable outcome of litigation. A negative outcome in an unusual or significant legal proceeding or compliance investigation could also adversely affect our financial condition and results of operations. For information regarding CODELCO's current significant legal proceedings, see "Business and Properties—Comptroller General of the Republic" and "Business and Properties—Legal Proceedings."

Earthquake damage to CODELCO's properties and operations could negatively affect CODELCO's results.

Chile is located in a seismic area that exposes CODELCO's operations to the risk of earthquakes. Chile has been adversely affected by powerful earthquakes in the past, including, most recently, (i) in 2015 when an earthquake struck the coast of Chile, (ii) in 2014 when an earthquake struck the north of Chile and (iii) in 2010 when a severe earthquake struck the southern central region of Chile. The 2015 earthquake measured 8.3 on the Richter scale and affected the coast of Chile just north of Santiago, with no significant consequences for the rest of the country. The 2014 earthquake measured 8.2 on the Richter scale and affected mainly the Arica and Tarapacá Regions, with no significant consequences for the rest of the country. The 2010 earthquake and its aftershocks, as well as tsunamis from adjacent coastal waters, caused severe damage to Chile's infrastructure, including roads, bridges, ports and Santiago's international airport, affecting areas across the country.

Although the 2015, 2014 and 2010 earthquakes did not have any substantial effect on CODELCO or its results of operations, and although CODELCO's mining operations are subject to, and designed to withstand, damage from significant seismic events, an earthquake occurring closer to CODELCO's operations in northern Chile could cause damage to its mining operations that would not be covered by insurance, except to the extent that its production ceased for more than 30 days. Any such damages caused by an earthquake that were not covered by insurance could have an adverse effect on CODELCO's results of financial condition, results of operations or cash flow.

Future compliance with a changing and complex regulation scheme may require changes in CODELCO's business.

CODELCO's exploration, mining, milling, smelting and refining activities are also subject to non-environmental Chilean laws and regulations (including certain industry technical standards), which change from time to time. Matters subject to regulation include, but are not limited to, concession fees, transportation, production, reclamation, export, taxation and labor standards.

While CODELCO does not believe that compliance with such laws and regulations will have a material adverse effect on its business, financial condition, results of operations or prospects, there can be no assurance that more stringent enforcement of, or change in, existing laws and regulations, the adoption of additional laws and regulations, including increased government supervision and control over the management of CODELCO's business and its awarding of contracts, or the discovery of new facts resulting in increased liabilities or costs would not have a material adverse effect on CODELCO's business, financial condition, results of operations or prospects.

CODELCO's business plans are based on estimates of the volume and grade of CODELCO's ore deposits, which could be incorrect.

CODELCO's ore deposits (its resources and reserves) described in this offering memorandum constitute estimates based on standard evaluation methods generally used in the international mining industry and on assumptions as to production costs and market prices. The actual ore deposits may not conform to geological, metallurgical or other expectations, and the volume and grade of ore recovered may be below the estimated levels. Lower market prices, as well as increased production costs, reduced recovery rates and other factors, may render CODELCO's ore deposits uneconomic to exploit and may result in revision of its reserve and resource estimates from time to time. Reserve and resource data are not indicative of future results of operations. See "Business and Properties—Ore Reserves."

CODELCO's business requires substantial capital expenditures.

CODELCO's business is capital-intensive. Specifically, the exploration and exploitation of copper reserves, mining, smelting and refining costs, the maintenance of machinery and equipment and compliance with applicable laws and regulations require substantial capital expenditures. CODELCO must continue to invest capital to maintain or to increase the amount of copper reserves that it exploits and the amount of copper that it produces. CODELCO expects to make capital expenditures of approximately U.S.$11.2 billion between 2022 and 2024 on major projects, which it intends to finance through operations, including capitalization and retention of profit, in addition to new borrowings from banks and capital markets. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Capital Expenditure Program." There can be no assurance that CODELCO will be able to maintain its production levels or generate sufficient cash flow, capitalize a sufficient amount of its profit or have access to sufficient investments, loans or other financing alternatives to finance its capital expenditure program at a level necessary to continue its exploration, exploitation and refining activities at or above its present levels.

CODELCO's future performance depends on the results of current and future innovation and exploration.

CODELCO has a two-pronged exploration program that is focused on increasing reserves of its existing divisions and exploring for new deposits outside of its current operations. As the ore quality of CODELCO's reserves continues to decline over time, innovation and exploration are increasingly important to CODELCO's success. CODELCO expects to maintain its production levels through its expansion and development projects for the next three years. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Capital Expenditure Program" for more detail. While initial results have been favorable, there can be no guarantee that CODELCO's exploration program will continue to be successful. In addition, there may be some degree of execution risk associated with the expansion of operations into deeper mines or mines at higher altitudes. CODELCO's expansion program could also experience delays or be negatively impacted by higher costs. If CODELCO's expansion program is not successful, it would materially and adversely affect its copper production levels. For a description of CODELCO's current development programs, see "Business and Properties—Resource Development."

CODELCO has experienced high energy costs and may experience higher energy costs in the future.

Energy represents an important part of CODELCO's production costs. The main sources of energy for CODELCO's operations are electricity, liquid fuels (such as diesel, fuel oil and gasoline) and natural gas. With respect to liquid fuels and natural gas, these commodities are subject to price fluctuations as a result of external factors. For example, their cost significantly increased due to the COVID-19 pandemic and the ongoing war in Ukraine. As a result, CODELCO's profits and cash flows have been adversely affected and may continue to be adversely affected in the future.

Any interruption or destruction or loss of data in CODELCO's information technology systems due to technical or operational malfunctions or cyber-attacks could have a material adverse effect on its reputation, business, financial condition and results of operations.

CODELCO is subject to a variety of information technology and system risks as a part of its normal course of operations, including potential breakdown, invasion, virus, cyber-attack, cyber-fraud, security breach, and destruction or interruption of CODELCO's information technology systems by third parties or CODELCO's own personnel. Although CODELCO has security measures and controls in place that are designed to mitigate these risks, a breach of its security measures or a loss of information could occur and result in a loss of material and confidential information, breach of privacy laws and a disruption to its business activities. In addition, information systems could be damaged or interrupted by natural disasters, force majeure events, telecommunications failures, power loss, acts of war or terrorism, computer viruses, malicious code, physical or electronic security breaches, intentional or inadvertent user misuse or error, or similar events or disruptions. Any of these or other events could cause interruptions, delays, loss of critical or sensitive data or similar effects, which could have a material adverse impact on the protection of intellectual property, confidential and proprietary information, and on CODELCO's business, financial condition and results of operations.

Labor disruptions involving CODELCO's employees or the employees of its independent contractors could affect CODELCO's production levels and costs.

As of December 31, 2021, CODELCO employed 15,528 employees, approximately 89.8% of whom were covered by collective bargaining agreements with labor unions. Most of these collective bargaining agreements have terms of two to three years. CODELCO has experienced material work slowdowns, work stoppages and strikes in the past. In 2019, CODELCO experienced a 14-day strike involving 3,200 union workers in the Chuquicamata Division (or approximately 67% of the total work force). The 14-day strike diminished production by approximately 17,600 metric tons. In 2021, CODELCO experienced a 21-day strike involving two labor unions from the Andina Division and a 24-day strike involving one labor union also from the Andina Division, both of which diminished production by approximately 12,000 metric tons. In 2022, CODELCO experienced a 1-day strike involving two labor unions from the Ventanas Division.

CODELCO negotiated 17 collective bargaining agreements in 2021 and eight additional collective bargaining agreements in 2022. CODELCO negotiated seven collective bargaining agreements and eight collective bargaining agreements in 2020 and 2019, respectively.

CODELCO has experienced work disruptions in the past, and there can be no assurance that a work slowdown or work stoppage will not occur prior to or upon the expiration of the current collective bargaining agreements. Management is unable to estimate the effect of any such work slowdown, stoppage or strike on CODELCO's production levels. While none of the strikes described in this risk factor had a material impact in CODELCO's results of operations, work slowdowns, stoppages or other labor-related developments affecting CODELCO could have a material adverse effect on the business, financial condition, results of operations or prospects of CODELCO in the future. In particular, work slowdowns, stoppages and other labor-related events could increase CODELCO's independent contracting costs. In addition, pursuant to the *Código del Trabajo* (the "Labor Code of Chile"), CODELCO could be held liable for the payment of labor and social security obligations owed to the employees of independent contractors (or their subcontractors) if the independent contractors (or their subcontractors) do not fulfill those payment obligations. For further information on employee and independent contractor matters, including recent work disruptions, see "Business and Properties—Employees."

CODELCO is subject to an extensive labor reform law –in effect since 2017-promulgated by the Government of Chile that could affect its business and operating results.

In 2016, the Government of Chile promulgated an extensive labor reform law (the "Labor Reform Law"), which became effective in 2017. The Labor Reform Law prevents Chilean companies from hiring temporary replacements for striking employees and also prevents the replacement of such employees with other existing workers of the company. This may have an adverse effect on our overall employment and operating costs, and may increase the likelihood of business disruptions in Chile. However, it has not been a practice of CODELCO to replace employees on strike, and there has not been an increase in labor disruptions in Chile since the law became effective.

In addition, under the Labor Reform Law, CODELCO and its labor unions negotiate from time to time the minimum services and emergency teams that the labor unions must provide in case of a strike during a collective bargaining process. Currently, and according to the Labor Reform Law, the following minimum services may be agreed: (i) services that are strictly necessary to protect the physical assets and premises of the Company and to prevent accidents; (ii) services strictly necessary to guarantee the rendering of all services of public utility, and the attention of the population and basic needs, including those related to life, safety and health; and (iii) services strictly necessary to guarantee the prevention of sanitary or environmental damage. If there is any disagreement between CODELCO and its labor unions regarding such minimum services and emergency equipment, the parties may resolve such disagreement through administrative proceedings before the *Dirección Regional del Trabajo* (Regional Labor Board), which are subject to challenge by the parties before the *Director Nacional del Trabajo* (National Labor Board).

As of December 31, 2021, CODELCO employed 15,528 employees, approximately 89.8% of whom were covered by collective bargaining agreements with labor unions. CODELCO currently has positive labor relations with these unions. For example, a major collective bargaining was signed earlier than expected in 2022. However, CODELCO is currently unable to estimate the impact that the Labor Reform Law or similar reforms will have on its labor relations with respect to labor unions, or on its business, financial condition, operating results and prospects.

Recent bills of law on labor and social security matters could affect CODELCO's operations and employee costs.

- **Reform to the Pensions Act:** In November 2022, the Chilean government proposed a bill to create a new Combined Pension System and Social Security System to simplify contributory pension assistance, improve the Guaranteed Universal Pension ("GUP") and establish benefits and regulatory changes.

Currently, the social security system in Chile is composed of: (i) a mandatory contribution of the employee's charge, equal to 10% of the employee's monthly remuneration, which is transferred to the employee's individual capitalization account with the Pension Fund Administrator ("AFP"). In case of dependent employees, the employer has the obligation to retain the corresponding sums and transfer them to the respective AFP; (ii) a voluntary contribution, that enables employees to voluntarily complement their pension funds; and (iii) a welfare contribution or pension aid ("*pilar solidario*"), which is a State's contribution to complement the pension funds of the poorest 60% of the population in Chile.

Main topics of the pension reform include: (i) a gradual increase of the GUP from Ch$194,000 (U.S.$215 approximately) to Ch$250,000 (U.S.$278 approximately) in periods of three, 13, 25 or 37 months as of the date in which the law is published, depending on the enactment of the Tax Reform and the conditions in which each beneficiary is retired; (ii) a new contribution by the employer of 6% of the employee's gross income, in addition to the aforementioned 10% corresponding to the mandatory contribution of the employee's burden- to be implemented in a 6-year period (1 percentage unit per year); and, (iii) the elimination of the AFPs and reorganization of the industry in the contributing pension aid.

The bill is on its first constitutional discussion stage in Congress.

- **Reduction of the weekly working schedule:** In March 2017, a group of congresspersons (mostly coming from the Communist Party, and including the Government's current General Secretary or Spokesperson) proposed a new bill of law to reduce the weekly working hours from 45 to 40.

In August 2022, the Government reactivated the bill's discussion by filing comments —including the law's gradual implementation— and ordering the extreme urgency for its processing. The draft is currently being discussed at the Chilean Congress.

- **Distribution of Profit Sharing:** On September 2, 2021, the Chilean Congress approved a bill to change the distribution of profit sharing in companies. According to this bill, companies will have to distribute to their employees between 8% to 15% of their annual net profits, a percentage that will depend on the amounts invoiced by the company during the respective annual period. The amount payable to each employee annually is capped at 20 times the monthly minimum wage. Furthermore, companies will have to make monthly payouts equal to 25% of the employee's monthly remuneration, capped annually at six times the monthly minimum wage. This monthly payment will be attributable to the annual payment, in case the latter turns out to be a larger number.

The draft is currently being discussed at the Chilean Congress and has not progressed since 2021.

- **New Minimum Monthly Income ("MMI"):** According to the provisions of Law No. 21,456, as of January 1, 2023, the MMI increased to Ch$410,000 (U.S.$510.50 approximately) This increase was subject to a minimum 7% annual variation of the CPI up to December 2022.

- **Others:** Due to the economic and social crisis caused by the COVID-19 pandemic, several labor-related regulations have been enacted, which may increase CODELCO's industrial costs. Some of these regulations are linked to measures enacted by Law No. 21,227, which aims to facilitate access to the unemployment insurance fund (the "Unemployment Insurance Fund"), authorizing withdrawals attributable to make up for the loss or reduction of wages or employees' salaries that, due to the COVID-19 crisis, must stay at home and are unable to work remotely, and, by Law No. 21,312 that eases certain requirements to draw under the Unemployment Insurance Fund and be entitled to the benefits granted by Law No. 21,227.

Recent bills of law on tax matters could affect CODELCO's operations and employees costs.

On July 7, 2022, the Chilean government submitted to the Chilean Congress a tax reform bill which proposes several amendments to the Chilean tax system. Among other changes, the bill proposes the following: (i) replacing the current partially integrated system for large companies with a new general dual tax system applicable to such companies, which separates the corporate tax from the taxation of its owners; (ii) a reduction of the corporate tax rate applicable to large companies from 27% to 25%, but with the application of a new development tax of 2% over the companies' net taxable income (to the extent not reduced by investments made in certain limited productivity expenses); (iii) the creation of a capital income tax at a rate of 22%, which is applicable on dividends paid to final taxpayers (except for non-resident taxpayers who are residents of a country with which Chile has a tax treaty in force and are the beneficiary of the income); (iv) a progressive limitation to the deductibility of carryover tax losses, to a 50% of the net taxable income as determined for each year in 2027 (80% in 2025, and 65% in 2026); (v) a new annual 2.5% tax on the deferral of final taxes, applicable to companies the income of which derives more than 50% from passive income (e.g. dividends, interest, etc.); (vi) an increase of the single capital gains tax rate applicable to the sale of certain public offering securities that have high stock market presence, from 10% (which became effective as from September 1, 2022, pursuant to Law No. 21,420) to 22%; (vii) an increase of the middle and upper personal income tax brackets applicable to Chilean-resident individuals, and an increase to the maximum rate from 40% to 43%; (viii) the introduction of wealth tax applicable to Chilean-resident individuals over their worldwide wealth that exceeds U.S.$4.9 million; (ix) the elimination of the specific mining tax and the establishment of a) a mining royalty at a rate of 1% applicable to an *ad valorem* component, and b) a mining royalty applicable to a mining margin component, which would replace the specific mining tax currently established in articles 64 bis and 64 ter of the Chile Income Tax Law; (x) the modification to the administrative application of the general anti-avoidance rule (GAAR) by the Chilean Tax Authority; (xi) amendments to Chilean Tax Authority´s appraisal powers and (xii) the extension of the scope of Value Added Tax regime.

The tax reform bill project is currently under discussion in Congress. On January 10, 2023, the Ministry of Finance introduced some changes related to the expected effectiveness of some aspects of the tax reform, including an increase on the maximum tax burden for individuals.

The approval into law of any of the reforms described above could have the effect of increasing our operations and employees costs.

CODELCO engages in hedging activity from time to time, particularly with respect to its copper production, which may not be successful and may result in losses to CODELCO.

CODELCO from time to time hedges certain future copper delivery commitments and production in order to manage the risks associated with copper price volatility. CODELCO currently does not have any production hedging commitments. See notes 27 and 28 to the Consolidated Financial Statements.

CODELCO's production hedging activities could cause it to lose the benefit of an increase in copper prices if copper prices increase over the level of CODELCO's hedge position. The cash flows from and the mark-to-market values of CODELCO's production hedges can be affected by factors such as the market price of copper, copper price volatility and interest rates, which are not under CODELCO's control.

CODELCO's production hedging agreements contain events of default and termination events that could lead to early close-outs of CODELCO's hedges. These include failure to pay, breach of the agreement, misrepresentation, default under CODELCO's loans or other hedging agreements and bankruptcy. In the event of an early termination of CODELCO's hedging agreements, the cash flows from the affected hedge instruments would cease and CODELCO and the relevant hedge counterparty would settle all of CODELCO's obligations at that time. In that event, there could be a lump sum payment to be made either to or by CODELCO. The magnitude and direction of such a payment would depend upon, among other things, the characteristics of the particular hedge instruments that were terminated and the market price of copper and copper price volatility and interest rates at the time of termination.

In addition to its production hedging activities, CODELCO has hedged a portion of its exchange rate and interest rate exposure by entering into forward exchange contracts to hedge against fluctuations in the UF to U.S. dollar exchange rate for its outstanding UF-denominated bonds. CODELCO also periodically enters into futures contracts with respect to certain sales of its own copper. No assurance can be given that CODELCO will be adequately protected by its hedging activities.

See "Business and Properties—Marketing—Pricing and Hedging," notes 27 and 28 to the Consolidated Financial Statements for further information on CODELCO's hedging activity.

Global economic, political and regulatory developments may adversely affect CODELCO.

Revenue from international sales constitutes a material portion of our total revenue, and we anticipate it will continue to for the foreseeable future. The current U.S. administration has called for substantial changes to United States foreign trade policy, including the possibility of imposing greater restrictions on international trade and significant increases in tariffs on goods imported into the United States. For example, the United States has recently enacted a series of tariffs on the import of Chinese products. The continued threats of tariffs, trade restrictions and trade barriers could have a generally disruptive impact on the global economy and, therefore, negatively impact our revenues. Given the relatively fluid regulatory environment in China and the United States and uncertainty on how the United States or foreign governments will act with respect to tariffs, international trade agreements and policies, there could be additional tax or other regulatory changes in the future. Any such changes could adversely impact CODELCO's business, financial condition and results of operations. If our revenues generated from international sales decline significantly as a result, it could have a material adverse effect on CODELCO's business and results of operations.

Risks Relating to CODELCO's Relationship with the Government of Chile

Important corporate governance matters, the annual budget and financing programs are determined by or subject to the approval of the President of Chile and the Ministries of Finance and Mining.

CODELCO is a mining, industrial and commercial state-owned enterprise of indefinite duration with its own legal personality and capital. CODELCO's relationship with the Government of Chile is through the Ministry of Mining, and is governed by Decree Law No. 1,350, as amended by Law No. 20,392, its bylaws and other applicable legislation. The President of Chile is vested with the authority analogous to that of the shareholders of a corporation (*sociedad anónima*) under Chilean law, which may be delegated in whole or in part to the Ministers of Finance and Mining, jointly. Pursuant to such authority, the President of Chile (i) participates in the designation of the Board of Directors by designating three directors without external input and by electing six directors on the basis of third-party short lists; (ii) appoints the Chairman of the Board of Directors; and (iii) may approve and amend the bylaws of the Company, by means of an executive decree issued jointly by the Ministries of Finance and Mining. In 2021, Gabriel Boric Font was elected as President of Chile. Mr. Boric's administration began on March 11, 2022. Senior management and administration of the Company are vested in its Board of Directors and further delegated to its Chief Executive Officer. Pursuant to Decree Law No. 1,350, CODELCO's Board of Directors must submit its proposed annual budget to the Ministries of Finance and Mining for approval and possible revision. In addition, Decree Law No. 1,350 requires CODELCO to include as part of its proposed annual budget a debt amortization budget that includes interest and principal payments on CODELCO's debts, including the notes. CODELCO must also submit a three-year *Plan de Negocios y Desarrollo* (a Business Development Plan, or "BDP") report, approved by the Company's Board of Directors, to the Ministries of Finance and Mining by March of each year. There is no guarantee that actions taken with respect to the appointment of CODELCO's directors, amendments to its bylaws, and revision and approval of its budget, including CODELCO's capitalization of profit, will be adopted by the administration of the new President and/or will be the same as they would be in a privately owned company. See "Management" and "Regulatory Framework."

CODELCO's funding through retention of profits is restricted and is subject to the approval of the Ministries of Finance and Mining.

As a state-owned enterprise and according to its governing law, CODELCO's profit is required to be transferred to the Chilean Treasury. Before June 30 of each year, the Ministries of Finance and Mining are required to determine, by means of a joint decree, the amount, if any, that the Company shall allocate to the creation of capitalization and reserve funds as retention of profits. Between 2014 and 2019, the Government of Chile authorized the capitalization by capital injection and retention of profit within CODELCO in an aggregate amount of U.S.$3.3 billion. Although CODELCO currently expects the Ministries of Finance and Mining to make available a substantial amount of its pre-tax profit over the next three years, a joint decree of the Ministries of Finance and Mining is required each year and the amounts approved in any given year, if any, could vary significantly. Since 2022, the Chilean Government is allowing CODELCO to annually reinvest 30% of its 2021-2024 profits. This represents a change in CODELCO's dividend policy, which previously consisted of 100% net-profit distribution policy. This profit-reinvestment plan is expected to strengthen CODELCO's financial balance sheet and reduce the need for additional financial debt.

If CODELCO's funding through capitalization and retention of profits, depreciation, amortization and deferred taxes are insufficient to fund capital expenditures and if it is unable to otherwise finance planned expenditures, CODELCO's business would be adversely affected. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources." In addition, if the Government of Chile does not authorize additional capitalization or the retention of profits, our credit rating may be adversely affected, which could have a material adverse effect on our business and financial condition.

CODELCO is subject to special taxes.

Law No. 21,174, that repealed Law No. 13,196, the Copper Reserve Law, exclusively requires CODELCO to pay a 10% special export tax on receivables of the sales proceeds received and transferred to Chile from the export of copper and related by-products the Company produces. As a result, the *Banco Central de Chile* (the "Central Bank of Chile") retains 10% of the amounts from such sales that CODELCO transfers to its Chilean account. The Copper Reserve Law has an adverse effect on our ability to retain earnings for purposes of capital expenditures. In July 2019, the Chilean Congress issued a new resolution to repeal the Copper Reserve Law. Under this resolution, CODELCO will remain subject to the 10% special export tax until 2028. Beginning in 2029, the tax will be reduced annually by 25% until 2032 when CODELCO will no longer be subject to such tax. As of April 1, 2020, CODELCO is paying the taxes owed pursuant to the Copper Reserve Law on a monthly basis, following a response measure from the Government of Chile to the economic effects of the COVID-19 pandemic.

Chile's income tax law (the "Income Tax Law") contemplates thin capitalization rules which are applicable to CODELCO. As such, under Article 41 F of the Income Tax Law, interest, premiums, remuneration for services, financial expenses and any other contractual surcharges under credit facilities which are paid or credited to an account or made available to "related entities" (as defined below) of CODELCO in respect of loans or liabilities, are subject to a 35% tax (applied to the debtor), if the debtor is considered to be in an "excessive indebtedness" situation by the year's end. The withholding tax applicable to the interest payments made by CODELCO (for example, the 4% Chilean Withholding Tax), can be used as a credit against such 35% sole tax. Indebtedness will be considered to be excessive when at the end of the corresponding fiscal year the "total annual indebtedness" granted by entities incorporated, domiciled or established in a foreign country or in Chile, either related or not, exceeds three times CODELCO´s tax equity, calculated pursuant to the provisions of the Income Tax Law. Only short-term debt (i.e., with maturity of less than 90 days, including extensions or renewals) with non-related parties may be excluded from the "total annual indebtedness" calculation. Under the "Excessive Indebtedness" rules, a lender or creditor will be deemed to be related to CODELCO if: (i) the beneficiary is incorporated, domiciled, resident or established in one of the territories or jurisdictions listed in Section 41 H of the Income Tax Law; (ii) the beneficiary and CODELCO belong to the same corporate group, or the beneficiary or debtor directly or indirectly, owns or participates in 10% or more of the capital of the profits of the other, or if the beneficiary and debtor have a common partner or shareholder which, directly or indirectly, owns or participates in 10% or more of the capital or the profits of one or the other, and that the beneficiary is incorporated, domiciled, resident or established outside Chile; (iii) the indebtedness is guaranteed directly or indirectly by a third-party related to CODELCO, in the terms of clauses (i) or (ii) above, or (iv) hereafter, provided that such third-party is domiciled or resident abroad and is a final beneficiary (*beneficiario final*) of the financing; (iv) the relevant financial instruments documenting such indebtedness are placed and acquired by independent entities and such indebtedness is subsequently acquired or transferred to a related entity according to subsections (i) to (iii) above; or (v) one party (*i.e.*, beneficiary or CODELCO) conducts one or more operations with a third-party who, in turn, directly or indirectly conducts one or more similar or identical operations with a related party of such party, whatever the capacity in which said third party and the parties intervene in such operations. The debtor will be required to issue an affidavit in this regard in the form set forth by the Chilean tax authorities.

Since the 2012 fiscal year and pursuant to Law No. 20,026, as amended, CODELCO has been subject to a mining tax (*Impuesto Específico a la Actividad Minera*) on operating income generated during the operating year at progressive rates between 5% and 14%. During 2019, CODELCO distributed a total of U.S.$1.0 billion (including income tax, and export tax payments and distributions) to the Chilean Treasury. See "Management's Discussion and Analysis of Financial

Condition and Results of Operations—Liquidity and Capital Resources—Distributions to the Chilean Treasury" and "Regulatory Framework." The statutory rate of the mining tax for CODELCO was calculated at 5% for 2019, 2020 and 2021. However, no assurances can be made that such rate will remain in place.

CODELCO's corporate tax rate has gradually increased from 21% in 2014 to up to 25% since 2017. In addition, CODELCO is subject to a 40% tax on net earnings applicable to state-owned enterprises as specified by Decree Law No. 2,398, Article 2.

Constitutional amendments could be proposed that would allow private ownership of CODELCO.

CODELCO is 100% owned by the Government of Chile and a constitutional amendment approved by the Chilean Congress would be required to allow private participation in CODELCO's ownership. Although there has been no formal governmental action to permit private investment in CODELCO, no assurance can be given that such a constitutional amendment will not be proposed to the Chilean Congress in the future. See "Regulatory Framework—Overview of the Regulatory Regime."

Risks Relating to Chile

CODELCO's growth and profitability depend on political stability and economic activity in Chile and other emerging markets.

Almost all of CODELCO's revenues are derived from its operations in Chile. Accordingly, CODELCO's results of operations and general financial condition depend in part on Chilean markets for labor and certain materials and equipment, and on factors relating to Chilean political stability generally.

CODELCO's business performance is subject to the effects of inflation and changes in the value of the peso.

Although Chilean inflation has remained low in recent years, Chile has experienced high levels of inflation in the past. High levels of inflation in Chile could adversely affect the Chilean economy and have an adverse effect on CODELCO's results of operations if the high inflation is not accompanied by a matching devaluation of the local currency. There can be no assurance that Chilean inflation will not revert to prior levels in the future. In addition, the measures taken by the Central Bank of Chile to control inflation have often included maintaining a tight monetary policy with high interest rates, thereby restricting the availability of credit and economic growth.

The following table shows the annual rate of inflation (as measured by changes in the Chilean consumer price index and as reported by the *Instituto Nacional de Estadísticas*, or the "Chilean National Institute of Statistics"):

Year	Inflation (CPI) (in percentages)
2017	2.3
2018	2.6
2019	3.0
2020	3.0
2021	7.7
2022 (through September 30, 2022)	10.8

Source: Chilean National Institute of Statistics

A significant portion of CODELCO's operating costs are denominated in pesos and could therefore be significantly affected by the rate of inflation in Chile. If inflation in Chile were to increase without a corresponding depreciation of the peso, or if the value of the peso were to appreciate relative to the U.S. dollar without the peso experiencing corresponding deflation in Chile, the financial position and results of operations of CODELCO as well as the value of the notes could be materially and adversely affected. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources."

The variation of the U.S. dollar against the peso constitutes CODELCO's main foreign exchange rate exposure. The mismatch between assets and liabilities denominated in pesos and UF amounts to a net liability for the Company of U.S.$2.4 billion (7.6% of the total amount of liabilities on a consolidated basis) as of December 31, 2021 and U.S.$2.6 billion (8.4% of the total amount of liabilities on a consolidated basis) as of December 31, 2020. In order to cover this risk, CODELCO has, and currently is, engaged in hedging transactions to partially mitigate the effects of the volatility of foreign exchange rates. See "Risk Factors—Risks Relating to CODELCO's Operations—CODELCO engages in hedging activity from time to time, particularly with respect to its copper production, which may not be successful and may result in losses to CODELCO."

Risks Relating to the Offering

In case of a default under the notes, the ability of holders to attach property of CODELCO may be limited by Chilean law.

CODELCO's activities in Chile are dependent on concessions granted by the Chilean Ordinary Courts with respect to CODELCO's mining rights. These concessions are granted for indefinite terms in the case of exploitation concessions and for two-year periods in the case of exploration concessions (renewable with certain limitations). As a general matter, the Ordinary Courts, through legal proceedings brought by third parties (or by the Chilean Treasury in case of noncompliance with the obligation to pay annual fees), have the legal right to terminate or annul the concessions. Pursuant to the Chilean Mining Code, all mining concessions, as well as certain raw materials and other property or assets permanently dedicated to the exploration or extraction of minerals, cannot be subject to an order of attachment, except with respect to mortgages, where the debtor consents to the attachment in the relevant legal proceeding or when the debtor is a stock corporation. In addition, pursuant to the Constitution, mining concessions corresponding to mining deposits exploited by CODELCO upon its creation in 1976 can be subject neither to attachment nor to any act of disposition by CODELCO. As a result, the rights of holders to attach property of CODELCO in the event of a default under the notes would be limited by such provisions. See "Regulatory Framework—Mining Regulations."

CODELCO is permitted to incur additional indebtedness ranking equally to the notes or certain secured indebtedness.

The indenture governing the notes will not contain any restrictions on the amount of additional indebtedness which may be incurred by CODELCO or its subsidiaries; however, the notes contain restrictions on the ability of CODELCO and its subsidiaries to incur certain secured indebtedness as set forth in "Description of Notes—Limitations on Liens" below. As a result, CODELCO is permitted to issue additional unsecured debt that ranks on an equal basis with the notes. If CODELCO incurs any additional unsecured debt that ranks on an equal basis with the notes, the holders of that debt will be entitled to share with the holders of the notes in any proceeds distributed in connection with an insolvency, liquidation, reorganization, dissolution or other winding-up of CODELCO subject to satisfaction of certain debt limitations. This may have the effect of reducing the amount of proceeds paid to the holder of the notes under such an event. The indenture does not require CODELCO to make payments under the notes ratably with payments being made under any other obligations.

If certain changes to tax law were to occur, CODELCO would have the option to redeem the notes. CODELCO may also redeem the Notes before maturity at its option at the prices set forth in this offering memorandum.

Under current Chilean law and regulations, payments of interest to holders of the notes that are not residents of Chile for purposes of Chilean taxation generally will be subject to Chilean withholding tax at a rate of 4%. Subject to certain exceptions, CODELCO will pay Additional Amounts (as defined in "Description of Notes—Payments of Additional Amounts") so that the amount received by the holder after Chilean withholding tax will equal the amount that would have been received if no such taxes had been applicable. The notes are redeemable at the option of CODELCO in whole, but not in part, at any time, at the principal amount thereof plus accrued and unpaid interest and any Additional Amounts due thereon if, as a result of a change in the laws or regulations affecting Chilean taxation that is announced or becomes effective on or after the date of the agreement to purchase the notes, CODELCO becomes obligated to pay Additional Amounts with respect to interest on such notes in respect of withholding or deduction of Chilean tax at a rate in excess of 4%. CODELCO is unable to determine whether the Chilean Congress will enact any increase in the withholding tax rate; however, if such an increase were enacted, the notes would be redeemable at the option of CODELCO. See "Description of Notes— Redemption—Tax Redemption" and "Taxation—Chilean Taxation."

CODELCO may redeem the notes, in whole or in part, at any time and from time to time prior to the date that is three months prior to the maturity date of the notes at a redemption price based on a "make whole" premium, plus accrued and unpaid interest. We may also redeem the notes, in whole or in part, at any time on or after the date that is three months prior to the maturity date of the notes, at a redemption price equal to 100% of the outstanding principal amount of the notes to be redeemed, plus accrued and unpaid interest.

An investor may not be able to reinvest the redemption proceeds in other securities with interest rates similar to that applied to the notes redeemed.

Our obligations under the notes will be subordinated to certain statutory liabilities.

Under Chilean bankruptcy law, the obligations under the notes are subordinated to certain statutory preferences. In the event of a liquidation, such statutory preferences, including claims for salaries, wages, secured obligations, social security, taxes and court fees and expenses, will have preference over any other claims, including claims by any investor in respect of the notes.

The market value of the notes may depend on economic conditions in other countries over which CODELCO has no control.

The market value of securities of Chilean companies, including CODELCO, is affected to varying degrees by economic and market conditions in other emerging market countries. Although economic conditions in such countries may differ significantly from economic conditions in Chile, investors' reactions to developments in any of these other countries may have an adverse effect on the market value of securities of Chilean issuers. International financial markets have in recent years experienced volatility due to a combination of international political and economic events. There can be no assurance that the deterioration of emerging market economies or other events in or outside of the region will not adversely affect the market value of the notes.

The transferability of the notes may be limited by the absence of an active trading market and restrictions on transfer under applicable securities law.

The notes have not been registered under the Securities Act or any state securities laws. CODELCO does not intend to list the notes on any national securities exchange or to seek admission of the notes for trading on any securities exchange in the United States; however, we intend to apply to list the notes on the Luxembourg Stock Exchange. Furthermore, CODELCO does not intend to exchange the notes for notes that are registered under the Securities Act. The initial purchasers are not obligated to make a market in the notes. No assurance can be given about the liquidity of any markets that may develop for the notes, the ability of holders to sell the notes or the prices at which the notes could be sold. Future trading prices of the notes will depend on many factors, including prevailing interest rates, CODELCO's operating results and the market for similar securities. There can be no assurance that any active trading market will develop for the notes or that holders of the notes will be able to transfer or resell the notes without registration under applicable securities laws.

We cannot assure you that our credit rating, or the credit ratings for the notes, will not be lowered, suspended or withdrawn by the rating agencies.

Our credit rating is subject to change in the future, and the credit ratings of the notes may change after issuance. Such ratings do not address all material risks relating to an investment in CODELCO, or its notes, but rather reflect only the views of the rating agencies at the time the ratings are issued. An explanation of the significance of such ratings may be obtained from the rating agencies. CODELCO cannot assure you that such credit rating will remain in effect for any given period of time or that such ratings will not be lowered, suspended or withdrawn entirely by the rating agencies, if, in the judgment of such rating agencies, circumstances so warrant. Our credit rating is an important part of maintaining our liquidity. Credit ratings are not a recommendation to buy, sell or hold any security. Each agency's rating should be evaluated independently of any other agency's rating, as each agency has different evaluation criteria. Any lowering, suspension or withdrawal of such ratings may potentially increase our borrowing costs, and may have an adverse effect on our financial results and business operations and the market price and marketability of the notes.

Payments claimed in Chile on the notes, pursuant to a judgment or otherwise, may be in pesos.

In the event that proceedings are brought against CODELCO in Chile, either to enforce a judgment or as a result of an original action brought in Chile, CODELCO would not be required to discharge those obligations in a currency other than Chilean currency. Such obligation may be satisfied in Chilean currency at the exchange rate in effect on the date on which payments are made. As a result, holders of the notes may suffer a U.S. dollar shortfall if judgment in Chile is obtained.

USE OF PROCEEDS

The estimated total net proceeds from the offering of the notes are U.S.$890,143,801, after deducting commissions to the initial purchasers, payment of the Chilean stamp tax of U.S.$7,200,000 and payment of legal fees and all other expenses related to the offering. CODELCO intends to use the net proceeds from the sale of the notes, for general corporate purposes.

CAPITALIZATION

The following table sets forth the capitalization of CODELCO as of September 30, 2022 (i) on an actual historical basis, (ii) as adjusted to give effect to the offering of the notes and application of the estimated net proceeds from the offering of the notes as described under "Use of Proceeds." This table is qualified in its entirety by reference to, and should be read together with, CODELCO's Unaudited Interim Consolidated Financial Statements, including the notes thereto, included elsewhere in this offering memorandum.

	As of September 30, 2022	
	Actual	**As Adjusted**
	(in thousands of U.S.$)	
Current financial liabilities		
Current portion of loans from financial institutions...	6,885	6,885
Current portion of bonds issued	368,403	368,403
Total current financial liabilities	375,288	375,288
Non-current financial liabilities		
Bank debt	970,033	970,033
4.500% Notes due 2023	-	-
2.250% Euro Notes due 2024[1]	389,565	389,565
4.000% UF Notes due 2025[2]	250,684	250,684
4.500% Notes due 2025	394,598	394,598
2.500% UF Notes due 2026[3]	366,539	366,539
3.625% Notes due 2027	1,237,208	1,237,208
2.869% Notes due 2029	129,154	129,154
3.000% Notes due 2029	1,090,317	1,090,317
3.150% Notes due 2030	991,412	991,412
3.750% Notes due 2031	797,491	797,491
2.840% Notes due 2034[4]	63,172	63,172
5.625% Notes due 2035	493,036	493,036
6.150% Notes due 2036	496,896	496,896
3.580% Notes due 2039[5]	44,544	44,544
4.250% Notes due 2042	734,711	734,711
5.630% Notes due 2043	934,542	934,542
4.875% Notes due 2044	962,539	962,539
4.50% Notes due 2047	1,208,244	1,208,244
4.85% Notes due 2048	594,752	594,752
4.375% Notes due 2049	1,187,659	1,187,659
3.700% Notes due 2050	2,579,290	2,579,290
3.150% Notes due 2051	447,591	447,591
Notes offered hereby[6]	0	900,000
Total non-current financial liabilities	16,363,977	17,263,977
Non-controlling interest	919,222	919,222
Equity		
Issued capital	5,619,423	5,619,423
Other reserves	5,302,576	5,302,576
Retained Earnings:		
Accumulated deficit	(66,447)	(66,447)
Profits distributions to the Chilean Treasury	-	-
Equity attributable to equity owners of the parent	10,855,552	10,855,552
Total capitalization[7]	28,514,039	29,414,039

(1) The U.S.$equivalent of €600.0 million aggregate principal amount of the 2.25% Euro Notes due 2024 has been translated at an exchange rate of U.S.$1.00 = €0.97876 at September 30, 2022.

(2) The U.S.$equivalent of 6.9 million UF aggregate principal amount of the 4.0% UF notes due 2025 has been translated at an exchange rate of U.S.$1.00 = 0.028027 UF at September 30, 2022.

(3) The U.S.$equivalent of 10.0 million UF aggregate principal amount of the 2.5% UF notes due 2026 has been translated at an exchange rate of U.S.$1.00 = 0.028027 UF at September 30, 2022.

(4) The U.S.$equivalent of HKD 500.0 million aggregate principal amount of the 2.84% notes due 2034 has been translated at an exchange rate of U.S.$1.00 = HKD 0.12739 at September 30, 2022.

(5) The U.S.$equivalent of AUD 70.0 million aggregate principal amount of the 3.580% notes due 2039 has been translated at an exchange rate of U.S.$1.00 = AUD 0.64251 at September 30, 2022.

(6) Net of deferred financing costs, commissions to the initial purchasers and payment of legal fees and all other expenses related to the offering.

(7) CODELCO has no convertible debt securities, warrants exercisable for debt securities or other similar securities outstanding.

EXCHANGE RATES

As a general matter, prior to 1989, Chilean law permitted the purchase and sale of foreign exchange only in those cases explicitly authorized by the Central Bank of Chile. Law No. 18,840, the Central Bank of Chile Act, liberalized the rules that govern the purchase and sale of foreign currency. The act empowers the Central Bank to determine that certain purchases and sales of foreign currency specified by law must be carried out in the *Mercado Cambiario Formal* (the "Formal Exchange Market"). The Formal Exchange Market is formed by the banks and other entities so authorized by the Central Bank. The exchange rate of the transactions conducted in the Formal Exchange Market is freely agreed upon by the parties thereto. For more information, see "Foreign Investment and Exchange Controls in Chile." The observed exchange rate for any given day equals the average exchange rate of the transactions conducted in the Formal Exchange Market on the immediately preceding banking day, as certified by the Central Bank (the "Observed Exchange Rate"). Even though the Central Bank is authorized to carry out its transactions at the rates it sets, it generally uses the spot rate for its transactions. Authorized transactions by other banks are generally carried out at the spot rate. Purchases and sales of foreign exchange, which may be effected outside the Formal Exchange Market, can be carried out in the *Mercado Cambiario Informal* (the "Informal Exchange Market"). There are no limits imposed on the extent to which the exchange rate in the Informal Exchange Market may fluctuate above or below the Observed Exchange Rate.

The following table sets forth, for the periods indicated, the high, low, average and period-end Observed Exchange Rate for U.S. dollars for each year beginning in 2016 as reported by the Central Bank of Chile. The Federal Reserve Bank of New York does not report a noon buying rate for Chilean pesos.

Observed Exchange Rates
(Ch$ per U.S.$)

Period	High(1)	Low(1)	Average(2)	Period-End(3)
2016	730.31	645.22	676.83	667.29
2017	679.05	615.22	649.33	615.22
2018	698.56	588.28	640.29	695.69
2019:	828.25	649.22	702.63	744.62
2020:	867.83	710.26	792.22	711.24
2021:	868.76	693.74	759.27	850.25
2022:				
January	852.03	798.86	822.05	810.12
February	826.93	787.05	807.07	805.25
March	815.03	777.1	799.19	787.16
April	856.58	779.33	815.12	856.58
May	868.06	822.25	849.39	826.26
June	919.97	787.05	807.07	919.97
July	1,042.97	911.42	953.71	911.42
August	945.47	882.11	904.35	882.11
September	987.07	866.28	921.01	966.00
October	983.91	931.12	955.89	945.31
November	948.74	887.46	917.05	905.70
December	894.82	856.76	875.66	859.51

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(1) Rates shown are the actual low and high (as applicable) on a daily basis for periods indicated.

(2) The average annual rates represent the average of average monthly rates for the periods indicated. The average monthly rates represent the average of the rates on each day for the periods indicated.

(3) Period ends on January 1 of the following year.

Source: Central Bank of Chile.

The Observed Exchange Rate reported by the Central Bank of Chile as of January 30, 2023 was Ch$803.14 per U.S.$1.00.

SELECTED CONSOLIDATED FINANCIAL DATA

The following tables present CODELCO's summary consolidated financial data and other data as of and for each of the periods indicated. This data (other than the average LME copper prices) is derived from, and should be read together with, CODELCO's Consolidated Financial Statements, including the notes thereto, included elsewhere in this offering memorandum. This data should also be read together with "Management's Discussion and Analysis of Financial Condition and Results of Operations." The Consolidated Financial Statements and other financial information included in this offering memorandum are presented in accordance with IFRS. The unaudited results of operations for the nine-month periods ended September 30, 2021 and 2022 are not necessarily indicative of the results to be expected for the full year or any other period.

	For the year ended December 31,			For the nine-month period ended September 30,	
	2019	2020	2021	2021	2022
	(in thousands of U.S.$)				
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME					
Revenue	12,524,931	14,173,168	21,024,815	14,868,179	11,879,784
Cost of sales[(1)]	(10,051,441)	(10,565,179)	(12,185,688)	(8,822,621)	(8,340,192)
Gross profit	2,473,490	3,607,989	8,839,127	6,045,558	3,539,592
Other income	360,690	97,321	115,741	83,337	39,476
Impairment losses and/or reversal of impairment losses determined in accordance with IFRS 9	378	(206)	(1,250)	(9)	(1,182)
Distribution costs	(17,069)	(9,463)	(9,389)	(7,429)	(10,353)
Administrative expenses	(409,234)	(397,045)	(459,278)	(322,012)	(374,634)
Other expenses, by function[(2)]	(1,747,838)	(1,456,821)	(2,717,007)	(1,748,250)	(1,305,710)
Other gains	22,672	30,425	37,531	24,032	22,415
Finance income	36,871	40,213	13,657	10,086	29,600
Finance costs	(479,307)	(742,464)	(641,009)	(448,789)	(424,459)
Share of profit of associates and joint ventures accounted for using equity method	13,203	39,436	414,845	305,607	53,391
Foreign exchange differences	153,917	(165,501)	313,736	254,932	129,728
Profit (loss) before income tax	407,773	1,043,884	5,906,704	4,197,063	1,697,864
Income tax expense[(3)]	(393,245)	(787,003)	(3,855,336)	(2,690,160)	(1,206,688)
Profit (loss) for the period	14,528	256,881	2,051,368	1,506,903	491,176
Profit (loss) attributable to owners of the parent	6,637	242,993	1,942,486	1,425,934	471,660
Profit (loss) attributable to non-controlling interests	7,891	13,888	108,882	80,969	19,516
Profit (loss) for the period	14,528	256,881	2,051,368	1,506,903	491,176

	As of December 31			
	2019	2020	2021	As of September 30, 2022
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION	(in thousands of U.S.$)			
Total current assets	6,050,021	7,758,122	7,801,909	6,509,202
Total property, plant and equipment	29,700,164	30,012,945	30,811,432	31,504,559
Investments accounted for using equity method[(4)]	3,483,523	3,418,958	3,546,011	3,534,431
Non-current receivables	98,544	93,986	104,177	80,220
All other assets[(5)]	1,012,359	926,375	793,906	784,692
Total assets	40,344,611	42,210,386	43,057,435	42,413,104
Total current liabilities	3,922,957	3,439,907	3,938,877	2,674,075
Total non-current liabilities	24,786,987	27,143,988	27,543,657	27,964,255
Total liabilities	28,709,944	30,583,895	31,482,534	30,638,330
Non-controlling interests	919,757	924,942	946,412	919,222

Equity attributable to owners of the parent..	10,714,910	10,701,549	10,628,489	10,855,552
Total equity......................................	11,634,667	11,626,491	11,574,901	11,774,774
Total liabilities and equity.......................	40,344,611	42,210,386	43,057,435	42,413,104

	As of and for the year ended December 31,			As of and for the nine-month period ended September 30,	
	2019	2020	2021	2021	2022
	(in thousands of U.S.$, except ratios and copper prices)				
OTHER ITEMS					
Depreciation and amortization of assets.......................................	2,220,069	2,455,070	2,259,324	1,636,784	1,640,339
Interest expense, net...................	(442,436)	(702,251)	(627,352)	(438,703)	(394,859)
Ratio of earnings to fixed charges (adjusted)[(6)]...............................	1.9	2.4	16.2	16.6	11.1
Average LME copper price (U.S. ¢ per pound)[(7)]..........................	272.1	280.3	422.6	416.8	411.1
Adjusted EBITDA[(8)]...................	4,042,748	5,289,081	10,378,724	7,426,425	4,697,217
Ratio of debt to Adjusted EBITDA[(9)]................................	4.3	3.4	1.7	N.A	N.A
Adjusted EBITDA coverage ratio[(10)]....................................	9.1	7.5	16.5	16.9	11.9

(1) "Cost of sales" for any period includes direct and indirect costs, depreciation and amortization associated with the production of copper and byproducts, as well as purchase costs of third-party copper, sold by CODELCO in that period.

(2) "Other expenses" is comprised principally of costs related to the 10% special export tax paid by the Company, retirement plan and severance indemnities and fixed indirect costs below production level. See note 22.b of the Consolidated Financial Statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

(3) CODELCO is subject to a mining tax on operating income at progressive rates of between 5% and 14%. The tax is imposed on operating income generated during the operating year. The statutory rate of the mining tax for CODELCO was 5.0% for each year between 2017 and 2019. In addition, CODELCO is subject to the corporate income tax rate of 24% in 2016 and 25% since 2017 (pursuant to the tax reform in 2014) and a 40% tax on net earnings applicable to state-owned enterprises as specified by Decree Law No. 2,398, Article 2. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Distributions to the Chilean Treasury" for additional information. See note 5 of the Consolidated Financial Statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Distributions to the Chilean Treasury" and "Regulatory Framework." See also "Risk Factors—Risks Relating to CODELCO's Relationship with the Government of Chile—CODELCO is subject to special taxes" for information regarding the mining tax rate effective in 2016.

(4) See note 8 of the Consolidated Financial Statements and the Unaudited Interim Consolidated Financial Statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

(5) All other assets includes other non-current financial assets, other non-current non-financial assets, accounts receivable from related parties, non-current, non-current inventories, intangible assets other than goodwill, investment property, non-current tax assets and deferred tax assets.

(6) For the purpose of calculating CODELCO's ratio of earnings to fixed charges (adjusted), (i) "earnings" consist of Adjusted EBIT and (ii) "fixed charges" consist of finance cost. The ratio of earnings to fixed charges (adjusted) is calculated by dividing Adjusted EBIT by finance cost. Adjusted EBIT is calculated by adding finance cost, impairment charges net of reversals (as defined in note (1) of the following table) and income tax expense to profit (loss) for the period. Adjusted EBIT, while not a financial performance measure under IFRS, is presented as an indicator of funds available to service debt. Adjusted EBIT and Adjusted EBITDA data are included in this offering memorandum because such data are used by investors to assess: (i) the operating trends and financial performance of the Company and (ii) the ability of the Company to (a) service its existing debt, (b) incur new debt and (c) fund its capital expenditures. The Company believes that Adjusted EBIT, while providing useful information, should not be considered in isolation as a substitute for profit for the period, as an indicator of operating performance, or as an alternative to cash flow as a measure of liquidity. Additionally, the Company's calculation of Adjusted EBIT may be different than the calculation used by other companies and therefore, comparability may be affected. See notes 8, 21 and 22 of the Consolidated Financial Statements and Unaudited Interim Consolidated Financial Statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations" for further information about impairment charges and reversals and other non-cash charges.

(7) Average price on the LME for Grade A cathode copper during period.

(8) Adjusted EBITDA is calculated by adding finance cost, income tax expense, depreciation and amortization of assets plus export taxes and impairment charges net of reversals (as defined in note (1) of the following table) to profit (loss) for the period. Adjusted EBITDA is presented because it is a widely accepted indicator of funds available to service debt, although it is not an IFRS-based measure of liquidity or performance. Adjusted EBIT and Adjusted EBITDA data are included in this offering memorandum because such data are used by investors to assess: (i) the operating trends and financial performance of the Company and (ii) the ability of the Company to (a) service its existing debt, (b) incur new debt and (c) fund its capital expenditures. The Company believes that Adjusted EBITDA, while providing useful information, should not be considered in isolation or as a substitute for profit as an indicator of operating performance, or as an alternative to cash flow as a measure of liquidity. Additionally, the Company's calculation of Adjusted EBITDA may be different than the calculation used by other

companies and therefore, comparability may be affected. See notes 8, 21 and 22 of the Consolidated Financial Statements and Unaudited Interim Consolidated Financial Statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations" for further information about impairment charges and reversals and other non-cash charges.

(9) The ratio of debt to Adjusted EBITDA is calculated by dividing debt by Adjusted EBITDA. Debt is defined as loans from financial institutions plus bonds issued.

(10) Adjusted EBITDA coverage ratio is the ratio of Adjusted EBITDA to finance cost net of finance income. See note 9 above for further information about Adjusted EBITDA and notes 21 and 22 of the Consolidated Financial Statements and Unaudited Interim Consolidated Financial Statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations" for further information about impairment charges and reversals and other non-cash charges.

The following table shows CODELCO's earnings, Adjusted EBIT, ratio of earnings to fixed charges (adjusted), Adjusted EBITDA and reconciliation of Adjusted EBIT and Adjusted EBITDA for the periods indicated.

	For the year ended December 31,			**For the nine-month period ended September 30,**	
	2019	**2020**	**2021**	**2021**	**2022**
	(in thousands of U.S.$)				
Profit (loss) for the period...................	14,528	256,881	2,051,368	1,506,903	491,176
Income tax expense	393,245	787,003	3,855,336	2,690,160	1,206,688
Finance costs	479,307	742,464	641,009	448,789	424,459
Impairments(1)	-	-	-	-	-
Adjusted EBIT(2)	**887,080**	**1,786,348**	**6,547,713**	**4,645,852**	**2,122,323**
Ratio of earnings to fixed charges (adjusted)(3)	**1.9**	**2.4**	**16.2**	**16.6**	**11.1**
Depreciation and amortization of assets(4)	2,220,069	2,455,070	2,259,324	1,636,784	1,640,339
Copper Reserve Law(5)	935,599	1,047,663	1,571,687	1,143,789	934,555
Adjusted EBITDA............................	**4,042,748**	**5,289,081**	**10,378,724**	**7,426,425**	**4,697,217**

(1) Impairments include charges and reversals related to charges of investment projects, research projects and investment in associates and joint ventures and exclude impairment charges related to definitely-lived tangible assets which show indicators of impairment under International Accounting Standard No. 36. See notes 8, 21 and 22 of the Consolidated Financial Statements and Unaudited Interim Consolidated Financial Statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations" for further information about impairment charges and reversals and other non-cash charges.

(2) Adjusted EBIT is calculated by adding finance cost, impairment charges net of reversals (as defined in note (1) above) and income tax expense to profit (loss) for the period. Adjusted EBIT, while not a financial performance measure under IFRS, is presented as an indicator of funds available to service debt. Adjusted EBIT and Adjusted EBITDA data are included in this offering memorandum because such data are used by investors to assess: (i) the operating trends and financial performance of the Company and (ii) the ability of the Company to (a) service its existing debt, (b) incur new debt and (c) fund its capital expenditures. The Company believes that Adjusted EBIT, while providing useful information, should not be considered in isolation as a substitute for profit for the period, as an indicator of operating performance, or as an alternative to cash flow as a measure of liquidity. Additionally, the Company's calculation of Adjusted EBIT may be different than the calculation used by other companies and therefore, comparability may be affected. See notes 8, 21 and 22 of the Consolidated Financial Statements and Unaudited Interim Consolidated Financial Statements and "Management's Discussion and Analysis of Financial Condition and Results of Operations" for further information about impairment charges and reversals and other non-cash charges.

(3) For the purpose of calculating CODELCO's ratio of earnings to fixed charges (adjusted), (i) "earnings" consist of Adjusted EBIT and (ii) "fixed charges" consist of finance cost. The ratio of earnings to fixed charges (adjusted) is calculated by dividing Adjusted EBIT by finance cost.

(4) See note 9 of the Consolidated Financial Statements and the Unaudited Interim Consolidated Financial Statements.

(5) The Copper Reserve Law currently requires the payment of a 10% special export tax on receivables of the sales proceeds that CODELCO receives and transfers to Chile from the export of copper and related by products produced by CODELCO. For further information, see "Risk Factors— Risks Relating to CODELCO's Relationship with the Government of Chile— CODELCO is subject to special taxes."

The following table shows CODELCO's debt and ratio of debt to Adjusted EBITDA and Adjusted EBITDA coverage ratio for the periods indicated.

	As of and for the year ended December 31,	**As of and for the nine-month period ended September 30,**

	2019	2020	2021	2021	2022
	(in thousands of U.S.$, except ratios)				
Debt..	17,264,356	18,076,656	17,241,500	17,317,960	16,739,265
Ratio of debt to Adjusted EBITDA	4.3	3.4	1.6	N.A	N.A
Finance income	36,871	40,213	13,657	10,086	29,600
Adjusted EBITDA coverage ratio[(1)]	9.1	7.5	16.5	16.9	11.9

(1) Adjusted EBITDA coverage ratio is the ratio of Adjusted EBITDA to finance cost net of finance income.

SELECTED OPERATING DATA

The following table sets forth a summary of the production and sales data of CODELCO for each of the years ended December 31, 2019, 2020 and 2021 and for the nine-month periods ended September 30, 2021 and 2022. For more information regarding such data, see "Business Properties."

	Year ended December 31,			For the nine-month period ended September 30,	
	2019	2020	2021	2021	2022
COPPER MINING OPERATIONS					
Ore Mined (in thousands of dry metric tons):					
Mina Ministro Hales	19,160	19,574	16,492	12,489	14,614
Chuquicamata Division	65,582	67,172	48,766	37,254	33,649
Radomiro Tomic Division	70,753	72,286	80,597	59,360	60,126
Gabriela Mistral Division	38,180	36,475	38,030	27,008	28,467
El Teniente Division	52,006	53,343	4,979	3,637	2,902
Andina Division	30,676	33,035	17,337	12,202	14,488
Salvador Division	10,362	10,882	2,930	2,159	1,894
Total	286,718	292,767	209,132	153,108	156,104
Average Copper Ore Grade:					
Mina Ministro Hales	0.99%	1.07%	1.31%	1.36%	1.05%
Chuquicamata Division	0.73	0.76	0.64	0.65	0.57
Radomiro Tomic Division	0.48	0.45	0.56	0.55	0.51
Gabriela Mistral Division	0.42	0.40	0.40	0.38	0.45
El Teniente Division	0.95	0.94	0.57	0.56	0.53
Andina Division	0.67	0.72	0.80	0.79	0.80
Salvador Division	0.63	0.66	1.11	1.13	0.89
Weighted Average	0.67%	0.69%	0.64%	0.64%	0.60%
PLANT COPPER PRODUCTION					
(by division in metric tons):					
Mina Ministro Hales	151,838	170,606	181,704	143,969	108,854
Chuquicamata Division	385,309	400,720	319,280	239,412	200,353
Radomiro Tomic Division	266,415	260,653	326,456	222,544	215,920
Gabriela Mistral Division	104,087	120,080	100,908	68,804	84,224
El Teniente Division	459,744	443,220	459,817	341,879	291,090
Andina Division	170,274	184,437	177,216	129,337	139,805
Salvador Division	50,561	56,302	52,885	38,884	21,867
Total	1,588,229	1,618,018	1,618,266	1,184,829	1,062,112
PLANT COPPER PRODUCTION					
(contained copper in metric tons):					
ER Cathodes	10,228	47,542	60,210	38,138	22,674
SX-EW Cathodes	395,998	384,188	414,556	285,001	287,113
Calcined	116,999	100,116	135,913	102,366	95,754
Anodes – Blister	338,769	372,607	388,084	285,646	267,866
White Metal	0	0	4,384	0,331	0,059
Concentrates	726,235	713,565	615,119	473,678	388,647
Total	1,588,229	1,618,018	1,618,266	1,184,829	1,062,112
MOLYBDENUM PRODUCTION					
(contained molybdenum in metric tons)	22,353	27,915	21,045	16,007	16,144
COPPER SALES					
(in metric tons; includes sales of third-party copper):					
Cathodes	1,076,097	1,233,448	1,253,251	910,880	825,110
Fire Refined	-	-	-	-	-
Anodes – Blister	58,491	103,850	106,679	59,939	67,998
Concentrates	721,339	610,599	553,902	406,164	323,341
Total	1,855,926	1,947,897	1,913,832	1,376,983	1,216,449

COPPER EXPORTS					
(in metric tons; includes sales of third-party copper):					
Cathodes	1,009,355	1,143,212	1,133,925	823,362	772,059
Blister	57,487	100,638	106,689	59,942	67,998
Concentrates	503,424	399,900	332,753	262,448	206,333
Total	1,570,266	1,643,750	1,573,367	1,145,752	1,046,390
INVENTORIES OF COPPER AT PERIOD-END (in metric tons)	38,375	17,305	12,210	18,393	28,073

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with CODELCO's Consolidated Financial Statements, including the notes thereto, included elsewhere in this offering memorandum, as well as the data set forth in "Selected Consolidated Financial Data." Except as otherwise disclosed herein or indicated, the Consolidated Financial Statements and other financial information included in this offering memorandum are presented in accordance with IFRS.

Overview

CODELCO is the world's largest copper producer and one of the largest companies in Chile in terms of revenues. CODELCO engages primarily in the exploration, development and extraction of ore-bearing copper and byproducts, the processing of ore into refined copper and the international sale of refined copper and byproducts. In 2021, CODELCO derived 93.1% of its total sales from copper and 6.9% of its total sales from byproducts of its copper production, primarily molybdenum, anodic slimes and sulfuric acid.

Since its inception in 1976, CODELCO has contributed approximately U.S.$129.9 billion (in 2021 currency) to the Chilean Treasury. Approximately 66% of this amount was generated in the last 20 years, representing 7.3% of the revenues of the Government of Chile. In 2020, CODELCO accounted for 16.6% of all Chilean exports.

CODELCO's financial performance is significantly affected by the market prices of copper. As with prices for other commodities, copper prices have historically been subject to wide fluctuations. LME copper prices averaged 422.6 cents per pound in 2021 compared to 280.3 cents per pound in 2020 and 272.1 cents per pound in 2019. Copper prices averaged 411.1 cents per pound in the first nine months of 2022, compared to 416.8 cents per pound in the first nine months of 2021. Since 2020, prices have been affected by the COVID-19 pandemic. As of the date of this offering memorandum, the prices have been affected by a slowdown in demand due to higher inflation following the COVID-19 pandemic. For more information, see "Overview of the Copper Market."

CODELCO continues to focus on controlling and limiting production cost increases. For many years, CODELCO was within the first or second quartiles in the industry with respect to costs. This position was primarily attributable to the quality of its ore bodies, its economies of scale and the experience of its workforce and management. Currently, CODELCO is in the third quartile of the industry's cost curve. The Company intends to make every effort, through investment and management, to be within the first or second quartiles of the industry's cost curve in the long-term. In 2021, CODELCO's total costs and expenses increased by 12.5 cents per pound (5.2%) to 254.3 cents per pound, compared to 241.8 cents per pound in 2020 and 233.5 cents per pound in 2019, mainly due to higher production volume and sales and higher input prices, partially offset by foreign exchange rate depreciation of the Chilean peso against the US dollar. For the first nine months of 2022, CODELCO's total costs and expenses increased by 35.1 cents per pound (14.4%) to 278.7 cents per pound, compared to 243.6 cents per pound for the same period in 2021, mainly due to higher input prices, such as electricity and diesel, appreciation of the Chilean peso against the U.S. Dollar and negative foreign exchange difference on liabilities denominated in Chilean peso. The benefits of CODELCO's cost saving programs were offset by higher energy and other costs as a result of inflation.

In 2021, CODELCO's total costs and expenses increased to U.S.$9.6 billion, compared to U.S.$8.6 billion in 2020, due to higher production volume, partially offset by the depreciation of the Chilean peso against the U.S. dollar. In 2020, CODELCO's total costs and expenses reached U.S.$8.6 billion, an increase compared to U.S.$8.2 billion in 2019, mainly due to higher input prices and depreciation of the Chilean peso. For the first nine months of 2022, CODELCO's total costs and expenses amounted to U.S.$6.5 billion, compared to U.S.$6.4 billion for the same period in 2021. In 2021, CODELCO's cash cost of production was 132.7 cents per pound, compared to 129.4 cents per pound in 2020 and 141.6 cents per pound in 2019. For the first nine months of 2022, CODELCO's cash cost of production was 157.4 cents per pound, compared to 129.9 cents per pound for the same period in 2021. In 2021, CODELCO'S total cash cost was U.S.$4.7 billion, compared to U.S.$4.5 billion in 2020 and U.S.$4.9 billion in 2019. For the first nine months of 2022, CODELCO's total cash cost was U.S.$3.6 billion, as compared to U.S.$3.3 billion for the same period in 2021 (such total cash cost includes certain cash cost incurred at the corporate level). See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Overview."

CODELCO conducts hedging operations from time to time to reduce the risks associated with copper price volatility. CODELCO also periodically enters into futures contracts with respect to certain sales of its own copper. Since 2005, CODELCO has occasionally hedged certain future copper delivery commitments and production in order to manage the risks associated with copper price volatility. As of September 30, 2022, CODELCO did not have any production hedging commitments and, accordingly, there was no related impact on pre-tax income for the nine-month period ended September 30, 2022. See notes 29 and 30 to the Unaudited Interim Consolidated Financial Statements.

CODELCO has hedged a portion of its exchange rate and interest rate exposure by entering into forward exchange contracts to hedge against fluctuations in the UF to U.S. dollar exchange rate for its outstanding UF-denominated bonds. See "Business and Properties—Marketing—Pricing and Hedging" and "Risk Factors—Risks Relating to CODELCO's Operations—CODELCO engages in hedging activity from time to time, particularly with respect to its copper production, which may not be successful and may result in losses to CODELCO." See also notes 27 and 28 to the Consolidated Financial Statements and notes 29 and 30 to the Unaudited Interim Consolidated Financial Statements for further information on CODELCO's hedging activity.

Sale prices for CODELCO's products are established principally by reference to prices quoted on the LME and the New York Commodity Exchange ("COMEX") in the case of copper, or prices published in "Metals Weekly" in the case of molybdenum. The substantial majority of copper produced by CODELCO is sold under annual contracts to customers who have long-term relationships with CODELCO. Pricing under such contracts is based on prevailing average copper prices for a quotation period, generally for the month following the scheduled month of shipment. Revenue under such contracts is recorded at provisional prices determined at the time of shipment. Usually, an adjustment is then made after delivery of the copper, based on the pricing terms contained in the applicable contract.

CODELCO's financial performance is also significantly affected by the relationship of copper prices to production costs. In 2021, CODELCO's annual production, including its investment in El Abra and Anglo American Sur, remained stable at 1.73 million metric tons from 1.73 million metric tons in 2020 and 1.71 million metric tons in 2019. The production in 2021 was higher at Radomiro Tomic, Ministro Hales and El Teniente offset production declines mainly at Chuquicamata, but also at Andina. The increase in production levels in 2020 were in connection with higher copper output at Ministro Hales, Chuquicamata and Andina were the main drivers of this increase and offset the decline at El Teniente. The lower production levels in 2019 were in connection with weather disruptions in the northern area of Chile, a 14-day strike at the Chuquicamata mine and upgrades at the Chuquicamata and Salvador smelters that suspended operations temporarily.

In 2021, each U.S.$0.01 change in CODELCO's average annual copper price per pound caused a variation in operating profit of approximately U.S.$35.0 million. CODELCO expects production to decrease in the near future resulting from lower average ore grades and lower reclamations levels and to stabilize over time. CODELCO continues to develop its project pipeline with the goal of increasing its production marginally in the long-term, by overcoming certain non-permanent disruptions, such as inclement weather and other natural events. See "Risk Factors—Risks Relating to CODELCO's Operations—Earthquake damage to CODELCO's properties and operations could negatively affect CODELCO's results.

CODELCO continues to develop and refine its mine management practices and programs to limit and reduce its costs. These include the following: (i) improved deposit identification and mining techniques; (ii) the implementation of early retirement plans and workforce reduction programs; (iii) an investment in human capital and continuing to attract and retain a world-class management team and professionals of the highest caliber; (iv) improved utilization of equipment and inputs used in the processes of copper production to increase productivity and efficiency; and (v) the development of key projects, specifically the new mine level at El Teniente, the Andina plant reallocation and the Chuquicamata underground mine projects. Production cash costs are influenced by mining and production practices, as well as the type of ore from which copper is produced, production levels and market prices of byproducts, and foreign exchange rates.

In 2021, CODELCO invested U.S.$2.7 billion, mainly in expansion and development projects, including the Chuquicamata underground mine, the Andina plant reallocation, the new mine level at El Teniente and the upgrade of Chuquicamata, Salvador and El Teniente smelters. See "Business and Properties."

In addition to selling its current production of copper, CODELCO may sell copper in its inventory from past production cycles to meet the demand of its customers. CODELCO also purchases copper from third parties in the spot market for resale. The Company makes these purchases and sales of third-party copper to meet the requirements under sales contracts and to participate in the spot market for copper based on its evaluation of market conditions. CODELCO has no long-term commitments regarding third-party copper purchases or sales other than pursuant to the joint venture with China Minmetals Non-Ferrous Metals Co. Ltd. ("Minmetals"), a Chinese state-owned metals company. This joint venture ended in April 2016 and the related selling commitment ended in February 2021. For more information on Minmetals, see "Business and Properties—Associations, Joint Ventures and Partnerships." CODELCO also engages in copper transactions with its affiliates at market terms. In addition, CODELCO purchases copper from its affiliates for further processing and resale.

The following tables set forth, for the periods indicated, the components of CODELCO's consolidated financial statements of operations expressed as a percentage of revenue under IFRS. These tables are qualified in their entirety by reference to, and should be read together with, CODELCO's Consolidated Financial Statements, including the notes thereto, included elsewhere in this offering memorandum:

	Year ended December 31,			For the nine-month periods ended September 30,	
	2019	2020	2021	2021	2022
Revenue	100.0%	100.0%	100.0%	100.0%	100.0%
Cost of sales	(80.3)	(74.5)	(58)	(59.3)	(70.2)
Gross profit	19.7	25.5	42	40.7	29.8
Other income	2.9	0.7	0.6	0.6	0.3
Administrative expenses	(3.3)	(2.8)	(2.2)	(2.2)	(3.2)
Other expenses, by function	(14.0)	(10.3)	(12.9)	(11.8)	(11.0)
Finance costs	(3.8)	(5.2)	(3.0)	(3.0)	(3.6)
Profit (loss) before income tax	3.3	7.4	28.1	28.2	14.3
Income tax expense	(3.1)	(5.6)	(18.3)	(18.1)	(10.2)
Profit (loss) for the period	0.1%	1.8%	9.8%	10.1	4.1

The following tables set forth, for the periods indicated, certain price, volume and cost data:

	Year ended December 31,			For the nine-month periods ended September 30,	
	2019	2020	2021	2021	2022
CODELCO Average Metal Price (per pound)(1)					
Copper	2.56	$2.46	$4.36	$4.26	$3.75
Molybdenum	11.37	$8.31	$15.31	$14.33	$17.51
CODELCO Sales Volume (in metric tons)					
Own copper (2)	1,804,005	1,858,920	1,846,164	1,328,457	1,169,897
Third-party copper	172,218	191,668	193,309	143,807	130,391
Total copper	1,976,223	2,050,588	2,039,473	1,472,264	1,300,288
Molybdenum (in oxide and concentrate)	23,775	28,755	21,754	16,860	15,233
CODELCO's Cash Cost of Production (per pound)	141.6¢	129.4¢	132.7¢	129.9¢	157.4¢

(1) The average metal price is the weighted average of prices actually paid to CODELCO for its product mix.
(2) Includes wire rod sales and cathodes from CODELCO's subsidiaries.

Impact of COVID-19

The COVID-19 pandemic and the resulting economic impact have primarily contributed to a decrease in copper prices in 2020. However in 2021, LME copper prices increased to 422.6 cents per pound compared to 279.8 cents per pound in 2020, which was attributable to the Chinese and global economies' recovery from the COVID-19 pandemic during 2021. For the first nine months of 2022, LME copper prices decreased to 411.1 cents per pound from 416.8 cents per pound in the same period of 2021, due to global economic uncertainty and lower growth mainly in China due to strong anti-COVID measures that have slowed the recovery. CODELCO's financial results and prospects are largely dependent on the prices of copper. If economic conditions further deteriorate in China or other emerging markets, demand from customers in those markets could decline and the market price of copper could fall. A decline in copper prices would have an adverse impact on CODELCO's revenues and financial results.

CODELCO has taken steps and implemented several measures to safeguard its employees, businesses and the communities surrounding its operations from the threats posed by the COVID-19 pandemic. Although these steps and measures have not materially affected CODELCO's production or its financial results in 2020 or 2021, the ultimate impact of COVID-19 on CODELCO's financial and operating results is unknown and will depend on the duration and spread of the pandemic, and will not be fully reflected in CODELCO's results of operations until future periods.

Results of Operations for the nine-month Periods Ended September 30, 2021 and 2022

The following table sets forth CODELCO's summarized results of operations for the nine-month periods ended September 30, 2021 and 2022:

	For the nine-month periods ended September 30,		% Change
	2021	2022	2021/2022
	(in thousands of U.S.$)		
Revenue	14,868,179	11,879,784	(20.1)
Cost of sales	(8,822,621)	(8,340,192)	(5.5)
Gross profit	6,045,558	3,539,592	(41.5)
Other income	83,337	39,476	(52.6)
Administrative expenses	(322,012)	(374,634)	16.3
Other expenses, by function	(1,748,250)	(1,305,710)	(25.3)
Finance costs	(448,789)	(424,459)	(5.4)
Share of profit of associates and joint ventures accounted for using equity method	305,607	53,391	(82,5)
Foreign exchange differences	254,932	129,728	(49,1)
Profit (loss) before income tax	4,197,063	1,697,864	(59.5)
Income tax expense	(2,690,160)	(1,206,688)	(55.1)
Profit (loss) for the period	1,506,903	491,176	(67.4)
Profit (loss) attributable to owners of parent	1,425,934	471,660	(66.9)
Profit (loss) attributable to non-controlling interests	80,969	19,516	(75.9)

Revenue. The following table sets forth CODELCO's revenue for the nine-month periods ended September 30, 2021 and 2022:

	For the nine-month periods ended September 30,		% Change
	2021	2022	2022
	(in thousands of U.S.$)		
Revenue	14,868,179	11,879,784	(20.1)
Sales of CODELCO's own copper	12,470,592	9,712,414	(22.1)
Sales of third-party copper	1,344,512	1,054,622	(21.6)
Sales of byproducts and other	1,053,075	1,112,748	5.7

Revenues decreased by 20.1% to U.S.$11.9 billion in the first nine months of 2022, compared to U.S.$14.9 billion for the same period in 2021. This decrease was primarily attributable to a decrease in copper prices and lower production levels. Our own copper sales decreased by 22.1% mainly due to a decrease in sales volume of 11.9% and lower average realized copper price. The average LME copper prices in the first nine months of 2022 was 411.1 cents per pound as compared to 416.8 cents per pound for the same period in 2021.

Third-party copper sales totaled U.S.$1.1 billion in the first nine months of 2022, compared to U.S.$1.3 billion for the same period in 2021, attributable to decrease on realized copper price and sales volume. In general, changes in the volume of third-party copper sales are dependent upon CODELCO's need to meet requirements under sales contracts and, to a lesser extent, purchasing copper under spot market terms if CODELCO's own production is insufficient to cover the quantities that it has agreed to supply its customers.

Sales of byproducts and other increased by 5.7% to U.S.$1.11 billion in the first nine months of 2022, compared to U.S.$1.05 billion for the same period in 2021. This increase was primarily due to the 22.2% growth in average realized price of molybdenum.

Cost of sales. CODELCO's cost of sales in any period includes both the mining and production costs of its own copper and byproducts and the purchase costs of copper, as well as gold, silver and other byproducts, at market prices from third parties and processed and sold by CODELCO in that period. The following table sets forth CODELCO's total cost of sales for the nine-month periods ended September 30, 2021 and 2022:

	For the nine-month period ended September 30,		% Change
	2021	**2022**	**2022**
	(in thousands of U.S.$)		
Cost of sales	(8,822,621)	(8,340,192)	(5.5)
Cost of CODELCO's own copper	(6,929,782)	(6,758,991)	(2.5)
Cost of third-party sales	(1,336,521)	(1,057,778)	(20.9)
Cost of byproducts and other	(556,318)	(523,423)	(5.9)

CODELCO's total cost of sales decreased by 5.5% to U.S.$8.3 billion (70.2% of sales) in the first nine months of 2022, compared to U.S.$8.8 billion (59.3% of sales) for the same period in 2021, primarily due to lower sales volume and the depreciation of the Chilean peso against the U.S. dollar that imply higher input prices. Some of the minerals that CODELCO sells are purchased at market prices, and CODELCO also purchases mineral ore from third parties at market prices which it processes and sells as copper.

CODELCO's cost of sales of its own copper decreased by 2.5% to U.S.$6.8 billion during the first nine months of 2022, compared to U.S.$6.9 billion for the same period in 2021. This decrease is primarily attributable to lower production and higher operational costs as a result of appreciation of the Chilean peso against the U.S. dollar.

The cost of copper purchased from third parties decreased by 20.9% in the first nine months of 2022 to U.S.$1.1 billion, compared to U.S.$1.3 billion for the same period in 2021. The decrease was mainly caused by lower sales volume of third-party copper.

The cost of byproducts and other decreased by 5.9% to U.S.$523.0 million in the first nine months of 2022, compared to U.S.$556.0 million for the same period in 2021, primarily due to lower sale volume of molybdenum, sulfuric acid, gold and silver.

Depreciation and amortization expenses remained relatively flat at U.S.$1,640.0 million during the first nine months of 2022, compared to U.S.$1,636.0 million for the same period in 2021.

Gross profit. Gross profit amounted to U.S.$3.5 billion for the first nine-months of 2022, compared to U.S.$6.0 billion for the same period in 2021. This 41.7% decrease was primarily attributable to the decrease in revenues due to lower copper prices and sales volume of copper and molybdenum.

Other income. The largest components of other income, are other miscellaneous income, miscellaneous sales and penalties to suppliers. Other income decreased 52.6% to U.S.$39.4 million in the first nine months of 2022, compared to U.S.$83.3 million for the same period in 2021, mainly attributable to the one-time benefit from a debt prepayment by the subsidiary Gacrux in the same period in 2021, and lower other miscellaneous income and delegated administration (including the recovery of occupational disease insurance (Law 16,744)).

Administrative expenses. Administrative expenses increased to U.S.$374.6 million (3.2% of total revenues) during the first nine-months of 2022, compared to U.S.$322.0 million (2.2% of total revenues) for the same period in 2021. This increase was primarily attributable to the negative effect of the appreciation of the Chilean peso against the U.S. dollar.

Other expenses, by function. Other expenses, by function amounted to U.S.$1.3 billion (10.9% of total revenues) during the first nine months of 2022, compared to U.S.$1.7 billion (11.8% of total revenues) for the same period in 2021. This decrease was primarily attributable to lower payments made pursuant to the Copper Reserve Law and lower mining property value adjustment.

The following table sets forth the principal components of CODELCO's other expenses, by function for the periods indicated:

	For the nine-month period ended September 30,	
	2021	2022
	(in thousands of U.S.$)	
Copper Reserve Law	1,143,789	934,555
Bonus for the end of collective bargaining and other employee benefits	137,275	43,870
Other non-cash charges	166,815	31,802
Other expenses	300,371	295,483
Total other expenses by function	1,748,250	1,305,710

CODELCO recorded other expenses of U.S.$1.7 billion and U.S.$1.3 billion in the first nine months of 2021 and 2022, respectively, pursuant to the Copper Reserve Law, which levies a 10% tax on CODELCO's exports of its own copper and related byproducts. Under the accounting policies adopted by CODELCO, this export tax is accounted for in "other expenses, by function". The decrease of this tax recorded in the first nine months of 2022 compared to the same period in 2021 is primarily attributable to lower revenues from CODELCO's own copper sales.

Bonuses for the end of collective bargaining and other employee benefits decreased to U.S.$43.8 million from U.S.$137.3 million, due to a lower amount of bonuses for the end of collective bargaining in 2022.

Other non-cash charges decreased from U.S.$166.8 million in the first nine months of 2021 to U.S.$31.8 million in the same period of 2022, mainly due to a decrease in mining property value adjustment from U.S.$142.0 million during the first nine months of 2021 to U.S.$0.0 million in the first nine months of 2022.

Finance costs. Finance costs decreased to U.S.$424.5 million in the first nine months of 2022, compared to U.S.$448.8 million for the same period in 2021. This decrease was primarily attributable to lower average debt amount in 2021 than in 2022 mainly related to loans. The average interest rate was 4.1% as of September 30, 2022. As of September 30, 2022, 94.2% of our debt had a fixed rate and 5.8% had a floating rate.

Share of profit/(loss) of associates and joint ventures accounted for using equity method. CODELCO's net equity participation in related companies decreased to a net profit of U.S.$53.4 million in the nine months of 2022, compared to a net profit of U.S.$305.6 million for the same period in 2021. This decrease was primarily attributable to the decrease of copper prices and sales volumes.

Foreign exchange differences. According to Decree Law No. 1,350, CODELCO maintains its accounting records in U.S. dollars, recording transactions in currencies other than U.S. dollars at the exchange rate current at the date of each transaction and, subsequently, for monetary assets and liabilities denominated in currencies other than the U.S. dollar, at the closing exchange rate determined by the Central Bank of Chile. CODELCO experienced a gain from foreign exchange differences of U.S.$130.0 million in the first nine months of 2022, compared to a gain from foreign exchange differences of U.S.$255.0 million in the same period of 2021. The gain recorded in the first nine months of 2022 is primarily attributable to the appreciation of the Chilean peso against the U.S. dollar during the nine-month period ended September 30, 2022 as compared to December 31, 2021, offset by lower sales volumes.

Profit before income tax. Profit before income tax was U.S.$1,698.0 million during the first nine months of 2022, compared to U.S.$4,197.0 million for the same period in 2021, primarily attributable to lower gross profit, lower sales volumes and prices, offset by a positive foreign exchange differences.

Income tax expense. During the first nine months of 2022, CODELCO had a statutory tax rate of 65.0% in accordance with applicable regulations, comprised of (i) a corporate income tax rate of 25.0% and (ii) a 40% tax on net earnings applicable to state-owned enterprises as specified by Decree Law No. 2,398, Article 2. During 2021, CODELCO was subject to the same statutory tax rate of 65%. CODELCO is also subject to an additional mining tax that is based on its operating income, and, effective as of 2012 fiscal year, is imposed at progressive rates of between 5% and 14%. CODELCO's statutory rate of the mining tax for 2019, 2020 and 2021 was 5%. CODELCO's taxes on income amounted to an expense of U.S.$1,207.0 million during the first nine months of 2022 and an expense of U.S.$2,690.0 million during the same period in 2021. The decrease in expense from taxes on income was primarily due to the profits before tax generated during the first nine months of 2022.

Profit for the period. As a result of the factors described above, CODELCO's profit after tax was U.S.$491.0 million during the first nine months of 2022, compared to U.S.$1,507.0 million for the same period in 2021.

Results of Operations for the Three Years Ended December 31, 2021

The following table sets forth CODELCO's summarized results of operations for the years ended December 31, 2019, 2020 and 2021:

	Year ended December 31,			% Change	
	2019	2020	2021	2019/2020	2020/2021
		(in millions of U.S.$			
Revenue	12,525	14,173	21,025	13.2%	48.3%
Cost of sales	(10,051)	(10,565)	(12,186)	5.1	15.3
Gross profit	2,473	3,608	8,839	45.9	145
Other income, by function	361	97	116	(73.0)	19.3
Administrative expenses	(409)	(397)	(459)	(3.0)	15.7
Other expenses	(1,748)	(1,457)	(2,717)	(16.7)	86.5
Finance costs	(479)	(742)	(641)	54.9	(13.6)
Share of profit (loss) of associates and joint ventures accounted for under the equity method	13	39	415	198.7	963.7
Foreign exchange differences	154	(166)	314	(207.5)	289.0
Profit (loss) for the period before tax	408	1,044	5,907	(156.0)	465.8
Income tax expense	(393)	(787)	(3,855)	100.1	389.9
Profit (loss) for the period	15	257	2,051	(1,668.2)	698.2
Profit (loss) attributable to owners of parent	7	243	1,942	(3,561.2)	699.4
Profit (loss) attributable to non-controlling interests	8	14	109	(76.0)	677.7

Revenue. The following table sets forth CODELCO's revenues for the years ended December 31, 2019, 2020 and 2021:

	Year ended December 31,			% Change	
	2019	2020	2021	2019/2020	2020/2021
		(in millions of U.S.$)			
Revenue	12,525	$14,173	$21,025	13.2%	48.3%
Sales of CODELCO's own copper	10,402	11,775	17,735	13.2%	50.7%
Sales of third-party copper	1,006	1,234	1,845	22.7%	49.5%
Sales of byproducts and other	1,116	1,163	1,464	4.2%	26.0%

In 2021, revenues increased by 48.3% to U.S.$21.0 billion, compared to U.S.$14.2 billion in 2020. The increase in 2021 was primarily attributable to an increase in CODELCO's average copper price from U.S.$2.87 per pound in 2020 to U.S.$4.36 per pound in 2021. Our own copper sales increased by 50.4% in 2021 mainly due to the higher copper prices during the year. In 2020, revenue increased by 13.2% to U.S.$14.2 billion, compared to U.S.$12.5

billion in 2019. This increase was primarily attributable to an increase in CODELCO's average copper price from U.S.$2.61 per pound in 2019 to U.S.$2.87 per pound in 2020 and an increase in the volume of copper sold by 3.7% as a result of higher production levels. Our own copper sales increased by 13.2% mainly due to an increase in CODELCO's average copper price.

Third-party copper sales totaled U.S.$1.8 billion in 2021 compared to U.S.$1.2 billion in 2020, attributable to higher average copper prices and sales volume. In 2020, third-party copper sales totaled U.S.$1.2 billion, compared to U.S.$1.0 billion in 2019 attributable to higher average copper prices and sales volume.

In general, changes in the volume of third-party copper sales are dependent upon CODELCO's need to meet requirements under sales contracts and, to a lesser extent, purchasing copper under spot market terms if CODELCO's own production is insufficient to cover the quantities that it has agreed to supply its customers.

Sales of byproducts and other increased 26.0% to U.S.$1.5 billion in 2021, compared to U.S.$1.2 billion in 2020, this increase was primarily due to molybdenum and sulfuric acid sales. In 2020, these sales increased by 9.1% to U.S.$1.2 billion, compared to U.S.$1.1 billion in 2019. This increase was primarily due to the 2.1% increase in molybdenum sales volume and higher prices.

Cost of sales. CODELCO's cost of sales in any period includes both the mining and production costs of its own copper and byproducts and the purchase costs of copper, as well as gold, silver and other byproducts, at market prices from third parties and processed and sold by CODELCO in that period. The following table sets forth CODELCO's total cost of sales for the years ended December 31, 2019, 2020 and 2021:

	Year ended December 31,			% Change	
	2019	2020	2021	2019/2020	2020/2021
	(in millions of U.S.$)				
Cost of sales	10,051	10,565	12,186	5.1%	15.3%
Cost of CODELCO's own copper	8,418	8,618	9,611	2.4%	11.5%
Cost of third-party sales	996	1,227	1,823	23.3%	48.6%
Cost of byproducts and other	637	720	752	13.0%	4.4%

CODELCO's total cost of sales increased by 15.3% to U.S.$12.2 billion (58.0% of sales) in 2021 compared to U.S.$10.6 billion (74.5% of sales) in 2020, primarily due to higher sales volume, and the depreciation of the Chilean peso against the U.S. dollar, which impacted input prices. Total cost of sales increased by 5.1% to U.S.$10.6 billion (74.5% of sales) in 2020 as compared to U.S.$10.1 billion (80.3% of sales) in 2019.

Some of the minerals that CODELCO sells are purchased at market prices, and CODELCO also purchases mineral ore from third parties at market prices which it processes and sells as copper.

CODELCO's cost of sales of its own copper increased by 11.5% to U.S.$9.6 billion in 2021 compared to U.S.$8.6 billion in 2020 mainly due to higher sales volume. In 2020 cost of sales increased to U.S.$8.6 billion, compared to U.S.$8.4 billion in 2019. This increase is primarily attributable to higher sales volume in addition to higher operational costs as the result the depreciation of the Chilean peso against the U.S. dollar, which increased input prices.

In 2021, the cost of copper purchased from third parties increased by 48.6% to U.S.$1.8 billion compared to U.S.$1.2 billion in 2020, due to higher average copper price. In 2020, the cost of copper purchased from third parties increased by 23.3% to U.S.$1.2 billion compared to U.S.$996.0 million in 2019, due to higher volume of third-party copper and average copper price.

In 2021, cost of byproducts and other increased by 4.4% to U.S.$752.0 million primarily due to the depreciation of the Chilean peso against the U.S. dollar, which impacted input prices. In 2020, cost of byproducts and other increased 13.0% to U.S.$720.0 million compared to U.S.$637.0 million in 2019, mainly because of higher sales volume of byproducts.

In 2021, depreciation and amortization expenses decreased by 8.0% to U.S.$2.3 billion compared to U.S.$2.5 billion in 2020 due to lower production volume. In 2020, depreciation and amortization expenses increased by 10.6% to U.S.$2.5 billion because of higher production volume compared to U.S.$2.2 billion in 2019.

Gross profit. In 2021, gross profit amounted to U.S.$8.8 billion, which is a 145% increase compared to gross profit in 2020 primarily attributable to the higher volume sale and higher revenues due to higher average price received for CODELCO's product mix. In 2020, gross profit amounted to U.S.$3.6 billion, which is a 45.9% increase compared to gross profit in 2019, higher revenues were the main driver of this growth. In 2019, gross profit amounted to U.S.$2.5 billion.

Other income, by function. The largest components of other income, by function, are material return and Gacrux debt prepayment result. In 2021 other income, by function increased by 19.6% to U.S.$116.0 million compared to U.S.$97.0 million in 2020 primarily attributable to the income related to the prepayment of the debt of Gacrux by U.S.$0.21 million. Other income, by function decreased by 73.0% to U.S.$97.0 million in 2020 compared to U.S.$361.0 million in 2019, primarily attributable to the sale of CODELCO's 37% equity stake in GNL Mejillones S.A. in 2019, which did not repeat in 2020. See note 22a to the Consolidated Financial Statements.

Administrative expenses. In 2021, administrative expenses increased by 15.7% to U.S.$459.0 million (2.2% of total revenues) compared to U.S.$397.0 million in 2020 due to higher volume sale, partially offset by a positive effect of the depreciation of the Chilean peso against the U.S. dollar. Administrative expenses decreased to U.S.$397.0 million (2.8% of total revenues) compared to U.S.$409.0 million (3.3% of total revenues) in 2020 compared to 2019 respectively. This decrease was primarily attributable to the positive effect of the depreciation of the Chilean peso against the U.S. dollar.

Other expenses. In 2021 other expenses amounted to U.S.$2.7 billion (12.9% of revenues) compared to U.S.$1.5 billion (10.3% of revenues) in 2020, and compared to U.S.$1.7 billion (14% of total revenues) in 2019. This increase was mainly attributable to increase in copper reserve law, an increase in fixed indirect costs, higher bonuses paid related to collective bargaining processes and mining properties fair value adjustment.

The following table sets forth the principal components of CODELCO's other expenses for the periods indicated:

	Year ended December 31,		
	2019	**2020**	**2021**
		(in millions of U.S.$)	
Copper Reserve Law	(936)	(1,048)	(1,572)
Bonus for the end of collective bargaining and Employee Benefits	(250)	(172)	(293)
Asset impairments	-	(24)	(125)
Other non-cash charges	(42)	(40)	(132)
Other expenses	(519)	(173)	(595)
Total	(1,748)	(1,457)	(2,717)

CODELCO recorded other expenses of U.S.$1.6 billion, U.S.$1.1 billion and U.S.$936 million in 2021, 2020, and 2019, respectively, pursuant to the Copper Reserve Law, which levies a 10% tax on receivables of the sales proceeds that CODELCO receives and transfers to Chile from the export of copper and related byproducts produced by CODELCO. The increase of this tax recorded in 2021 compared to 2020 is primarily attributable to higher volume sold and higher copper prices.

Other expenses increased to U.S.$595.0 million in 2021 from U.S.$173.0 million in 2020 due to an increase in indirect fixed costs. In 2021, bonuses for the end of collective bargaining and other employee benefits increased to U.S.$293.0 million from U.S.$172.0 million in 2020, due to an end-of-strike bonus related to a 21-day strike involving two labor unions from the Andina Division and 24-day strike involving one labor union also from the Andina Division. And a mining properties fair value adjustment in 2021 by U.S.$125.0 million.

Finance costs. In 2021, finance costs decreased to U.S.$641.0 million compared to U.S.$742.0 million in 2020, primarily attributable to interest expenses of loans during 2021. Finance costs increased to U.S.$742.0 million in 2020 compared to U.S.$479.0 million in 2019 due to costs incurred in connection with the consummation of the tender offer in January 2020. CODELCO's debt level was U.S$17.2 billion as of December 31, 2021, U.S$18.0 billion as of December 31, 2020 and U.S.$17.3 billion as of December 31, 2019.

CODELCO's average interest rate was 4.1% as of December 31, 2021, 4.1% as of December 31, 2020 and 4.2% as of December 31, 2019. As of December 31, 2021, 94.3% of our debt had fixed rate and 5.7% a floating rate As of December 31, 2020, 91.3% of our debt had fixed rate and 8.7% a floating rate. As of December 31, 2019, 86% of our debt had a fixed rate and 14% had a floating rate. See "Selected Consolidated Financial Data" for information regarding debt during the years ended December 31, 2019, 2020 and 2021.

Share of profit/(loss) of associates and joint ventures accounted for using equity method. In 2021, CODELCO's net equity participation in related companies increased to a net profit of U.S.$415.0 million, compared to a net profit of U.S.$39.0 million in 2020. In 2020, CODELCO's net equity participation in related companies increased to a net profit of U.S.$39.0 million, compared to a net profit of U.S.$13.0 million in 2019. This increase was primarily attributable to an increase in the average copper price which positively impacted Anglo American Sur's profitability. See note 9 to the Consolidated Financial Statements.

Profit (loss) before tax. In 2021, profit before tax increased to U.S.$5.9 billion, compared to U.S.$1.0 billion in 2020. This increase was primarily attributable to higher average copper price and sales volume in 2021. In 2020, profit before tax increase from U.S.$408.0 million in 2019 to U.S.$1.0 billion, mainly due to an increase in the average copper price, mainly in the end of the period and higher sales volume.

Income tax expense. In 2021, CODELCO had a statutory tax rate of 65.0% in accordance with applicable regulations, comprised of (i) a corporate income tax rate of 25.0% (a 17% historic corporate tax rate applied to income earned in and prior to 2011 but changed by means of the 2014 tax reform) and (ii) a 40% tax on net earnings applicable to state-owned enterprises as specified by Decree Law No. 2,398, Article 2. During 2020 and 2019, CODELCO was subject to the same statutory tax rate of 65%. CODELCO is also subject to an additional mining tax that is based on its operating income, and, effective as of fiscal year 2012, is imposed at progressive rates of between 5% and 14%. CODELCO's statutory rate of the mining tax for 2021, 2020 and 2019 was 5%. CODELCO's taxes on income amounted to an expense of U.S.$3,855.0 million in 2021, compared to an expense of U.S.$787.0 million in 2020 and U.S.$393.0 million in 2019, primarily as a result of an increase in CODELCO´s pre-tax profit in 2021, which mirrored, to a certain extent, the increase in taxable income. For more information regarding this payment, see note 5 to the Consolidated Financial Statements and "Risk Factors—Risks Relating to CODELCO's Relationship with the Government of Chile—CODELCO is subject to special taxes."

Profit for the period. As a result of the factors described above, CODELCO recorded a profit after tax of U.S.$2,051.0 million in 2021, U.S.$257.0 million in 2020 and U.S.$15.0 million in 2019.

Liquidity and Capital Resources

CODELCO's primary sources of liquidity are funds from (i) operations, (ii) domestic and international borrowings from banks and (iii) debt offerings in the domestic and international capital markets. CODELCO is generally required to transfer its profit to the Chilean Treasury. The calculation of profit and other comprehensive income includes certain non-cash generating charges or benefits. Significant non-cash generating charges or benefits are deferred tax expense/benefit and amortization and depreciation recorded against other comprehensive income and/or profit and loss. For the nine-month period ended September 30, 2022, non-cash charges were U.S.$246.0 million in amortization and U.S.$1,640.0 million in depreciation. Non-cash deferred tax charges of U.S.$458.0 million were recorded for the nine-month period ended September 30, 2022. Specifically with respect to deferred taxes, non-cash charges or benefits are generated by recording the fluctuation of the deferred tax assets and liabilities, which may be recorded against other comprehensive income in equity or through profit and loss. Amortization and depreciation are recorded directly in profit and loss.

In June 2014, the Ministries of Finance and Mining approved the capitalization of U.S.$200.0 million through a retention of CODELCO's profits from 2013. In October 2014, the multi-year capitalization law approved by the

Chilean Congress was promulgated and became effective following its publication in the Official Gazette. This law allocates a maximum of U.S.$3 billion to CODELCO in the form of a capital injection by the Chilean Treasury over the period from 2014 to 2018. Pursuant to this law, CODELCO must present a yearly progress report on the BDP for the 2014-2018 period to the Ministries of Finance and Mining and to the Finance Committee of both the Upper House and the Lower House of Congress by March 30 of each year. The BDP report details the progress of CODELCO's investments, including information about their financing and execution, covering each of the structural projects and their corresponding investments. The BDP report also discusses CODELCO's progress with respect to production, costs and results. On the same date that the multi-year capitalization law was promulgated, the President of Chile announced a commitment to authorize the retention by CODELCO of up to an additional U.S.$1 billion of profit (which includes the U.S.$200.0 million that had been authorized in June 2014) over the 2014-2018 period.

In accordance with this commitment, in June 2015, the Ministries of Finance and Mining approved the capitalization of U.S.$225.0 million of 2014 profit, but charged to 2015 profits. However, due to CODELCO's operating losses in 2015, this capitalization has not been implemented. Nonetheless, pursuant to the multi-year capitalization law, the Government of Chile authorized a capital injection of U.S.$600.0 million (out of the maximum U.S.$3 billion for the 2014-2018 period), which was received in U.S. dollars in December 2015. In December 2016, the Ministries of Finance authorized the capitalization of U.S.$975.0 million, U.S.$500 million of which related to a capital injection to finance CODELCO's investment plan and was received in December 2016. The remaining U.S.$475.0 million was authorized pursuant to a new law (Law No. 20,989), effective as of January 2017, which provided for additional capitalization of a maximum of U.S.$950.0 million for both 2016 and 2017 (up to U.S.$475.0 million for each year) in the event CODELCO does not have the required pre-tax profits to cover the 10% special export tax under the Copper Reserve Law. In April 2017, CODELCO received the U.S.$475.0 million capital injection in U.S. dollars for 2016.

Law No. 20,989 also extended the U.S.$3 billion capitalization commitment for the 2014-2018 period to 2019. While CODELCO did not expect additional capital injections in connection with Law No. 20,989 during 2017, in November 2017, the Government of Chile authorized a capital injection of U.S.$520.0 million (out of the maximum U.S.$3.0 billion for the newly extended 2014-2019 period), which was received in U.S. dollars in December 2017. In June 2018, the Government of Chile announced a final capital injection of U.S.$1 billion to complete the multi-year capitalization law approved in October 2014. Moreover, in October 2018, the Government of Chile authorized the disbursement of such amount in two installments completed on December 31, 2018 for U.S.$600.0 million and on February 28, 2019 for the remaining U.S.$400.0 million.

Since 2014, the Government of Chile has authorized the capitalization by capital injection and retention of profit within CODELCO in an aggregate amount of U.S.$3.5 billion, U.S.$225.0 million of which could not be implemented.

Since 2022, the Chilean Government allows CODELCO to annually reinvest 30% of its 2021-2024 profits. This represents a change in CODELCO's dividend policy, which previously consisted of 100% net-profit distribution policy. This profit-reinvestment plan will strengthen CODELCO's financial balance sheet and reduce the need for additional financial debt.

See "Risk Factors—Risks Relating to CODELCO's Relationship with the Government of Chile—CODELCO's funding through retention of profits is restricted and is subject to the approval of the Ministries of Finance and Mining."

Cash flows. In 2021, net cash flows from operating activities increased by 55.9% to U.S.$5.9 billion from U.S.$3.8 billion in 2020. This increase in net cash flows from operating activities resulted primarily due to the increase in cash received from the sales of goods because of an improvement in CODELCO's average product portfolio prices and sales volumes. In 2020, net cash flows from operating activities increased by 55.4% to U.S.$3.8 billion from U.S.$2.4 billion in 2019. During the first nine months of 2022, net cash flows from operating activities totaled U.S.$3.8 billion, which was 18.2% less than in the same period in 2021. Increased payments to suppliers in the period due to higher input, partially offset by local currency depreciation. See note 22 to the Unaudited Interim Consolidated Financial Statements and note 28 to the 2019-2020 Consolidated Financial Statements.

Bank debt. CODELCO's total financial debt (defined as loans from financial institutions plus bonds issued) as a percentage of its total capitalization was 59.7% as of December 31, 2019, 60.9% as of December 31, 2020 and 59.8% as of December 31, 2021 and 58.7% as of September 30, 2022. CODELCO's total outstanding financial debt as of December 31, 2019, 2020 and 2021 and as of September 30, 2022 was U.S.$17.3 billion, U.S.$18.1 billion and U.S.$17.2 billion and U.S.$16.7 billion, respectively.

In May 2012, CODELCO entered into a two-tranche U.S. dollar unsecured bilateral loan, each tranche with a commitment fee of 15.0 basis points per annum with a maturity date of (i) ten years for the Japan Bank for International Cooperation loan and (ii) seven years for The Bank of Tokyo-Mitsubishi UFJ, Ltd., to be disbursed by the lenders on a *pro rata* basis, for the development, construction and operation of a metals processing plant to be constructed in Mejillones and the export of certain metals to Japanese customers pursuant to long-term offtake agreements. The terms of the loans are described below:

	Credit Amount	Interest Rate	Availability Period
Japan Bank for International Cooperation .	U.S.$224.0 million	LIBOR plus 45.0 basis points	36 months
The Bank of Tokyo–Mitsubishi UFJ, Ltd..	U.S.$96.0 million	LIBOR plus 55.0 basis points	36 months

As of September 30, 2022, the loans described above were repaid in full at their respective maturity dates.

Between October and November 2016, CODELCO rolled over loans with The Bank of Tokyo-Mitsubishi UFJ, Ltd. for U.S.$250.0 million and Export Development Canada for U.S.$300.0 million, increasing the original principal by an additional U.S.$50 million. The loans mature in five years and the terms are described below:

	Credit Amount	Interest Rate
The Bank of Tokyo–Mitsubishi UFJ, Ltd.........	U.S.$250.0 million	LIBOR plus 75.0 basis points
Export Development Canada............................	U.S.$300.0 million	LIBOR plus 62.0 basis points

The Bank of Tokyo–Mitsubishi UFJ, Ltd. Loan was fully prepaid in January 2020 and the Export Development Canada Loan was fully prepaid in August 2020.

In April 2017, CODELCO entered into a short-term U.S. dollar unsecured bilateral bank loan with Scotiabank & Trust (Cayman) Ltd. and used the proceeds to prepay a loan from Bank of America N.A. for U.S.$300.0 million in full. In May 2017, CODELCO exchanged the short-term loan with Scotiabank & Trust (Cayman) Ltd. for a five-year U.S. dollar unsecured bilateral bank loan. In July 2017, CODELCO rolled over a loan with Export Development Canada for U.S.$300.0 million. The new loans mature in five years and the terms and interest rates are described below:

	Credit Amount	Interest Rate
Scotiabank & Trust (Cayman), Ltd..................	U.S.$300.0 million	LIBOR plus 65.0 basis points
Export Development Canada............................	U.S.$300.0 million	LIBOR plus 62.0 basis points

As of September 30, 2022, the loan described above with Scotiabank & Trust (Cayman), Ltd. and the loan described above with Export Development Canada were fully prepaid in December 2020.

In October 2018, CODELCO rolled over a loan with Export Development Canada for U.S.$300.0 million. The loan matures in 2028 and the terms are described below:

	Credit Amount	Interest Rate	Date Loan Drawn
Export Development Canada......	U.S.$300.0 million	LIBOR plus 121.5 basis points	October 2018

As of September 30, 2022, U.S$299.0 million was outstanding under the loan described above with Export Development Canada.

In December 2018, CODELCO entered into a one-year revolving credit facility with Scotiabank Chile for U.S.$300.0 million and drew down the full amount. The revolving credit facility may be renewed on a yearly basis and matures in 2023. The terms are described below:

	Credit Amount	Interest Rate	Date Loan Drawn
Scotiabank Chile..........................	U.S.$300.0 million	LIBOR plus 72.5 basis points	December 2018

The loan described above with Scotiabank Chile was fully prepaid in December 2020.

Between March and June 2019, CODELCO entered into six up to one-year advances on export exchange contracts (ACC). The loans matured between March and May 2020 and the terms are described below:

	Credit Amount	Interest Rate	Date Loan Drawn
Scotiabank Chile.........................	U.S.$100.0 million	LIBOR plus 35.0 basis points	March 2019
Scotiabank Chile.........................	U.S.$65.0 million	LIBOR plus 35.0 basis points	March 2019
Banco Santander - Chile.............	U.S.$100.0 million	LIBOR plus 30.0 basis points	April 2019
Itaú Corpbanca............................	U.S.$30.0 million	LIBOR plus 63.0 basis points	June 2019
Banco de Crédito e Inversiones	U.S.$50.0 million	LIBOR plus 39.5 basis points	June 2019
Banco de Chile............................	U.S.$120.0 million	LIBOR plus 66.0 basis points	June 2019

As of September 30, 2022, none of the loans mentioned above were outstanding. The Scotiabank Chile and Banco Santander Chile loans described above were repaid in full at their respective maturity dates, while the loans described above with Banco de Chile, Banco de Crédito e Inversiones and Itaú Corpbanca were prepaid in full in December 2019.

Between June and December 2019, CODELCO entered into a bilateral credit facility with EDC. The credit facility included a commitment fee of 50.0 basis points and matures in 2029. CODELCO also entered into a seven-year U.S. dollar unsecured bilateral credit facility with the Banco Latinoamericano de Comercio Exterior (Bladex). The terms are described below:

	Credit Amount	Interest Rate	Date Loan Drawn
Export Development Canada.....	U.S.$300.0 million	LIBOR plus 121.5 basis points	July 2019
Banco Latinoamericano de Comercio Exterior......................	U.S.$75.0 million	LIBOR plus 62.0 basis points	December 2019

As of September 30, 2022, U.S.$297.0 million was outstanding under the loan described above with Export Development Canada and U.S.$75.0 million was outstanding under the loan described above with Banco Latinoamericano de Comercio Exterior.

In April 2020, CODELCO entered into a three-year bilateral credit facility with The Bank of Nova Scotia for U.S.$165.0 million, with a commitment fee of 30.0 basis points. The terms are described below:

	Credit Amount	Interest Rate	Date Loan Drawn
The Bank of Nova Scotia........	U.S.$165.0 million	LIBOR plus 275.0 basis points	April 2020

This facility was fully prepaid in August 2020.

In May 2020, CODELCO entered into a bilateral credit facility with Export Development Canada. The credit facility included a commitment fee of 32.0 basis points and matures in 2027. CODELCO also entered into a three-year U.S. dollar unsecured bilateral credit facility with BNP Paribas, with an advisory fee of U.S.$250,000.00 and a commitment fee of 5.0 basis points. The terms are described below:

	Credit Amount	Interest Rate	Date Loan Drawn
Export Development Canada.....	U.S.$300.0 million	LIBOR plus 115.0 basis points	May 2020
BNP Paribas...............................	U.S.$100.0 million	LIBOR plus 135.0 basis points	May 2020

As of September 30, 2022, U.S$299.0 million was outstanding under the loan described above with Export Development Canada while the BNP Paribas loan was fully prepaid in August 2020.

Other Debt. In July 2017, CODELCO launched a cash tender offer for any and all of its 7.500% notes due 2019, 3.750% notes due 2020 and 3.875% notes due 2021 and a waterfall cash tender offer for its 3.00% notes due 2022, 4.500% notes due 2023 and 4.500% notes due 2025, which was financed with the proceeds from a concurrent offering of U.S.$1.5 billion aggregate principal amount of its 3.625% notes due 2027 and U.S.$1.25 billion aggregate principal amount of 4.500% notes due 2047. Moreover, in January 2019, CODELCO launched a second cash tender offer for its 3.750% notes due 2020, 3.875% notes due 2021 and 3.00% notes due 2022 and a waterfall cash tender offer for its 4.500% notes due 2023 and 4.500% notes due 2025, which was financed with the proceeds from a concurrent offering of U.S.$1.3 billion aggregate principal amount of its 4.375% notes due 2049. Moreover, in September 2019, CODELCO launched a third cash tender offer for its 3.750% notes due 2020 and 3.875% notes due 2021 and a waterfall cash tender offer for its 3.00% notes due 2022 and 4.500% notes due 2023, which was financed with the proceeds from a concurrent offering of U.S.$1.1 billion aggregate principal amount of its 3.000% notes due 2029 and U.S.$0.9 billion aggregate principal amount of 3.700% notes due 2050. Moreover, in December 2020, CODELCO launched a fourth cash tender offer for its 3.875% notes due 2021, 3.00% notes due 2022 and 4.500% notes due 2023 and a waterfall cash tender offer for its 4.500% notes due 2025 and its 3.625% notes due 2027, which was partially financed with the proceeds from a concurrent offering of U.S.$0.5 billion aggregate principal amount of its 3.15% notes due 2051. On January 14, 2020, CODELCO issued notes in an aggregate principal amount of U.S.$2.0 billion, consisting of a U.S.$1.0 billion international debt offering of 3.150% notes due 2030 and a U.S.$1.0 billion international debt offering of 3.700% notes due 2050. The notes due 2050 form part of the same series of CODELCO's outstanding U.S.$900.0 million 3.700% notes due 2050 issued on September 30, 2019, resulting in a total aggregate principal amount outstanding of U.S.$1.9 billion in this series. On May 6, 2020, CODELCO issued notes in an aggregate principal amount of U.S.$800.0 million consisting of its 3.150% notes due 2031. On May 8, 2020, CODELCO issued notes in an aggregate principal amount of U.S.$131.0 million, consisting of its 4.500% notes due 2023 issued on August 13, 2013. These notes form part of the same series of CODELCO's outstanding U.S.$335.0 million 4.500% notes due 2023 issued on August 13, 2013, resulting in a total aggregate principal amount outstanding of U.S.$466.0 million in this series. On October 12, 2021, CODELCO launched a cash tender offer for any and all of its outstanding 4.500% Notes due 2023, 2.250% Notes due 2024, and its 4.500% Notes due 2025, which was financed with the proceeds from a concurrent offering of U.S.$780.0 million aggregate principal amount of its 3.700% notes due 2050. The notes had identical terms, are fungible with and are part of a single series of senior debt securities with the U.S.$900.0 million aggregate principal amount of 3.700% Notes due 2050 issued on September 30, 2019 and the U.S.$1,000.0 million aggregate principal amount of 3.700% Notes due 2050 issued on January 14, 2020.

The following table shows amounts due by CODELCO under notes issued in both international and local markets as of September 30, 2022:

Type of Issuance	Maturity	Principal Amount	Outstanding Principal Amount and Accrued Interest as of September 30, 2022	Interest Rate
International	August 13, 2023	U.S.$750 million	U.S.$230 million	4.50%
International	July 9, 2024	€600 million	U.S.$392 million	2.25%
International	September 16, 2025	U.S.$2.00 billion	U.S.$395 billion	4.50%
Local	April 1, 2025	6.9 million UF	U.S.$251 million	4.00%
Local	August 24, 2026	10 million UF	U.S.$367 million	2.50%
International	August 1, 2027	U.S.$1.50 billion	U.S.$1.24 billion	3.63%
International	August 23, 2029	U.S.$130 million	U.S.$130 million	2.87%
International	September 30, 2029	U.S.$1.10 billion	U.S.$1.1 billion	3.00%
International	January 14, 2030	U.S.$1.00 billion	U.S.$1.00 billion	3.15%
International	January 15, 2031	U.S.$800 million	U.S.$804 million	3.75%
International	November 7, 2034	HKD500 million	U.S.$65 million	2.84%

International	September 21, 2035	U.S.$500 million	U.S.$494 million	5.63%
International	October 24, 2036	U.S.$500 million	U.S.$510 million	6.15%
International	July 22, 2039	AUD70 million	U.S.$45 million	3.58%
International	July 17, 2042	U.S.$750 million	U.S.$741 million	4.25%
International	October 18, 2043	U.S.$950 million	U.S.$959 million	5.63%
International	November 4, 2044	U.S.$980 million	U.S.$982 million	4.88%
International	August 1, 2047	U.S.$1.25 billion	U.S.$1.21 billion	4.50%
International	May 18, 2048	U.S.$600 million	U.S.$605 million	4.85%
International	February 5, 2049	U.S.$1.30 billion	U.S.$1.20 billion	4.38%
International	January 30, 2050	U.S.$2.68 billion	U.S.$2.60 billion	3.70%
International	January 15, 2051	U.S.$500 million	U.S.$451 million	3.15%

The following table sets forth the scheduled maturities of CODELCO's bank and unsecured note obligations as of September 30, 2022:

Bank and Unsecured Note Obligations Outstanding (in millions of U.S.$)

	Total	Less than 1 year	1-2 years	2-3 years	3-5 years	More than 5 years	Average Annual Interest Rate
Loans from financial institutions....................	977	0	0	0	75	901	LIBOR +119%
Bonds issued......................	15,763	230	392	1,013	1,245	12,883	4.12%
Total................................	16,740	230	392	1,013	1,320	13,784	

In addition to the obligations set forth in the table above, CODELCO was a party to certain commitments primarily to secure the payment of (i) deferred customs duties and (ii) staff severance indemnities payable upon the retirement of individual employees, amounting to U.S.$20.0 million and U.S.$551.0 million, respectively, as of December 31, 2021 and to U.S.$30.0 million and U.S.$546.0 million, respectively, as of September 30, 2022. See notes 16 and 17 to the Consolidated Financial Statements and to the Unaudited Interim Consolidated Financial Statements. In addition, as of September 30, 2022, CODELCO believes that its net deferred taxes will reverse as follows: deferred tax expense in the amount of U.S.$130.0 million in 2022, U.S.$349.0 million in 2023 and U.S.$32 million in 2024 and U.S.$8.4 billion after 2028 and deferred tax benefit in the amount of U.S.$362.0 million in 2025, U.S.$395.0 million in 2026, and U.S.$262.0 million in 2027. CODELCO currently has no hedges related to its production of copper through 2019. See "Business and Properties—Marketing—Pricing and Hedging" and "Risk Factors—Risks Relating to CODELCO's Operations—CODELCO engages in hedging activity from time to time, particularly with respect to its copper production, which may not be successful and may result in losses to CODELCO."

CODELCO entered into an agreement with Mitsui on October 12, 2011, pursuant to which Mitsui made available to Inversiones Mineras Acrux SpA ("Acrux") a short-term bridge financing facility of up to U.S.$6.75 billion, guaranteed by CODELCO and subsidiaries of Acrux, as a possible means to fund the exercise of the Sur Option (as defined in "Business and Properties—Copper Production—Associations, Joint Ventures and Partnerships"). CODELCO also entered into a separate agreement with Mitsui that provided CODELCO with the option to repay a portion of the bridge loan from Mitsui through a put option for an indirect 50% stake in the Anglo American Sur interest acquired, assuming a pre-determined value of U.S.$9.76 billion for the 49% interest in Anglo American Sur. The balance of the bridge loan would convert into a non-recourse five-year term loan between Acrux and Mitsui, which would not be guaranteed by CODELCO, and would be repayable only from cash distributions on the Anglo American Sur shares held by Acrux. In addition, CODELCO and Mitsui entered into a 10-year sale and purchase agreement for the equivalent of 30,000 tons of fine copper per year subject to market-based pricing terms.

On August 23, 2012, the parties amended and restated the loan agreement described above (the "A&R Mitsui Bridge Loan Facility") pursuant to which Oriente Copper Netherlands B.V. ("Oriente Copper"), an affiliate of Mitsui, agreed to make available to a wholly-owned subsidiary of CODELCO a bridge loan denominated in U.S. dollars. On August 24, 2012, the subsidiary of CODELCO drew down an amount equal to U.S.$1,867.0 million to finance the acquisition by Inversiones Mineras Becrux SpA ("Becrux") of equity interests of Anglo American Sur as described below under "Business and Properties— Copper Production—Associations, Joint Ventures and Partnerships—Anglo American Sur" and to pay certain taxes, costs and expenses relating to the financing. On October 31, 2012, CODELCO and Oriente Copper entered into an agreement to refinance the U.S.$1,867.0 million bridge loan with a U.S.$875.0 million non-recourse term loan with a 3.25% fixed interest rate and a 20-year amortization (the "Mitsui Term Loan") that is secured by a pledge of the equity interests in Acrux held by such subsidiary of CODELCO. As part of this refinancing, CODELCO sold to Oriente Copper the equivalent of a 4.5% stake of Anglo American Sur for U.S.$998.0 million and used the proceeds of this sale to prepay a portion of the bridge loan. On November 26, 2016, CODELCO signed a credit agreement with Oriente Copper renegotiating the payment of principal at the end of the contract. The terms established an annual interest rate of LIBOR +2.5% with a five-year maturity to be payable in one installment at maturity with semi-annual interest payments. On May 26, 2017, CODELCO signed a new credit agreement with Oriente Copper renegotiating the following semi-annual payment, which was on the same terms as the first renegotiation done in November 2016. In May 2021 the Mitsui Term Loan was fully prepaid.

- *Capital Expenditure Program.* We seek to maintain and improve our competitive position in the industry through our three-year capital expenditure program. Following the completion of a number of significant projects in recent years, such as the development of CODELCO's new Mina Ministro Hales, the development of sulfide ores at the Radomiro Tomic mine, the expansion at the Andina mine and the development of the Pilar Norte area at the El Teniente mine, CODELCO intends to continue its development program. Accordingly, the Company expects to make capital expenditures of approximately U.S.$13.4 billion between 2022 and 2024, transforming its main mining operations with a view towards the long-term development of its resources. We expect these expenditures to be funded with a combination of internal and external resources. For a complete list of planned capital expenditures, see "Business and Properties—Copper Production—Operations." CODELCO's expansion and development of major projects between 2022 and 2024 are expected to include:

    - The gradual transformation of the Chuquicamata mine from an open pit mine to an underground operation, which we expect will enable Chuquicamata to maintain its annual copper production at its current level starting in 2019 (an approximate investment of U.S.$1.3 billion between 2022 and 2024). Environmental approvals were obtained in September 2010. On March 25, 2020 and on June 20, 2020, CODELCO announced the temporary suspension of construction of this project as a measure to prevent the spread of COVID-19 among employees and contractors. In August 2020, work on the project gradually resumed. In March 2021, the project's design incorporated additional fortification work to be completed during 2021. Consequently, after adjusting for this additional work and new reinforcement infrastructure the project was 100% complete in September 2022.

    - The reallocation of the Andina plant, which involves maintaining the treatment capacity of the concentrator plant in the long-term (an approximate investment of U.S.$64.0 million between 2022 and 2024). In March 2020, CODELCO announced the temporary suspension of this project as a measure to prevent the spread of COVID-19 among employees and contractors. The new primary crusher plant began operation in the first quarter of 2022. The project is currently under review and the conveyor system should begin operations in late 2023.

    - The development of a new production level in the existing El Teniente underground mine (an approximate investment of U.S.$2.0 billion between 2022 and 2024) to maintain El Teniente's annual copper production at its current level. Environmental approvals were obtained in March 2011. However, based on geomechanical challenges that need to be addressed, an alternative development plan was approved in January 2018, which will still permit us to maintain our original production goal. The new mining level is expected to be completed in 2023. As of September 30, 2022, the project was approximately 75.9% complete.

    - The development of the Inca Pit project is designed to extend the life of the current underground mine operation in the Salvador Division and enable it to maintain its annual production at its current level starting in 2021 and the analysis for a future expansion, which requires an approximate investment of U.S.$1.1 billion between 2022 and 2024. As of September 30, 2022, the project was approximately 37.8% complete. As of the date of this offering memorandum, the Inca Pit project is still under construction.

CODELCO has already begun investing in the aforementioned projects. In 2021, CODELCO invested U.S.$2.7 billion principally in expansion and development projects, including the new El Teniente mine level, the Chuquicamata underground mine expansion and, the reallocation of the Andina mine-plant pursuant to the Andina expansion project, as well as in the upgrade of CODELCO's smelters to comply with the new emission standards. CODELCO invested U.S.$2.1 billion and U.S.$3.7 billion in 2020 and 2019, respectively. For an additional description of CODELCO's principal planned capital expenditures, see "Business and Properties—Copper Production—Operations."

CODELCO expects that it will have sufficient resources from operations, including cash flows, capitalization and retention of profits, in addition to new borrowings from banks and the capital markets to fund its anticipated capital expenditures and investments.

As described under "Regulatory Framework—Overview of the Regulatory Regime" below, the Ministries of Finance and Mining are required to determine, by means of a joint decree, the amount, if any, that the Company shall allocate to the creation of capitalization and reserve funds. In June 2014, the Ministries of Finance and Mining approved the capitalization of U.S.$200.0 million through a retention of profits from 2013 profits. In October 2014, the multi-year capitalization law approved by the Chilean Congress was promulgated and became effective following its publication in the Official Gazette on October 30, 2014. This law allocates a maximum of U.S.$3 billion to CODELCO in the form of a capital injection by the Chilean Treasury over the period from 2014 to 2018. Pursuant to this law, CODELCO must present a yearly progress report on the BDP for the 2014-2018 period to the Ministries of Finance and Mining and to the Finance Committee of both the Upper House and the Lower House of Congress by March 30 of each year. The BDP report details the progress of CODELCO's investments, including information regarding their financing and execution, covering each of the structural projects and their corresponding investments. The BDP report also discusses CODELCO's progress with respect to production, costs and results. On the same date that the multi-year capitalization law was promulgated, the President of Chile announced a commitment to authorize the retention by CODELCO of up to an additional U.S.$1 billion of profit (which includes the U.S.$200.0 million that had been authorized in June 2014) over the 2014-2018 period.

In accordance with this commitment, in June 2015, the Ministries of Finance and Mining approved the capitalization of U.S.$225.0 million of 2014 profit, but charged to 2015 profits. However, due to CODELCO's operating losses in 2015, this capitalization has not been implemented. Nonetheless, pursuant to the multi-year capitalization law, the Government of Chile authorized a capital injection of U.S.$600.0 million (out of the maximum U.S.$3.0 billion for the 2014-2018 period), which was received in U.S. dollars in December 2015. In December 2016, the Ministries of Finance authorized the capitalization of U.S.$975.0 million, U.S.$500.0 million of which related to a capital injection to finance CODELCO's investment plan and was received in December 2016. The remaining U.S.$475.0 million was authorized pursuant to a new law (Law No. 20,989), effective as of January 2017, which provided for additional capitalization of a maximum of U.S.$950.0 million for both 2016 and 2017 (up to U.S.$475.0 million for each year) in the event CODELCO does not have the required pre-tax profits to cover the 10% special export tax under the Copper Reserve Law. In April 2017, CODELCO received the U.S.$475.0 million capital injection in U.S. dollars for 2016. Law No. 20,989 also extended the U.S.$3 billion capitalization commitment for the 2014-2018 period to 2019. While CODELCO did not expect additional capital injections in connection with Law No. 20,989 during 2017, in November 2017, the Government of Chile authorized a capital injection of U.S.$520.0 million (out of the maximum U.S.$3 billion for the newly extended 2014-2019 period), which was received in U.S. dollars in December 2017. In June 2018, the Government of Chile announced a final capital injection of U.S.$1 billion to complete the multi-year capitalization law approved in October 2014. Moreover, in October 2018, the Government of Chile authorized the disbursement of such amount in two installments completed on December 31, 2018 for U.S.$600.0 million and on February 28, 2019 for the remaining U.S.$400.0 million.

See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources" and "Risk Factors—Risks Relating to CODELCO's Relationship with the Government of

Chile—CODELCO's funding through retention of profits is restricted and is subject to the approval of the Ministries of Finance and Mining."

Since 2014, the Government of Chile has authorized the capitalization and retention of U.S.$2.5 billion within CODELCO, U.S.$225.0 million of which has not been implemented.

Since 2022, the Chilean Government allows CODELCO to annually reinvest 30% of its 2021-2024 profits. This represents a change in CODELCO's dividend policy, which previously consisted of 100% net-profit distribution policy. This profit-reinvestment plan will strengthen CODLECO's financial balance sheet and reduce the need for additional financial debt.

Cash flows from operating activities may be affected by a variety of factors, including copper price levels. In the event that CODELCO is unable to sell assets or obtain external financing with respect to such capital investments, it may be required to further curtail such expenditures.

Environmental. An important part of CODELCO's investment policy is its pollution abatement plan, which includes several environmental projects undertaken to comply with Chilean law and to achieve its own environmental performance goals. See "Regulatory Framework—Environmental Regulations."

CODELCO invested U.S.$3.6 billion in environmental projects from 2012 to 2019 and plans to continue implementing its pollution abatement plan through additional capital investments of approximately U.S.$1.0 billion in 2021 through 2022. In 2021, CODELCO invested U.S.$196.0 million in environmental projects, including new phases of the planned enlargements of the Talabre, Ovejería and Carén tailings dams in the Chuquicamata, Andina and El Teniente Divisions and various projects in the Chuquicamata, Ventanas, Salvador and El Teniente Divisions in order to comply with the new regulation on atmospheric emissions from the smelters. This figure includes the investment made in the Gabriela Mistral Division. CODELCO's planned investment of approximately U.S.$891.0 million in 2022 includes the continuation of the enlargement of the Carén, Ovejería and Talabre tailings dams in the El Teniente, Andina and Chuquicamata Divisions and various projects in the Chuquicamata, Salvador and El Teniente smelters for the abatement of atmospheric emissions, among others. In 2022, planned investments include the continuation of the projects for the abatement of atmospheric emissions in the Chuquicamata smelter and the continued enlargement of the tailing dams, among others.

The following table sets forth CODELCO's principal environmental investments in the years 2019-2021:

	Environmental Investments (in millions of U.S.$)			
	2019	**2020**	**2021**	**Total**
Total	832.9	273.7	196.0	1,302.6

Distributions to the Chilean Treasury. As a state-owned enterprise and according to its governing law, CODELCO's profit is due to be transferred to the Chilean Treasury. Before June 30 of each year, the Ministries of Finance and Mining determine, by means of a joint decree, the amount, if any, that the Company must allocate to the creation of capitalization and reserve funds. Amounts not allocated to the creation of capitalization and reserve funds are distributed to the Chilean Treasury.

In 2019 CODELCO did not distribute dividends, while in 2020 and 2021 CODELCO distributed U.S.$239.0 million and U.S.$2,033.0 million to the Chilean Treasury, respectively. While CODELCO makes advance payments to the Chilean Treasury throughout the year, funded by cash flows from operating activities, it generally has distributions payable to the Chilean Treasury at the end of each year. These distributions are paid in the first six-month period of the following year but are reflected in the prior year's financial statements.

The following table sets forth amounts paid in taxes (which due to the timing of payments may be different from tax amounts accrued) and payments and profit distributions made by CODELCO to the Chilean Treasury for each of the three years ended December 31, 2021 for the nine-month period ended September 30, 2022.

Contributions to the Chilean Treasury
(in millions of U.S.$)

	Year Ended December 31, 2019	2020	2021	Nine-month period ended September 30, 2022
Income tax payments	82	29	1,979	696
Copper Reserve Law	918	1,025	1,550	1,005
Subtotal	1,000	1,054	3,529	1,701
Dividends	-	239	2,033	260
Total	1,000	1,293	5,562	1,961

Production Hedging. CODELCO has hedged certain future copper delivery commitments and production in order to manage the risks associated with copper price volatility in the past. CODELCO currently does not have any hedged production commitments and therefore there is no relevant impact from hedging. See notes 27 and 28 to the Consolidated Financial Statements and notes 29 and 30 to the Unaudited Interim Consolidated Financial Statements. In 2021, CODELCO's production hedging activities had no negative impact on pre-tax income.

CODELCO's future production hedging activities could cause it to lose some of the benefit of an increase in copper prices if copper prices increase over the level of CODELCO's hedge position, as occurred in 2012. The cash flows from the mark-to-market values of CODELCO's production hedges can be affected by factors such as the market price of copper, copper price volatility and interest rates, which are not under CODELCO's control.

CODELCO's production hedging agreements contain events of default and termination events that could lead to early close-outs of CODELCO's hedges. These include failure to pay, breach of the agreement, misrepresentation, default under CODELCO's loans or other hedging agreements and bankruptcy. In the event of an early termination of CODELCO's hedging agreements, the cash flows from the affected hedge instruments would cease and CODELCO and the relevant hedge counterparty would settle all of CODELCO's obligations at that time. In that event, there could be a lump sum payment to be made either to or by CODELCO. The magnitude and direction of such a payment would depend upon, among other things, the characteristics of the particular hedge instruments that were terminated and the market price of copper and copper price volatility and interest rates at the time of termination.

See "Business and Properties—Marketing—Pricing and Hedging," "Risk Factors—Risks Relating to CODELCO's Operations—CODELCO engages in hedging activity from time to time, particularly with respect to its copper production, which may not be successful and may result in losses to CODELCO," note 28 to the Consolidated Financial Statements and note 30 the Unaudited Interim Consolidated Financial Statements for further information on CODELCO's hedging activity.

Exchange Rates and Interest Rates. CODELCO's main currency exposure is between the Chilean peso and the U.S. dollar due to the fact that a significant portion of CODELCO's operating costs are denominated in Chilean pesos and paid pursuant to contracts providing for indexation to Chilean inflation, and approximately 100% of revenue is denominated in U.S. dollars or other foreign currencies. To minimize the risks associated with currency exposures and fluctuations in interest rates, CODELCO enters into interest rate futures contracts and foreign exchange forward contracts which reduce exposure to fluctuations in the Chilean peso to U.S. dollar exchange rate.

As of September 30, 2022, CODELCO had swap contracts in place to hedge the risk of future UF/U.S.$, HKD/U.S.$, AUD/ U.S.$ and Euro/ U.S.$ exchange rate fluctuations with respect to a notional amount of U.S.$615.0 million, U.S.$64.0 million, U.S.$49.0 million and U.S.$391.0 million, respectively, which were equivalent to, and sufficient to cover, 100% of CODELCO's foreign currency-denominated bonds outstanding as of September 30, 2022

As of September 30, 2022, 94.2% of our debt had a fixed rate and 5.8% had a floating rate.

Controls and Procedures

CODELCO's management conducted an assessment utilizing The Committee of Sponsoring Organizations (COSO) criteria of the effectiveness of its internal controls as of the year ended December 31, 2019. Based on the assessment performed, CODELCO's management has not identified any material weakness in its control environment. In 2022, CODELCO implemented a control framework based on the Enterprise Risk Management framework of the Committee of Sponsoring Organizations of the Treadway Commission, which is a continuous process carried out by collaborators at all levels of the organization instead of only by one department.

Critical Accounting Estimates

The preparation of the consolidated financial statements in accordance with the IFRS requires the use of certain critical accounting estimates and assumptions that affect the amounts of assets and liabilities recognized as of the date of financial statements and the amounts of income and expenses during the reporting period. It also requires CODELCO's management to exercise its judgment in the process of applying CODELCO's accounting principles. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are below. For a full description of CODELCO's accounting policies, see Section II to the Consolidated Financial Statements.

Useful Economic Lives and Residual Values of Property, Plant and Equipment. The useful lives and residual values of property, plant and equipment assets that are used for calculating depreciation are determined based on technical studies prepared by specialists (internal or external). When there are indicators that could lead to changes in the estimated useful lives of such assets, these changes are determined by using technical estimates considering specific factors related to the use of the assets.

Ore Reserves. The measurements of ore reserves are based on estimates of the ore resources that are economically exploitable, and reflect the technical considerations of the Company regarding the amount of resources that could be exploited and sold at prices exceeding the total cost associated with extraction and processing.

CODELCO applies its judgment in determining its ore reserves and, as such, possible changes in these estimates could significantly impact the estimates of net revenues over time. For such reason, these changes would lead to modifications in the usage estimates of certain assets and of the amount of certain decommissioning and restoration costs.

CODELCO estimates its reserves and mineral resources based on the information prepared by the Competent Persons of the Company, as defined and regulated by Chilean Law No. 20,235. The estimates are based on the Joint Ore Reserves Committee (JORC) methodology, taking into consideration the historical information of the cost of goods sold and copper prices in the international market.

CODELCO also periodically reviews such estimates supported by world-class external experts, who certify the determined reserves.

Impairment of non-financial Assets. CODELCO reviews the carrying amount of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss with regard to the carrying amount. In the evaluation of impairment, the assets are grouped into cash generating units ("CGUs") to which the assets belong. The recoverable amount of these assets or CGUs is calculated as the present value of the cash flows expected to be derived from such assets, considering a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. If the recoverable amount of the assets is less than their carrying amount, an impairment loss exists.

CODELCO defines the CGUs and also estimates the timing and cash flows that such CGUs should generate. Subsequent changes in the grouping of the CGU, or changes in the assumptions supporting the estimates of cash flows or the discount rate, could impact the carrying amounts of the corresponding assets.

Estimates of factors influencing the calculation of cash flows, such as the price of copper or treatment charges and refining charges, among others, are determined based on studies conducted by the Company, which are in turn supported by certain standards over time. Any changes to these criteria may impact the recoverable amount of the assets on which is performing the impairment tests. CODELCO's evaluations and definition of the CGUs are made at the level of each of its current operating divisions.

CODELCO has assessed and defined the CGUs that are constituted at the level of each of its current operating divisions.

The review for impairment includes its subsidiaries, associates and joint arrangements.

Provisions for Decommissioning and Site Restoration Costs. CODELCO is obligated to incur decommissioning and site restoration costs when an environmental disturbance is caused by the development or ongoing production of a mining property. Costs are estimated on the basis of a formal closure plan and are reassessed annually or as of the date such obligations become known.

Significant estimates and assumptions are made in determining the provision for decommissioning and site restoration costs, as there are numerous factors that will affect the ultimate liability payable. In order to establish such estimates, CODELCO: (i) creates a defined list of mine sites, installations and other equipment assigned to this process, considered at the engineering level profile; (ii) evaluates the assets that will be subject to removal and restoration, weighted by a structure of market prices of goods and services, and reflecting the best knowledge at the time to carry out such activities; and (iii) examines the techniques and more efficient construction procedures to date. In addition, CODELCO must make certain assumptions about the exchange rate for tradable goods and services and the discount rate applied to update the relevant cash flows over time, which reflects the time value of money and includes the risks associated with liabilities, which is based on the currency in which disbursements will be made.

The provision as of a reporting date represents management's best estimate of the present value of the future decommissioning and site restoration costs required. Changes to estimated future costs are recognized in the statement of financial position by adjusting the provision for decommissioning and site restoration costs as well as the associated asset measured in accordance with IAS 16, "Property, Plant and Equipment." Any reduction in the decommissioning and site restoration liability, and therefore any deduction from the decommissioning and site restoration asset, may not exceed the carrying amount of that asset. If it does, any excess over the carrying value is immediately accounted for as profit or loss.

If the change in estimate results in an increase in the decommissioning and site restoration liability, and therefore an addition to the carrying value of the asset, the entity is required to consider whether this is an indication of impairment of the asset as a whole and test for impairment in accordance with IAS 36 "Impairment of Assets." If the revised asset net of decommissioning and site restoration provisions exceeds the recoverable value, that portion of the increase is charged directly to profit or loss statement. Any decommissioning and site restoration costs that arose as a result of the production phase of a mine should be expensed as incurred.

The costs arising from the installation of a plant or other site preparation projects are discounted at net present value, provided for and capitalized at the beginning of each project, as soon as the obligation to incur such costs arises. These decommissioning costs are charged to profit over the life of the mine through depreciation of the asset. The depreciation is included in operating costs, while the unwinding of the discount in the provision is included in finance costs.

Accrual for Employee Benefits. Employee benefits costs for severance payments and health benefits for services rendered by the employees are determined based on actuarial calculations using the projected credit unit method and are charged to profit or loss on an accrual basis.

We use assumptions to determine the best estimate for these benefits. Such estimates, as well as assumptions, are determined together with an external actuary. These assumptions include demographic assumptions, mortality and morbidity, discount rate and expected salary increases and rotation levels, among other factors. Although we believe that the assumptions used are appropriate, a change in these assumptions could affect profit.

Acrruals for open invoices. The substantial majority of copper produced by CODELCO is sold under annual contracts. Pricing on such contracts is based on prevailing monthly average prices quoted on the LME for a quotation period, generally the month following the scheduled month of shipment. CODELCO uses information on future copper prices, through which it recognizes adjustments to its revenues and trade receivables due to its provisional invoicing. These adjustments are updated on a monthly basis. At the end of each month, CODELCO estimates and accounts for any change in the provisional sales price using information available at the time financial statements are generated. However, the amount estimated may differ from the amount received at settlement. Revenue is recorded at the time control of the asset is transferred to the customer according to the shipment or dispatch of the products, in conformity with the agreed-upon conditions and are subject to variations related to the content and/or sales price at their liquidation date. Notwithstanding the foregoing, there are certain contracts under which control of the product is transferred to the client based on receipt of the product at the buyer's destination point, and for these contracts revenue is recorded at the moment of such transfer.

Sales contracts include a provisional price at the shipment date, which final price is generally based on the price recorded in the LME. In the majority of cases, the recognition of sales revenue for copper and other commodities is based on the estimates of the future spread of metal price on the LME and/or the spot price at the date of shipment, with a subsequent adjustment made upon final determination and presented as part of "Revenue." The terms of sales contracts with third parties contain provisional pricing arrangements whereby the selling price for metal in concentrate is based on prevailing spot prices on a specified future date after shipment to the customer (the "quotation period"). As such the final price will be fixed on the dates indicated in the contracts. Adjustments to the sales price occurs based on movements in the LME up to the date of final settlement. The period between provisional invoicing and final settlement can be between one and nine months. Changes in fair value over the quotation period and up until final settlement are estimated by reference to forward market prices for the applicable metals.

Sales in the national market are recorded in conformity with the regulations that govern domestic sales as indicated in Articles 7, 8 and 9 of Law No. 16,624, modified by Article 15 of Decree Law No. 1,349 of 1976, on the determination of the sales price for the internal market.

Additionally, we recognize revenue for providing services, mainly related to the processing of minerals bought from third parties. Revenue is recognized when the performance obligation has been satisfied.

See "Business and Properties—Marketing—Pricing and Hedging" for information regarding hedge accounting.

Fair Value of Derivatives and Other Instruments. Management may use its judgment to choose an adequate and proper valuation method for the instruments that are not quoted in an active market. In the case of derivative financial instruments, assumptions are based on the observable market inputs, adjusted in conformity with the specific features of the instruments.

Lawsuits and Contingencies. We assess the probability of lawsuits and contingency losses on an ongoing basis according to estimates performed by our legal advisors. No provision is recognized for cases in which management and our legal advisors believe that (i) a favorable outcome will be obtained, (ii) the probability of a loss is remote or possible, but not probable, or, if probable, (iii) the amount of the obligation cannot be measured reliably.

Application of IFRS 16: includes the following:

- Estimation of the lease term.
- Determine if it is reasonably certain that an extension or termination option will be exercised.
- Determination of the appropriate rate to discount lease payments.

Revenue recognition: We determine appropriate revenue recognition for our contracts with customers by analyzing the type, terms and conditions of each contract or agreement with a customer. As part of the analysis, the management must make judgments about whether an agreement or contract is legally enforceable, and whether the agreement includes separate performance obligations. In addition, estimates are required to allocate the total price of the transaction to each performance obligation based on the stand-alone selling price of the promised goods or services underlying each performance obligation. (We apply the constraint on variable consideration as defined in IFRS 15, if applicable). Although the abovementioned estimates have been made based on the best information available as of the date of issuance of these consolidated financial statements, it is possible that new developments could lead us to modify these estimates in the future. Such modifications, if applicable, would be adjusted prospectively, as required by IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors."

BUSINESS AND PROPERTIES

CODELCO is the world's largest copper producer and one of the largest companies in Chile in terms of revenues (U.S.$21.0 billion in 2021). As of December 31, 2021, CODELCO's total assets were U.S.$43.1 billion and equity amounted to U.S.$11.6 billion. As of September 30, 2022, CODELCO's total assets were U.S.$42.4 billion and equity amounted to U.S.$11.8 billion.

CODELCO engages primarily in the exploration, development and extraction of ores bearing copper and byproducts, the processing of ore into refined copper and the international sale of refined copper and byproducts. CODELCO is 100% owned by the Government of Chile and controls approximately 5.4% of the world's proved and probable copper reserves, as such terms are defined by the U.S. Geological Survey.

In 2021, CODELCO had an estimated 8.2% share of total world copper production, with production amounting to approximately 1.73 million metric tons, including: (i) CODELCO's share of the El Abra deposit, which is mined by Sociedad Contractual Minera El Abra and owned 49% by CODELCO and 51% by Cyprus El Abra Corporation (a subsidiary of Freeport-McMoRan Inc.); and (ii) CODELCO's share of Anglo American Sur (of which CODELCO owns a 20% indirect share), and an estimated 7.8% share of the world's molybdenum production, with production amounting to approximately 22,353 metric tons excluding CODELCO's share of Anglo American Sur.

CODELCO's main commercial product is Grade A cathode copper. In 2021 and for the nine-month period ended September 30, 2022, CODELCO derived 93.1% and 90.6% of its total sales from copper and 6.9% and 9.4% of its total sales from byproducts of its copper production, respectively.

The following table sets forth certain production, cost and price information relating to CODELCO for the three-year period ended December 31, 2021 and the nine-month period ended September 30, 2021 and 2022:

Copper Production, Cash Cost of Production and Price Information
(excluding El Abra and Anglo American Sur)
(production in thousands of metric tons and cash costs and prices in cents per pound)

	Year ended December 31,			For the nine-month periods ended September 30,	
	2019	2020	2021	2021	2022
CODELCO's Copper Production	1,588	1,618	1,618	1,185	1,062
CODELCO's Cash Cost of Production	141.6	129.4	132.7	129.9	157.4
Average LME Price[(1)]	272.1	280.3	422.6	416.8	411.1

(1) Price for Grade A cathode copper.

CODELCO's mission is to maximize the value of its mineral resources for the benefit of its shareholder, the Chilean state, by fully developing its vast mining resources on a timely basis, leveraging the Company's experienced workforce, utilizing its advanced technological holds in key areas and by executing the following key strategic initiatives:

- *Capital Expenditure Program.* We seek to maintain and improve our competitive position in the industry through our three-year capital expenditure program. Following the completion of a number of significant projects in recent years, such as the development of CODELCO's new Mina Ministro Hales, the development of sulfide ores at the Radomiro Tomic mine, the expansion at the Andina mine and the development of the Pilar Norte area at the El Teniente mine, CODELCO intends to continue its development program. Accordingly, the Company expects to make capital expenditures of approximately U.S.$13.4 billion between 2022 and 2024, transforming its main mining operations with a view towards the long-term development of its resources. We expect these expenditures to be funded with a combination of internal and external resources. For a complete list of planned capital expenditures, see "Business and Properties—Copper Production—Operations." CODELCO's expansion and development of major projects between 2022 and 2024 are expected to include:

- The gradual transformation of the Chuquicamata mine from an open pit mine to an underground operation, which we expect will enable Chuquicamata to maintain its annual copper production at its current level starting in 2019 (an approximate investment of U.S.$1.3 billion between 2022 and 2024). Environmental approvals were obtained in September 2010. On March 25, 2020 and on June 20, 2020, CODELCO announced the temporary suspension of construction of this project as a measure to prevent the spread of COVID-19 among employees and contractors. In August 2020, work on the project gradually resumed. In March 2021, the project's design incorporated additional fortification work to be completed during 2021. Consequently, after adjusting for this additional work and new reinforcement infrastructure the project was 100% complete in September 2022.

- The reallocation of the Andina plant, which involves maintaining the treatment capacity of the concentrator plant in the long-term (an approximate investment of U.S.$64.0 million between 2022 and 2024). In March 2020, CODELCO announced the temporary suspension of this project as a measure to prevent the spread of COVID-19 among employees and contractors. The new primary crusher plant began operation in the first quarter of 2022. The project is currently under review and the conveyor system should begin operations in late 2023.

- The development of a new production level in the existing El Teniente underground mine (an approximate investment of U.S.$2.0 billion between 2022 and 2024) to maintain El Teniente's annual copper production at its current level. Environmental approvals were obtained in March 2011. However, based on geomechanical challenges that need to be addressed, an alternative development plan was approved in January 2018, which will still permit us to maintain our original production goal. The new mining level is expected to be completed in 2023. As of September 30, 2022, the project was approximately 75.9% complete.

- The development of the Inca Pit project is designed to extend the life of the current underground mine operation in the Salvador Division and enable it to maintain its annual production at its current level starting in 2021 and the analysis for a future expansion, which requires an approximate investment of U.S.$1.1 billion between 2022 and 2024. As of September 30, 2022, the project was approximately 37.8% complete. As of the date of this offering memorandum, the Inca Pit project is still under construction.

Improvement in operations. A number of improvement initiatives are underway to adopt best industry practices, most notably in the areas of labor productivity, asset utilization rates and process efficiency. Together with its capital expenditure investment program, CODELCO expects these initiatives to enhance its competitive position. CODELCO operates in a cyclical business and its strategy is to ensure that it is able to take full advantage of high copper prices. CODELCO is developing a number of plans to achieve production targets in the coming years. These plans mainly focus on reducing the risk of disruptions to production and providing increased flexibility to its operations.

Exploration Efforts. CODELCO controls the largest copper reserves worldwide, the Company's single most important long-term competitive advantage. The discovery of new mining resources and improving its ability to locate existing ore bodies and prospects are critical to CODELCO maintaining its preeminent position in the industry. Accordingly, the Company's exploration program will continue to be a key part of its business strategy.

Investment in Human Capital. The successful execution of CODELCO's business strategy relies on continuing to attract and retain a world-class management team and professionals of the highest caliber. The mining industry faces increased competition for workforce talent. As a result, the Company intends to continue improving career development opportunities for its staff and the overall attractiveness of CODELCO as a preferred employer.

Mining Association with Third Parties. CODELCO seeks to continue to develop and operate assets in association with third parties where these associations will add value to CODELCO's business. A few examples of the Company's willingness and ability to do so are (i) the association with Freeport-McMoRan Inc. in the El Abra copper mine (CODELCO owns 49%) and (ii) the association with Anglo American, Mitsui and Mitsubishi Corporation in Anglo American Sur (CODELCO owns an indirect 20% interest). CODELCO believes its large mining reserve is a strong platform from which to establish such associations.

Copper Production

General

The copper deposits in CODELCO's mines exist in two principal forms—sulfide ore and oxide ore. The majority of CODELCO's mines, including Chuquicamata and El Teniente, yield primarily sulfide ore. The ore extracted from the Radomiro Tomic deposit is copper oxide and sulfides. CODELCO produces refined copper from oxide and sulfide ore using different processes. CODELCO believes that having these two different forms of copper deposits gives it a high level of flexibility to respond to market changes by adjusting its production and utilizing the refining processes described below.

Sulfide Ores. Sulfide ores are found in CODELCO's open-pit and underground mines. In open-pit mines, the process of producing copper from sulfide ores begins at the mine pit. Waste rock and ores containing copper are first drilled and blasted and then loaded onto diesel-electric trucks by electric shovels. Waste is hauled to dump areas. In underground mines, copper ore is deposited on rail cars and transported to a crushing circuit where gyratory crushers break the ore into sizes no larger than three-fourths of an inch. In both types of mines, the ore is then transported to rod and ball mills which grind it to the consistency of powder. In the conventional concentrator/smelter/refinery process for sulfide ore, this finely ground ore is agitated in a water and chemical solution and pumped as a watery mixture to the flotation separator. The solution is then aerated, producing a froth which carries the copper minerals, but not the waste rock, to the surface. The froth is skimmed off and filtered to produce copper concentrates. The waste rock, called tailings, is sent to a tailings storage facility. The copper concentrates (which contain a copper grade of approximately 30%) are then sent to the smelter.

At the smelter, the concentrates are blended with fluxes and fed into reverberatory furnaces or a Teniente converter (a technologically advanced type of converter designed by CODELCO) where they are melted, producing "matte" and "slag." Matte from reverberatory furnaces contains approximately 45% copper, and matte from a Teniente converter contains approximately 75% copper. Slag is a residue of the smelting process containing iron and other impurities, which the Company disposes of with its other industrial solid waste. The matte is transferred by ladles to the converters and is oxidized in two steps. First, the iron sulfides in the matte are oxidized with silica, producing slag that is returned to the reverberatory furnaces. Second, the impurities in the matte sulfide are oxidized to produce blister copper. The blister copper contains approximately 98.5% copper. Some of the blister copper is sold to customers. The remainder is transferred to the electrolytic refinery.

After additional treatment in the anode furnace, the copper is cast into anodes and then moved to the refinery's electrolytic tank house. This anode copper is approximately 99.0% copper. In the electrolytic tank house, anodes are suspended in tanks containing an acid solution and copper sulfate. An electrical current is passed through the anodes and chemical solution to deposit clean copper on pure copper plates. The resulting refined copper cathodes are 99.99% copper. Silver and small amounts of other metals contained in the anodes settle on the bottom of the tanks and are recovered in a separate process.

Oxide Ores. Oxide ore is scarcer than sulfide ore, and is typically found closer to the surface of the earth. A different process (called the SX-EW process) is used to produce refined copper from oxide ores, which CODELCO employs at its SX-EW facilities in Chuquicamata, El Teniente, Salvador, Gabriela Mistral and Radomiro Tomic. In the first step of the SX-EW process, copper oxide ore is mined, crushed and deposited into large piles. The piles are leached for a period of several days with a solution of sulfuric acid, resulting in the effusion from the piles of a solution with a high-concentration of copper. The copper solution is collected into large pools, from which copper is then recovered by solvent extraction, followed by a second recovery method called electrowinning, to produce high-grade copper cathodes. The SX-EW process involves lower overall refining costs, and can be used with a lower grade of ore, than the traditional concentrator/smelter/refinery process. The SX-EW process also enables CODELCO to recover copper by re-leaching waste material left over from prior copper extractions.

Operations

CODELCO's copper operations are divided into the following eight divisions:

- The El Teniente Division operates the El Teniente mine, which is the world's largest underground copper mine and has been in operation for more than 100 years. The El Teniente Division includes the Caletones smelter. In 2021, this division produced 459,817 metric tons of copper, or 26.6% of CODELCO's total copper output (including CODELCO's share of the El Abra deposit and Anglo American Sur), with a cash cost of 108.6 cents per pound, compared to 99.7 cents per pound in 2020, and a total cash cost of U.S.$1,088.3 million in 2021, compared to U.S.$963.0 million in 2020. During the first nine months of 2022, this division produced 291,090 metric tons of copper with a cash cost of 102.4 cents per pound and a total cash cost of U.S.$650.9 million.

- The Radomiro Tomic Division operates the Radomiro Tomic mine, which began its first full year of production in 1998. In 2021, this division produced 326,456 metric tons of copper cathodes, or 18.9% of CODELCO's total copper output (including CODELCO's share of the El Abra deposit and Anglo American Sur), with a cash cost of 138.6 cents per pound, compared to 142.2 cents per pound in 2020, and a total cash cost of U.S.$989.0 million in 2021 compared to U.S.$812.0 million in 2020. During the first nine months of 2022, this division produced 215,920 metric tons of copper with a cash cost of 201.5 cents per pound and a total cash cost of U.S.$950.3 million.

- The Chuquicamata Division operates the Chuquicamata mine, one of the largest copper-producing mines in the world, which began its operations in 1915 and currently includes smelting and refining capacities. In 2021, this division produced 319,280 metric tons of copper cathodes, or 18.5% of CODELCO's total copper output (including CODELCO's share of the El Abra deposit and Anglo American Sur), with a cash cost of 116.2 cents per pound, compared to 113.0 cents per pound in 2020, and a total cash cost of U.S.$801.7 million in 2021, compared to U.S.$975.0 million in 2020. During the first nine months of 2022, this division produced 200,353 metric tons of copper with a cash cost of 120.0 cents per pound and a total cash cost of U.S.$519.9 million.

- The Mina Ministro Hales Division was created in 2010 for the operation of the Mina Ministro Hales ore body, which first began producing copper at the end of 2013. In 2021, this division produced 181,704 metric tons of copper, or 10.5% of CODELCO's total copper output (including CODELCO's share of the El Abra deposit and Anglo American Sur), with a cash cost of 89.2 cents per pound, compared to 109.9 cents per pound in 2020, and a total cash cost of U.S.$430.3 million in 2021, compared to U.S.$399.9 million in 2020. During the first nine months of 2022, this division produced 108,854 metric tons of copper with a cash cost of 116.2 cents per pound and a total cash cost of U.S.$269.6 million.

- The Andina Division operates the Andina and Sur-Sur mines with production split among open-pit and underground mines. It does not have independent smelting capacity. Andina has been in operation since 1970. In 2021, this division produced 177,216 metric tons of copper, or 10.3% of CODELCO's total copper output (including CODELCO's share of the El Abra deposit and Anglo American Sur), with a cash cost of 154.9 cents per pound, compared to 152.9 cents per pound in 2020, and a total cash cost of U.S.$584.6 million in 2021, compared to U.S.$600.4 million in 2020. During the first nine months of 2022, this division produced 139,805 metric tons of copper with a cash cost of 172.2 cents per pound and a total cash cost of U.S.$512.8 million.

- The Gabriela Mistral Division was created in 2013 and operates the Gabriela Mistral mine, which uses SX-EW technology. The Gabriela Mistral mine produced its first copper cathodes in 2008 after a 26-month construction period. In 2021, this division produced 100,908 metric tons of copper, or 5.8% of CODELCO's total copper output (including CODELCO's share of the El Abra deposit and Anglo American Sur), with a cash cost of 193.4 cents per pound, compared to 189.0 cents per pound in 2020, and a total cash cost of U.S.$430.3 million in 2021, compared to U.S.$425.4 million in 2020. During the first nine months of 2022, this division produced 84,224 metric tons of copper with a cash cost of 265.4 cents per pound and a total cash cost of U.S.$492.8 million.

- The Salvador Division operates the Salvador mine and concentrator and the smelter/refinery complex at Potrerillos, which has the capacity to treat 671,000 metric tons of concentrate. In 2021, this division produced 52,885 metric tons of copper cathodes, or 3.1% of CODELCO's total copper output (including CODELCO's share of the El Abra deposit and Anglo American Sur), with a cash cost of 268.0 cents per pound, compared to 214.6 cents per pound in 2020, and a total cash cost of U.S.$311.4 million in 2021, compared to U.S.$265.0 million in 2020. During the first nine months of 2022, this division produced 21,867 metric tons of copper with a cash cost of 354.6 cents per pound and a total cash cost of U.S.$169.1 million. As of the date of this offering memorandum, the Inca Pit project is still under construction. The Potrerillos smelter and refinery would continue to operate upon any cessation of the mining operations at Salvador.

- The Ventanas Division was created in connection with the acquisition of the Ventanas smelter/refinery complex from ENAMI in 2005. In 2021, this division refined 400,000 metric tons of copper, compared to 402,000 metric tons of copper in 2020. During the first nine months of 2022, the Ventanas Division refined 285,800 metric tons of copper. Pursuant to the terms of the acquisition, CODELCO is required to provide on market terms the necessary smelting and refining capacity for the treatment of copper concentrate delivered by the small- and medium-sized mining industry that ENAMI serves. In June 2022, CODELCO's Board of Directors approved the decommissioning of the smelter in the Ventanas Division. In December 2022, a law amendment was approved in Congress allowing CODELCO to smelt copper concentrates in smelters other than those of the Ventanas Division. In January 2023, the Mining and Energy Commission of the Upper House approved the articles particular to the bill, setting definitions regarding the future installation of the new smelting capacity, and its compatibility with environmental safety and the protection of people's health, among others. The bill was approved by the Senate on January 24, 2023. The bill is currently in the Chamber of Deputies for its third constitutional process. As of September 30, 2022, the Ventanas Division employed 769 persons.

The Chuquicamata Division, the Radomiro Tomic Division, the Mina Ministro Hales Division, the Gabriela Mistral Division and the Salvador Division form part of CODELCO's Northern Operations (Operaciones Norte). The Andina Division, the El Teniente Division and the Ventanas Division form part of CODELCO's Central Southern Operations (Operaciones Centro Sur). For a description of CODELCO's associations with other companies, see "Business and Properties—Copper Production—Associations, Joint Ventures and Partnerships

Beginning in late 2010, CODELCO implemented a corporate reorganization plan which divided the management of CODELCO's operations into Northern Operations (*Operaciones Norte*) and Central Southern Operations (*Operaciones Centro Sur*), to supervise the divisions in the north and center-southern regions, respectively. The reorganization was intended to simplify the organizational structure by causing all corporate administrative and support functions to report to a single vice president, and the productive divisions to concentrate on maximizing production, controlling costs and implementing safety measures. The Chuquicamata Division, the Radomiro Tomic Division, the Mina Ministro Hales Division and the Salvador Division are now supervised by the Vice President of Northern Operations (*Operaciones Norte*). The Andina Division, the El Teniente Division and the Ventanas Division are now supervised by the Vice President of Central Southern Operations (*Operaciones Centro* Sur).

CODELCO's copper production, including its share of the El Abra deposit and of Anglo American Sur, increased to 1,727,896 metric tons during the twelve months of 2021 from 1,727,300 metric tons in 2020 and from 1,706,013 metric tons in the twelve months of 2019. Each of these increases was mainly due to higher copper production at Radomiro Tomic, Ministro Hales and El Teniente, partially offset by production declines mainly at Chuquicamata, but also at Andina. Molybdenum production decreased by 25.0% in 2021 compared to 2020, from 28,350 metric tons to 21,264 metric tons.

The table below shows the production of copper from CODELCO's mines, as compared to private sector production in Chile, for the three-year period ended December 31, 2019, 2020 and 2021 and the nine-month period ended September 30, 2021 and 2022:

Production of Copper from Chilean Mines (CODELCO and Private Sector)
(in thousands of metric tons)

	Year ended December 31,			For the nine-month period ended September 30,		% Change
	2019	**2020**	**2021**	**2021**	**2022**	**2021/2022**
El Teniente Division.......................	460	443	460	342	291	(14.9)
Radomiro Tomic Division...............	266	261	326	223	216	(3.0)
Chuquicamata Division...................	385	401	319	239	200	(16.3)
Mina Ministro Hales.......................	152	171	182	144	109	(24.4)
Andina Division.............................	170	184	177	129	140	8.1
Gabriela Mistral Division	104	102	101	69	84	22.4

Salvador Division	51	56	53	39	22	(43.7)
El Abra[(1)]	40	35	36	26	32	23.5
Anglo American Sur[(2)]	78	74	74	55	42	(23.1)
CODELCO Total Production	1,706	1,727	1,728	1,265	1,136	(10.2)
Chilean Private Sector[(3)]	4,081	4,006	3,897	2,909	2,757	(5.2)
Total Chilean Production	5,787	5,733	5,625	4,174	3,893	(6.7)

(1) CODELCO's figures presented for El Abra include 49% of the mine's total production (the share of production which corresponds to CODELCO's 49% direct ownership interest in the mine). The balance of El Abra's production is included in the private sector figures.

(2) CODELCO's figures presented for Anglo American Sur include 20% of the mine's total production (the share of production which corresponds to CODELCO's 20% ownership interest in the mine). The balance of Anglo American Sur production is included in the private sector figures.

(3) Source: Chilean Copper Commission.

The table below shows the breakdown of CODELCO's own copper output for the three-year periods ended December 31, 2019, 2020 and 2021 and the nine-month period ended September 30, 2022:

Copper Output of CODELCO (excluding El Abra and Anglo American Sur)
(in thousands of metric tons)

	Year ended December 31,			For the nine-month period ended September 30,
	2019	**2020**	**2021**	**2022**
Cathodes	406	432	475	310
Blister and anodes	339	373	388	268
Calcines	117	100	136	96
Concentrates	726	713	615	389
Total	**1,588**	1,618	1,614	1,062

The following table sets forth CODELCO's initial capital expenditures budget for the period 2022-2024 by division, and for the executive offices, as approved by the Company's Board of Directors as part of CODELCO's BDP report, which is subject to the approval of the Ministries of Finance and Mining (capital expenditures are subject to change at the discretion of CODELCO). The capital expenditures budget is subject to an annual review and therefore may be subject to change.

Division	**Estimated Investment**[(1)]
	(in millions of U.S.$)
Chuquicamata	2,161
El Teniente	3,149
Andina	1,255
Radomiro Tomic	1,488
Salvador	1,417
Mina Ministro Hales	336
Gabriela Mistral	161
Ventanas	105
Executive Offices	391
Subsidiaries	21
Deferred expenses	2,912
Total	**13,396**

(1) Includes equipment replacement and facilities repair, contributions to subsidiaries and other.

The following table sets forth the estimated investment cost for each of CODELCO's principal expansion and development projects in each division (projects are subject to change at the discretion of the Company):

Division	Project	Status	Estimated Investment (in millions of U.S.$)
El Teniente	New mining level (2023)	Execution[(1)]	3,821
Chuquicamata	Chuquicamata Underground (2019)	Execution[(1)]	4,642
Andina	Reallocation Plant (2020)	Execution[(1)]	1,427
Salvador	Inca Pit (2021)	Execution[(1)]	1,371
		Total	11,261

(1) Expenditures have been invested in projects in the execution stage.

Nonetheless, the figures above reflect the estimated investments that CODELCO expected to make under its 2021 updated BDP report. CODELCO continues to reformulate the Andina expansion project, which could decrease the medium-term capital expenditure program. Therefore, this medium-term period more reliably reflects CODELCO's commitments than a longer-term period, especially considering current industry trends.

El Teniente Division

Mining Operations. The El Teniente Division is the largest division of CODELCO, based on 2018 production, and operates the El Teniente underground mine located 80 kilometers southeast of Santiago. With the production of 443,220 metric tons in 2020, it is the world's largest underground copper mine. For information regarding the new mine level at the El Teniente mine, see "Summary—Competitive Strengths."

The El Teniente deposit is also a porphyry-type ore body. The deposit covers a vertical span of over 1,500 meters. A tabular subvertical dacite porphyry intrusion two kilometers long by 200 meters wide is well exposed in the northern part of the deposit, and a quartz-diorite stock is located at the southeast side. Wall rock are mostly andesites, which are strongly mineralized, containing a high concentration of chalcopyrite and bornite. The size of the deposit is at least three kilometers north-south and close to one kilometer wide.

El Teniente primarily produces concentrates that are smelted at the Caletones smelter. In addition to the principal mine at El Teniente, the division performs mining operations at several other areas of the main deposit, with a production of approximately 140,000 metric tons of ore per day. The Esmeralda area of the mine is the main producing mine area, producing approximately 36,750 metric tons of ore per day.

As of September 30, 2022, the El Teniente Division employed 3,845 persons. During the nine-month period ended September 30, 2022, the El Teniente Division produced 291,090 metric tons of copper with a cash cost of 102.4 cents per pound and a total cash cost of U.S.$650.9 million, as compared to a production of 341,879 metric tons with a cash cost of 106.6 cents per pound and a total cash cost of U.S.$794.0 million during the first nine months of 2021.

In 2021, this division produced 459,817 metric tons of copper, with a cash cost of 108.6 cents per pound, compared to 443,220 metric tons of copper, with a cash cost of 99.7 cents per pound in 2020, and a total cash cost of U.S.$1,088.3 million in 2021, compared to U.S.$963.0 million in 2020. In 2019, the El Teniente Division produced 459,744 metric tons of copper at a cash cost of 100.7 cents per pound and a total cash cost of U.S.$1.01 billion.

Copper Production and Cash Cost—El Teniente Division
(production in thousands of metric tons and cash cost in cents per pound)

	Year ended December 31,			For the nine-month period ended September 30,
	2019	2020	2021	2022
Copper Production	460	443	460	291
Cash Cost	100.7	99.7	108.6	102.4

Smelting Operations. The El Teniente Division includes the Caletones smelter, which has the capacity to smelt 1.25 million metric tons of concentrate per year. The El Teniente mine supplies 1.29 million metric tons of concentrate per year to the Caletones smelter. The balance of concentrate processed by the smelter is brought by railway from the Andina Division, 300 kilometers away.

The Caletones smelter operates two Teniente modified converters, three Pierce Smith Converters and several refining furnaces and gas treatment plants. El Teniente has no electrolytic refining plant, and smelter output is sold as fire-refined copper or anodes to be refined at other facilities such as the Ventanas refinery or Chuquicamata.

Radomiro Tomic Division

The Radomiro Tomic deposit lies five kilometers north of the main pit at Chuquicamata. Radomiro Tomic began production at the end of 1997. The Radomiro Tomic mine is a state of the art facility, and the world's largest producer of copper using the highly efficient SX-EW process.

During the first half of 2010, the Sulfide Phase I project was completed, which enables the treatment of 100,000 metric tons per day of sulfides from Radomiro Tomic in the Chuquicamata processing plants.

As of September 30, 2022, the Radomiro Tomic Division employed 1,278 persons. During the first nine months of 2022, this division produced 215,920 metric tons of copper with a cash cost of 201.5 cents per pound and a total cash cost of U.S.$950.3 million compared to 222,544 metric tons and a cash cost of 143.7 cents per pound and a total cash cost of U.S.$699.0 million during the same period in 2021.

In 2021, this division produced 326,456 metric tons of copper cathodes with a cash cost of 138.6 cents per pound and a total cash cost of U.S.$989.0 million compared to 260,653 metric tons of copper, a cash cost of 142.2 cents per pound and a total cash cost of U.S.$812.0 million in 2020. In 2019, this division produced 266,415 metric tons of copper at a cash cost of 154.3 and a total cash cost of U.S.$901.0 million compared to a cash cost of 154.3 cents per pound.

Copper Production and Cash Cost—Radomiro Tomic Division
(production in thousands of metric tons and cash cost in cents per pound)

	Year ended December 31,			For the nine-month period ended September 30,
	2019	2020	2021	2022
Copper Production Radomiro Tomic	266	261	326	216
Cash Cost Radomiro Tomic	154.3	142.2	138.6	201.5

Chuquicamata Division

Mining Operations. Located in the Atacama Desert, 1,200 kilometers north of Santiago and 240 kilometers east of the Chilean city of Antofagasta, the Chuquicamata mine has been in continuous operation since 1915. The Chuquicamata mine is an open-pit operation that produces predominantly sulfide concentrates, which are smelted and refined on site. The pit size of the Chuquicamata mine is almost nine kilometers long in a north-south direction by five kilometers wide and one kilometer deep.

The Chuquicamata deposit is a porphyry-type ore body. The most important feature of the ore body is a north-south regional fault, the west fissure fault, which cuts the ore on the west side and creates a sharp limit on the deposit. An oxide ore zone was a large part of the deposit and has been almost totally mined out. The mine contains a supergene enrichment layer (a redeposit of copper, by natural forces, from higher to lower layers), which has a thickness of almost 800 meters near the center of the mine. Five kilometers north of Chuquicamata, the ore body narrows and merges with the Radomiro Tomic ore body. For information regarding the transformation of the Chuquicamata mine from an open pit mine to an underground operation, see "Summary—Competitive Strengths."

Smelting Operations. Chuquicamata utilizes one Outokumpu flash furnace, five Pierce Smith converters and two Teniente converters to process 1.25 million metric tons of 29.6% copper concentrate per year. Chuquicamata performs all stages of copper production from the mining process through cathode production.

As of September 30, 2022, the Chuquicamata Division employed 3,827 persons and produced 200,353 metric tons of copper with a cash cost of 120.0 cents per pound and a total cash cost of U.S.$519.9 million, compared to 239,412 metric tons with a cash cost of 114.9 cents per pound and a total cash cost of U.S.$594.0 million during the first nine months of 2021. In 2021, this division produced 319,280 metric tons of copper cathodes, with a cash cost of 116.2 cents per pound, compared to 400,720 metric tons of copper at a cash cost of 113.0 cents per pound and a total cash cost of U.S.$974.7 million in 2020 and, compared to 385,309 metric tons of copper at a cash cost of 120.5 cents per pound and a total cash cost of U.S.$996.0 million in 2019.

Copper Production and Cash Cost—Chuquicamata Division
(production in thousands of metric tons and cash cost in cents per pound)

	Year ended December 31,			For the nine-month period ended September 30,
	2019	2020	2021	2022
Copper Production Chuquicamata	385	401	319	200
Cash Cost Chuquicamata	120.5	113.0	116.2	120.0

Mina Ministro Hales Division

Mining Operations. The Mina Ministro Hales Division was created in September 2010 for the operation of the Mina Ministro Hales ore body, and delivered its first tons of copper during the last quarter of 2013.

As of September 30, 2022, Mina Ministro Hales employed 786 persons and produced 108,854 metric tons of copper with a cash cost of 116.2 cents per pound and a total cash cost of U.S.$269.6 million, compared to 143,969 metric tons with a cash cost of 81.8 cents per pound and a total cash cost of U.S.$251.0 million during the in the first nine-months of 2021.

In 2021, this division produced 181,704 metric tons of copper, with a cash cost of 89.2 cents per pound, compared to 170,606 metric tons of copper, with a cash cost of 109.9 cents per pound in 2020, and a total cash cost of U.S.$430.3 million in 2021, compared to U.S.$399.9 million in 2020, and compared to 151,838 metric tons of fine copper at a cash cost of 123.6 cents per pound and a total cash cost of U.S.$400.0 million in 2019.

Copper Production and Cash Cost—Mina Ministro Hales Division
(production in thousands of metric tons and cash cost in cents per pound)

	Year ended December 31,			For the nine-month period ended September 30,
	2019	2020	2021	2022
Copper Production	152	171	182	109
Cash Cost	123.6	110.0	89.2	116.2

Smelting and Refinery Operations. The processing of minerals will be carried out in a stand-alone concentrator with processing capacity of 50,000 tons per day. Copper concentrates will be processed in a new roasting plant. The project also includes a new acid plant.

Gabriela Mistral Division

The Gabriela Mistral ore body is located in Chile's Second Region and began production in May 2008. On January 1, 2013, CODELCO created the Gabriela Mistral Division, which operates the Gabriela Mistral mine. Gabriela Mistral uses SX-EW technology and produced its first copper cathodes in May 2008 after a 26-month construction period at a cost of U.S.$1.0 billion.

As of September 30, 2022, the Gabriela Mistral Division employed 480 persons and produced 84,224 metric tons of copper with a cash cost of 265.4 cents per pound and a total cash cost of U.S.$492.8 million, as compared to 68,804 metric tons with a cash cost of 199.9 cents per pound and a total cash cost of U.S.$200.0 million during the first nine months of 2021.

In 2021, this division produced 100,908 metric tons of copper, with a cash cost of 193.4 cents per pound, compared to 102,080 metric tons of copper at a cash cost of 189.0 cents per pound in 2020, and a total cash cost of U.S.$430.3 million in 2021, compared to U.S.$425.4 million in 2020. Compared to 104,087 metric tons of copper at a cash cost of 231.8 cents per pound and a total cash cost of U.S.$532.0 million in 2019

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Copper Production and Cash Cost—Gabriela Mistral Division
(production in thousands of metric tons and cash cost in cents per pound)

	Year ended December 31,			For the nine-month period ended September 30,
	2019	2020	2021	2022
Copper Production	104	102	101	84
Cash Cost	231.8	189.0	193.4	265.4

Andina Division

Mining Operations. The Andina Division operates the Andina mine and the Sur-Sur mine, which are located 50 kilometers northeast of Santiago. Production at the Andina Division is split among open-pit and underground mines. For information regarding the Andina plant reallocation project, see "Summary—Competitive Strengths." The Andina Division does not operate a smelter. Its production is processed at the Caletones smelter of El Teniente, at the Ventanas refinery or at the Salvador Division, and some of its concentrate is sold to ENAMI or other purchasers.

As of September 30, 2022, the Andina Division employed 1,413 persons and produced 139,805 metric tons of copper with a cash cost of 172.2 cents per pound and a total cash cost of U.S.$512.8 million, as compared to 129,337 metric tons with a cash cost of 145.1 cents per pound and a total cash cost of U.S.$400.0 million during the first nine months of 2021. In 2021, this division produced 177,216 metric tons of copper, with a cash cost of 154.9 cents per pound, and a total cash cost of U.S.$584.6 million compared to 184,437 metric tons of copper with a cash cost of 152.9 cents per pound and a total cash cost of U.S.$600.4 million in 2020. In 2019 the Andina Division produced 170,274 metric tons of copper with a cash cost of 184.6 cents per pound and a total cash cost of U.S.$669.0 million.

The Río Blanco-Los Bronces porphyry-type deposit, one of the largest copper ore bodies in Chile, is partially owned by the Andina Division. The northwest portion of this deposit is owned by the Andina Division; Anglo Sur owns and operates the mines at Los Bronces and El Soldado along with the Chagres smelter and various mineral resources, including Los Sulfatos and San Enrique Monolito, located in the southwest portion of the deposit. The deposit is characterized by plentiful tourmaline and breccia rock bodies mineralized with copper sulfides, mostly calcopyrite. CODELCO's portion of the deposit is four kilometers in length, in the northwest to southeast direction, with a maximum width of almost one kilometer.

Copper Production and Cash Cost—Andina Division
(production in thousands of metric tons and cash cost in cents per pound)

	Year ended December 31,			For the nine-month period ended September 30,
	2019	2020	2021	2022
Copper Production	170	184	177	140
Cash Cost................................	184.6	152.9	154.9	172.2

With the aim to increase the processing output of the Andina Division, CODELCO completed the Andina Phase I Expansion Project in 2010. While the Andina Division had plans to continue investing to expand the mine and increase copper production by an additional 350,000 tons of copper per year, the Company is currently reformulating its plans in order to create an alternative that should require less investment, while at the same time seeking to minimize the environmental impact and prolong the life of the Andina Division.

Salvador Division

Mining Operations. The Salvador Division is the smallest of CODELCO's divisions. The complex includes the mine and concentrator at Salvador and a smelter/refinery at Potrerillos. The Salvador mine is located 900 kilometers north of Santiago and 120 kilometers east of the Chilean port of Chañaral. Concentrates are transported 67 kilometers from the mine to the smelter at Potrerillos via pipeline and truck.

The Salvador Division has the smallest base reserve of ore among all of CODELCO's divisions. The Salvador deposit is a typical medium-sized porphyry-type ore body. There is an 80- to 200-meter thick leached capping covering a lensoid-shaped enrichment layer roughly one kilometer in diameter that attains a maximum thickness of about 250 meters. This enrichment layer is almost completely mined out. Mining is currently focused on the primary ore located underneath the secondary enrichment (the so-called Inca levels).

As of September 30, 2022 Salvador employed 1,498 persons and produced 21,867 metric tons of copper with a cash cost of 354.6 cents per pound and a total cash cost of U.S.$169.1 million.

In 2021, this division produced 52,885 metric tons of copper cathodes, with a cash cost of 268.0 cents per pound, compared to 56,302 metric tons of fine copper at a cash cost of 214.6 cents per pound and a total cash cost of U.S.$265.0 million in 2020 and 50,561 metric tons of fine copper at a cash cost of 232.7 cents per pound and a total cash cost of U.S.$257.0 million in 2019. As of the date of this offering memorandum, The Inca Pit project is still under construction.. The Potrerillos smelter and refinery would continue to operate upon any cessation of the mining operations at Salvador.

Copper Production and Cash Cost—Salvador Division
(production in thousands of metric tons and cash cost in cents per pound)

	Year ended December 31,			For the nine-month period ended September 30,
	2019	2020	2021	2022
Copper Production	51	56	53	22
Cash Cost	232.7	214.6	268.0	354.6

Smelting Operations. The smelting and refining operation is located at Potrerillos. This facility includes one Teniente converter and four Pierce Smith converters for a rated annual capacity of 671,000 metric tons of concentrate. CODELCO increased capacity of the Potrerillos smelter in 2004.

Ventanas Division

Smelting and Refinery Operations. The Ventanas Division was created in connection with the acquisition of the Ventanas smelter/refinery complex from ENAMI in 2005. In 2021, this division refined 400,000 metric tons of copper, compared to 402,000 metric tons of copper in 2020. During the first nine months of 2022, the Ventanas division refined 285,800 metric tons of copper. Pursuant to the terms of the acquisition, CODELCO is required to provide on market terms the necessary smelting and refining capacity for the treatment of copper concentrate delivered by the small- and medium-sized mining industry that ENAMI serves. In June 2022, CODELCO's Board of Directors approved the decommissioning of the smelter in the Ventanas Division. In December 2022, a law amendment was approved in Congress allowing CODELCO to smelt copper concentrates in smelters other than those of the Ventanas Division. In January 2023, the Mining and Energy Commission of the Upper House approved the articles particular to the bill, setting definitions regarding the future installation of the new smelting capacity, and its compatibility with environmental safety and the protection of people's health, among others. The bill was approved by the Senate on January 24, 2023. The bill is is currently in the Chamber of Deputies for its third constitutional process. As of September 30, 2022, the Ventanas Division employed 769 persons.

Associations, Joint Ventures and Partnerships

CODELCO has undertaken several projects, business ventures and associations with certain private sector mining and non-mining enterprises, including:

- *SCM El Abra*: In 1994, CODELCO (49%) formed a company, SCM El Abra, with Cyprus El Abra Corporation (51%), a subsidiary of Freeport-McMoRan Inc., to develop the El Abra mine in northern Chile. The mine is a porphyry copper open-pit facility located 105 kilometers north of the city of Calama at an altitude of 3,900 meters above sea level. Constructed at a cost of U.S.$1.1 billion, it is designed to produce 225,000 metric tons of copper per year and includes one of the world's largest SX-EW facilities. The El Abra project was originally financed by a U.S.$850.0 million syndicated loan, which was repaid in full in 2004.

    - In 2009, SCM El Abra approved resuming construction activities for the Sulfolix Project, which had been deferred as a result of market conditions at the end of 2008, to extract and process (by the leaching process) sulfide ores, which is expected to extend mine life by 13 years and enable El Abra to produce at least 125,000 metric tons of fine copper per year. This project contains approximately 1.2 billion metric tons of leachable oxide and sulfide copper, with an average ore grade of 0.43%. The project started producing sulfides, shifting from an oxide operation, during the first quarter of 2011 and includes milling mine ores until 2024, and is expected to generate the last cathode in 2029 by leaching heap remains. The Sulfolix Project requires approximately U.S.$565.0 million of initial equity and an additional U.S.$160.0 million to sustain the operations. The project is financed by SCM El Abra's retained earnings.

    - In 2021, SCM El Abra produced 72,653 metric tons of fine copper with a cash cost of 2.72 cents per pound. For the nine-month period ended September 30, 2022, the production was 64,442 metric tons of fine copper with a cash cost of 3.24 cents per pound.

- The project had delivered total dividends of U.S.$6.0 million in 2019 and CODELCO had received U.S.$3.0 million in dividends in 2019. The project did not deliver dividends in 2020. The project had delivered total dividends of U.S.$0.4 million in 2021, and CODELCO had received U.S.$0.2 million in dividends in 2021. As of September 30, 2022, the carrying value of SCM El Abra's ownership interest was equal to U.S.$652.4 million.

- *Anglo American Sur*: On December 19, 2008, CODELCO purchased from ENAMI for U.S.$175.0 million an option to purchase up to 49% of the equity interests of Anglo American Sur, a wholly-owned subsidiary of Anglo American, for a price to be determined by a prescribed formula based on a multiple of historic earnings (the "Sur Option"). Anglo American Sur owns and operates the mines at Los Bronces and El Soldado, the Chagres Smelter and various mineral resources, including Los Sulfatos and San Enrique Monolito. In October 2011, CODELCO announced that it had arranged for a bridge loan of up to U.S.$6.75 billion from Mitsui that would allow it to exercise the Sur Option and indicated its intent to exercise the Sur Option during the next window for its exercise, which would occur in January 2012. On November 9, 2011, Anglo American announced that it had sold 24.5% of the equity interests of Anglo American Sur to affiliates of Mitsubishi Corporation. Following this sale, CODELCO announced that it retained the right to acquire up to 49% of the equity interests of Anglo American Sur and requested from the Santiago Court of Appeals a legal order preventing further sales of equity interests of Anglo American Sur until CODELCO was able to exercise the Sur Option. The requested legal order was granted and, on January 2, 2012, CODELCO exercised the Sur Option to purchase 49% of the equity interests of Anglo American Sur. Prior to and after the exercise of the Sur Option, Anglo American and CODELCO were involved in additional legal proceedings relating to the exercise of the Sur Option, which were ultimately settled pursuant to the settlement agreement described below.

    - On August 23, 2012, CODELCO and Anglo American entered into a settlement agreement to settle their respective claims in relation to the Sur Option. In connection with this settlement agreement, CODELCO and Anglo American agreed that Becrux, then a wholly-owned subsidiary of Acrux, an entity owned by CODELCO and Mitsui in the manner described below, would acquire 29.5% of the equity interests in Anglo American Sur pursuant to the following transactions:

        - On August 24, 2012, Becrux acquired (i) shares representing 24.5% of the equity interests of Anglo American Sur for a purchase price of U.S.$1.7 billion, which was financed through a draw down by an affiliate of CODELCO on the A&R Mitsui Bridge Loan Facility described under "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Other Debt;" and (ii) shares representing 0.94% of the equity interests of Anglo American Sur for a purchase price of U.S.$206.8 million, which was financed by cash contributions made by Mitsui; and

        - On September 14, 2012, Becrux acquired shares representing 4.0% of the equity interests of Anglo American Sur for a purchase price of U.S.$893.2 million, which was financed by cash contributions made by Mitsui.

    - As part of the settlement agreement, Anglo American Sur transferred to CODELCO certain undeveloped mining properties, Los Leones and Profundo, which are located to the east of CODELCO's Andina mine, and the shareholders of Anglo American Sur entered into a shareholders' agreement that provides a framework for the ongoing governance of Anglo American Sur, which includes board representation and participation in certain decisions for Becrux.

    - Immediately following the acquisition of 29.5% of the equity interests of Anglo American Sur, affiliates of CODELCO and Mitsui owned approximately 83% and 17%, respectively, of the equity interests of Acrux. In connection with the refinancing of the A&R Mitsui Bridge Loan Facility described above under "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Other Debt," an affiliate of Mitsui exercised its right to acquire from an affiliate of CODELCO at the closing of the refinancing a number of equity interests of Acrux representing a 4.5% stake in Anglo American Sur for a purchase price equal to U.S.$998.0 million. This amount was used to prepay a portion of the bridge loan previously drawn down by an affiliate of CODELCO under the A&R Mitsui Bridge Loan Facility in connection with the transactions described above. Following the consummation of this transaction, affiliates of CODELCO and Mitsui owned approximately 67.8% and 32.2%, respectively, of the equity interests of Acrux. Consequently, CODELCO indirectly owns a 20% interest in Anglo American Sur.

- On November 26, 2016, CODELCO signed a credit agreement with Oriente Copper, an affiliate of Mitsui, renegotiating the payment of principal at the end of the contract. The terms established an annual interest rate of LIBOR +2.5% with a five-year maturity to be payable in one installment at maturity with semi-annual interest payments. On May 26, 2017, CODELCO signed a new credit agreement with Mitsui renegotiating the following semi-annual payment, which was on the same terms as the first renegotiation done in November 2016.

- On December 21, 2017, CODELCO and Mitsui agreed to merge Acrux into Becrux, as the surviving entity. The reorganization did not affect the interest that CODELCO and Mitsui indirectly hold in Anglo American Sur.

- Anglo American Sur fine copper production was metric 369,980 tons in 2021 with a cash cost of 165 cents per pound, compared to 370,535 tons in 2020 with a cash cost of 155 cents per pound and 389,194 tons in 2019 with a cash cost of 139 cents per pound. In the nine-month period ended September 30, 2022, the production was 211,783 metric tons of fine copper with a cash cost of 230 cents per pound. Anglo American Sur distributed U.S.$84.4 million in 2019, U.S.$22.7 million in 2020, U.S.$270.5 million in 2021 and U.S.$138.4 million as of September 30, 2022 in cash dividends to Becrux, which is an indirectly owned subsidiary of CODELCO. As of September 30, 2022, the carrying value of equity of Anglo American Sur was equal to U.S.$2.8 billion. As of December 31, 2021, the carrying value of equity of Anglo American Sur was equal to U.S.$2.8 billion. CODELCO has a 20% indirect participation in Anglo American Sur. See "Risk Factors." A substantial amount of our total assets are property, plant and equipment

- *SCM Purén*: CODELCO (35%) and Compañía Mantos de Oro (65%), a subsidiary of Kinross Gold Corp., own SCM Purén. SCM Purén's mining activities, located in the Atacama Region, east of the city of Copiapó, began in November 2005, having produced over 801,839 ounces of equivalent gold. In 2015, the company distributed U.S.$2.5 million in dividends to CODELCO. During 2019, 2020, 2021 and the first nine months of 2022, this company did not issue dividends. SCM Purén mines two gold and silver ore bodies through open pits. Currently, SCM Purén is evaluating a second phase of the project.

- *Agua de la Falda S.A.*: CODELCO (42%) and Minera Meridian Limitada (58%), a subsidiary of Yamana Gold Inc., own Agua de la Falda S.A., which was created to explore and exploit the Agua de la Falda deposit that was in production until 2005. This company has completed its feasibility study of the Jerónimo gold deposit, which contains over 2 million ounces of gold. The results of this study have not been satisfactory and the partners are studying alternatives for improvement.

- *Inca de Oro S.A.*: CODELCO (33%) and PanAust Minera Limited (67%) own Inca de Oro S.A., which was created in 2009 to explore, exploit and process mineral resources in Chile and abroad. The production of Inca de Oro S.A. is currently halted pending new market opportunities.

- *Deutsche Giessdraht GmbH*: CODELCO (40%) and Aurubis AG (60%) own Deutsche Giessdraht GmbH, a German corporation located in Emmerich, Germany. The company, which has been in existence since 1975, produces continuous copper cast wire rod. CODELCO indirectly supplies copper to Deutsche Giessdraht GmbH. On July 31, 2018, CODELCO sold its 40% ownership stake in Deutsche Giessdraht GmbH to its partner Aurubis AG after receiving approval of the transaction by Germany's federal antitrust regulator (*Bundeskartellamt*). The sale included an agreement which allowed CODELCO to produce wire rod until December 31, 2018 to fulfill its sales contract obligations that expired at the end of 2018.

- *GNL Mejillones S.A.*: Due to the decrease and eventual termination of natural gas supply from Argentina, electrical power generation companies have experienced diminished electricity generation. For this reason, CODELCO and Suez Energy Andino S.A. through GNL Mejillones constructed an LNG re-gasification plant, which has been operating since the beginning of 2010. GNL Mejillones has the capacity to receive, process and store natural gas, with a send-out capacity of 5.5 million of cubic meters of gas per day, originating in Trinidad and Tobago and purchased from SUEZ Global LNG Ltd. under a long-term supply contract. The LNG storage tank is currently in operation. GNL has entered into a long-term agreement with E-CL for the re-gasification and storage of approximately 15 trillion BTU (British Thermal Unit).

  - GNL Mejillones provides gas required by the electricity power plant in the Sistema Interconectado del Norte Grande, known as the Sistema Eléctrico Nacional (formerly known as "SING"), which supplies power to CODELCO's operations. The project partners have financed this project under existing take-or-pay contracts with CODELCO and other mining companies.

  - As of June 30, 2019, CODELCO owned 37% of the outstanding shares of the company, and Suez Energy Andino S.A. owned the remaining 63% of the shares.

  - On August 6, 2019, CODELCO completed the sale of its 37% stake in GNL Mejillones S.A. to Ameris Capital AGF, for an amount of U.S.$193.5 million.

- *Planta Recuperadora de Metales SpA*: In December 2012, CODELCO (34%) together with LS Nikko (66%) formed Planta Recuperadora de Metales SpA ("PRM"), the purpose of which is to process intermediate products derived from refining and processing copper and other metals, in order to recover copper, other metals and byproducts contained in these substances and transform them into commercial products, and also trading and distributing all classes of goods or supplies relating to such process. This entity developed and built a processing plant located in Mejillones, in the Antofagasta Region, which began its commissioning process during 2016. A 20-year contract regulates the treatment of anodic slimes produced at CODELCO refineries for the recovery of precious metals.

- *Salar de Maricunga SpA*: In April 2017, CODELCO formed Salar de Maricunga SpA ("Salar de Maricunga") to develop projects for the exploration and exploitation of lithium in Chile. In March 2018, Salar de Maricunga entered into a special lithium operating contract with Chile's Ministry of Mining for the exploration and development of a lithium project in the Maricunga salt flat in the northern Atacama Region of Chile. In 2019, CODELCO started to gather environment and social data in order to prepare the submission of an Environmental Impact declaration for exploring the Maricunga salt flat. In July 2019, CODELCO subscribed a non-binding MOU with Minera Salar Blanco S.A., which expired in 2021. In November 2020, CODELCO was granted the environmental authorization to explore lithium resources in some of its mining rights in Maricunga salt flat. This year CODELCO has continued to wait for the approvals of the different sectorial permits necessary to begin the exploration work in the Maricunga salt flat. The exploration campaign has been ongoing since January 2022. In addition, CODELCO is seeking alternatives to consolidate the main mining properties of the Maricunga salt flat, based on a public-private alliance model, according to the guidelines of the National Lithium Policy.

- *Technology and Research and Development Partnerships and Associations*: CODELCO has entered into associations with companies and organizations that are world leaders in research and development to increase the integration of knowledge and innovation into mining processes. The following is a representative list of such associations:

  - *CODELCOTec SpA*: CODELCO established CODELCOTec SpA (formerly, BioSigma S.A.) ("CODELCOTec") in 2002 with the Japanese company JX-Nippon Mining and Metals Corporation ("JX-Nippon Mining") and has since increased its participation to 99% following the exit of JX-Nippon Mining in 2016. CODELCOTec's mission today is the development of mining and metallurgy technological innovations, commercial development of processes and technology in the field of genomics, proteomics, and bioinformatics for the mining sector, and, in general, application of systems based on microorganisms, analysis, research, invention and creation, development, and implementation of new applications, processes, and uses for copper, molybdenum, lithium, and other byproducts of mining processes, insofar as they are directly related to greater use of copper. CODELCOTec's mission also includes technological monitoring of copper substitutes, representation of domestic or foreign companies and individuals or legal entities, sale and purchase, distribution, trading, import and export of such substitutes and other activities relating to the foregoing.

- *Kairos Mining S.A.*: Kairos Mining S.A. is a company created in 2006 in association with Honeywell Chile S.A., which owns 60% (CODELCO owns the remaining 40%). Kairos Mining S.A.'s purpose is to provide services for the automation and control of industrial and mining activities, and to supply related technology and software licenses;

- *Ecosea Farming S.A.*: CODELCO, through its subsidiary Innovaciones en Cobre S.A., was a 91.32% shareholder in EcoSea Farming ("EcoSea"), a technology-driven company setting the standard for aquaculture on a global scale. The company's objective was to incorporate the use of metallic copper alloy meshes for fish cultivation systems, in order to take advantage of the various benefits of copper: antimicrobial, antifouling, anti-predator, mechanically strong and infinitely recyclable. In addition, EcoSea discovered new properties that allow for lower operational costs and the expansion of offshore aquaculture in exposed areas. During 2018, CODELCO sold the technology assets of EcoSea to a group of investors and EcoSea was liquidated and dissolved.

The following table sets forth the major mining and exploration agreements to which CODELCO is a party as of September 30, 2022:

Major Mining and Exploration Agreements
(As of September 30, 2022)

	Partner	Type
Mining Co-participation in Chile		
SCM El Abra	Freeport-McMoRan Inc. (USA)	Copper
Agua de la Falda S.A.	Meridian Gold Inc. (USA)	Gold
SCM Purén	Compañía Mantos de Oro (Chile)	Gold/Silver
Inca de Oro S.A.	PanAust Minera Limited (Australia)	Copper
Anglo American Sur S.A.	Inversiones Anglo American Sur S.A. (England); affiliates of Mitsubishi Corporation (Japan); and Mitsui & Co., Ltd. (Japan)	Copper
Exploration Agreement Projects		
Chile		
Puntilla Galenosa	Pucobre (Chile)	Copper
Cuña Project	Anglo American Sur S.A	Copper
International		
Liberdade	Pan Brazilian (Brazil)	Copper/Gold
JV CODELCO-Xstrata	Xstrata Do Brasil (Brazil)	Copper
Grupo Propiedades	Empresa Nacional Minera de Ecuador (Ecuador)	Copper

CODELCO reports its inventory of mining assets, distinguishing mineral resources and mineral reserves, according to Chilean and international regulation. The system described below for categorizing mineral ore, which is widely used within the mining industry, is codified in Chilean Law No. 20,235 and is regulated by an independent Chilean private entity called the *Comisión Calificadora de Competencias en Recursos y Reservas Mineras* (the Commission for the Qualification of Competencies in Mineral Resources and Reserves, or "CQCMRR"). The CQCMRR is part of the Committee for Mineral Reserves International Reporting Standards (CRIRSCO).

Geological Resources

Geological resources are concentrations or occurrences of materials in such form, quantity (tonnage and ore grade) and quality, based on specific geological evidence and knowledge, which allow for the calculation of the amount, ore grade and quality of the material with some level of confidence. *Geological resources* are identified and evaluated through exploration, reconnaissance and sampling. They are estimated based on geological knowledge about the deposit, which is based on scientific concepts concerning the formation of minerals such as oxides, sulfides and mixed ores, as well as available knowledge concerning the geological continuity of the mineralized sectors. This is based on technical parameters, such as robustness of the genetic-geological model, and its validation through drillings. *Geological resources* are further categorized as *measured*, *indicated* and *inferred*.

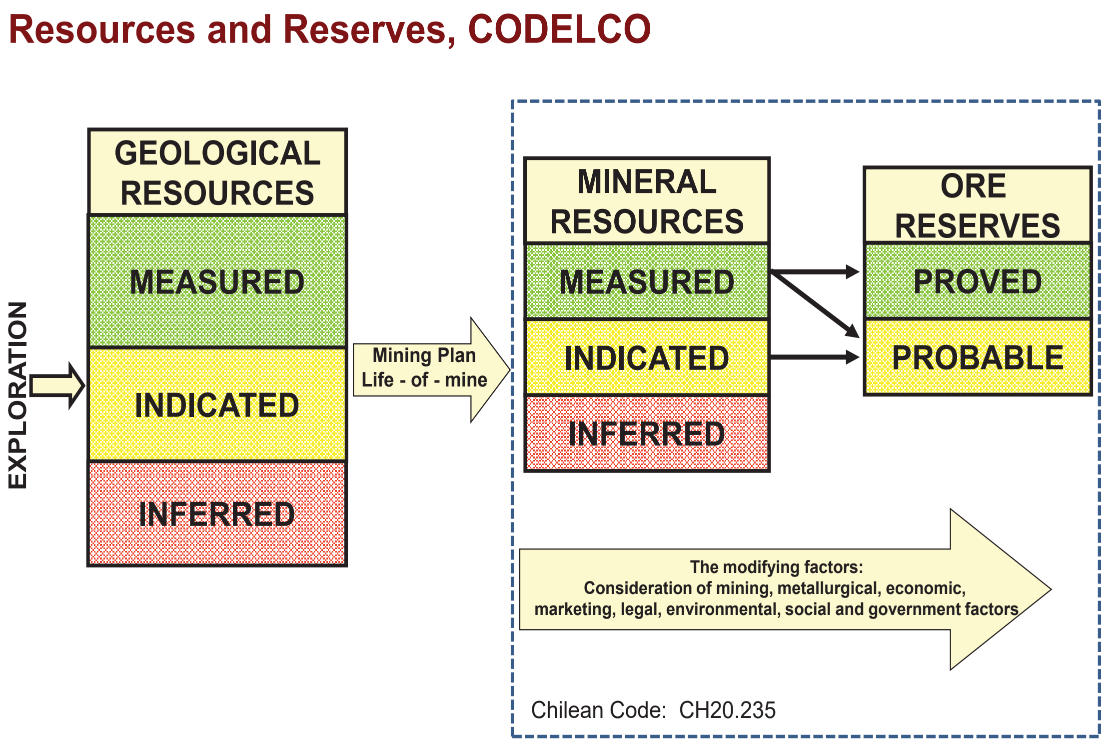
A resource is considered to be *measured* if CODELCO's knowledge of the resource is extensive and direct; if CODELCO's knowledge of the resource is substantial but less extensive, it is considered to be *indicated*; and if CODELCO's knowledge of the resource is only indirect, it is considered to be *inferred*.

Mineral Resources

Once CODELCO has achieved increased knowledge about its *geological resources*, it is able to generate a long-term mining plan for the exploitation of such resources, which are then considered to be *mineral resources*. Mineral resources, as well as geological resources, are sub-categorized as *measured*, *indicated* and *inferred*.

Ore Reserves

Ore reserves are defined as the economically mineable part of *mineral resources*. They include diluting materials and allowances for losses, which may occur when the material is mined. Appropriate assessments and studies have been carried out, which take into account rationally assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments address at the time of reporting whether extraction is justified. *Ore reserves* are sub-divided in order of increasing confidence from *probable ore reserves to proven ore reserves*. Ore reserves are a subset of *mineral resources* in the same way as *mineral resources* are a subset of *geological resources*. The following diagram sets forth the relationships among the different categories of resources and reserves:



Based on the methods and categories described above, CODELCO's proved and probable reserves include 47.8 million metric fine tons of copper as of December 31, 2021, an amount that represents at least 27 years of future production at current levels. In 2020 and 2019, CODELCO's proved and probable reserves included 49.1 and 50.1 million metric fine tons of copper, respectively. As of December 31, 2021, CODELCO's mineral resources include 135.2 million metric fine tons of copper, and its identified geological resources include 393.6 million metric tons of copper, for a cut-off grade of 0.2% copper.

The following table sets forth the amount CODELCO's copper holdings by division according to the methodology described above, as of December 31, 2021:

	Mineral Resources[(2)]		
	Tonnage[(3)]	Grade copper	Fine copper[(3)]
Radomiro Tomic	5,292	0.43	22.8
Chuquicamata	2,619	0.62	16.2
Ministro Hales	1,578	0.84	13.3
Gabriela Mistral	519	0.33	1.7
Salvador	1,743	0.52	9.0
Andina.....................	4,924	0.75	36.8
El Teniente...............	4,546	0.78	35.4
Exploration/Business and Subsidiaries[(4)]......	2,813	0.62	17.5
Total.......................	**24,034**	**0.64**	**152.8**

(1) Geological resources cut-off grade 0.2% copper.

(2) Mineral resources with variable cut-off grade.

(3) In millions of metric tons.

(4) Includes artificial geological resources

	Geological Resources[(1)]		
	Tonnage[(3)]	Grade copper	Fine copper[(3)]
Andina.....................	21,969	0.62	135.2
El Teniente...............	16,313	0.56	92.1
Other deposits...........	3,035	0.34	10.5
Made resources	4,883	0.39	19.1
Total.......................	**77,018**	**0.51**	**393.6**

(1) Geological resources cut-off grade 0.2% copper.

(2) Mineral resources with variable cut-off grade.

(3) In millions of metric tons.

(4) Includes artificial geological resources

The following table sets forth the copper holdings of the world and of CODELCO using the U.S. Geological Survey system as of December 31, 2021:

	World (in millions of tons)	CODELCO (in millions of tons)	CODELCO's share (%)
Geological Resources..	2,100	393.6	18.74%
Proved and Probable Reserves	880	47.8	5.4%

(1) As defined by the U.S. Geological Survey (January 2022) and with reference to "identified resources."

(2) Refers to copper holdings that are measured, indicated and inferred.

Each year, the Board of Directors must approve a long-term BDP of the Company. The first three years are subject to the approval of the Ministries of Finance and Mining. This plan must include the annual investment and financing amounts in addition to the annual profits that the Company is estimated to generate during the period. The Ministries of Finance and Mining jointly issue a decree, pursuant to which a portion of CODELCO's profit may be allocated by CODELCO to the creation of capitalization and reserve funds.

The 2022 BDP enables CODELCO to develop a long-term mining plan. CODELCO reviews the terms of the BDP annually to update or modify it for changes in business trends.

The 2022 BDP uses inferred resources to define CODELCO's strategic vision for long-term resource development. However, the incorporation of such resources increases gradually over time, and the inferred resources become proved and probable reserves.

In the early stages of the 2022 BDP, production is almost exclusively based on proved and probable reserves and mining projects are at advanced stages of engineering or at the investment stage. Mining projects must support their economic evaluation based on pre-defined minimum proved and probable reserves in order to be approved for investment.

Resource Development

CODELCO controls approximately 5.4% of the world's proved and probable copper reserves, as such terms are defined by the U.S. Geological Survey.

Potential geological resources, which have been identified by our internal exploration division as the result of projects carried out through 2020, comprise resources incorporated at different stages of exploration and have not been added into CODELCO's copper holdings.

CODELCO's total potential geological resources, according to our internal estimates, are approximately 7,402 million of metric tons of ore with a 0.65% average copper ore grade, and equivalent to 47.8 million metric tons of fine copper. As explorations progress and further estimates are completed, these resources could be incorporated into CODELCO's copper holdings.

Production Costs of Copper

CODELCO's production costs include all costs and expenses incurred in connection with the mining and production of its copper mix and related byproducts. These production costs do not include administrative and operating costs incurred in connection with the processing of other copper products purchased from third parties.

In 2021, CODELCO's total costs and expenses increased by 12.5 cents per pound (5.2%) to 254.3 cents per pound, compared to 241.8 cents per pound in 2020, mainly due to higher input prices and lower production volume, offset by foreign exchange rate depreciation of the Chilean peso against the US dollar. For the first nine months of 2022, CODELCO's total costs and expenses increased by 35.1 cents per pound (14.4%) to 278.7 cents per pound, compared to 243.6 cents per pound for the same period in 2021, mainly due to higher input prices, such as electricity and diesel, appreciation of the Chilean peso against the U.S. Dollar and negative foreign exchange difference on liabilities denominated in Chilean peso.

In 2021, CODELCO's total costs and expenses increased to U.S.$9.6 billion, compared to U.S.$8.6 billion in 2020, due to higher production volume, partially offset by the depreciation of the Chilean peso against the U.S. dollar. For the first nine months of 2022, CODELCO's total costs and expenses amounted to U.S.$6.5 billion, compared to U.S.$6.4 billion for the same period in 2021.

In 2021, CODELCO's cash cost of production was 132.7 cents per pound, compared to 129.4 cents per pound in 2020 and 141.6 cents per pound in 2019. For the first nine months of 2022, CODELCO's cash cost of production was 157.4 cents per pound, compared to 129.9 cents per pound for the same period in 2021.

In 2021, CODELCO'S total cash cost was U.S.$4.7 billion, compared to U.S.$4.5 billion in 2020 and U.S.$4.9 billion in 2019. For the first nine months of 2022, CODELCO's total cash cost was U.S.$3.6 billion, as compared to U.S.$3.3 billion for the same period in 2021 (such total cash cost includes certain cash cost incurred at the corporate level). See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Overview."

In 2013, CODELCO also implemented a productivity and cost structured project intended to lower costs and increase production. The initiative is comprised of: (i) performance optimization to minimize operational disruption; (ii) budget optimization to identify expendable and necessary contracts to control the budget for third-party services costs; (iii) energy and input costs optimization marked by a review of energy and main inputs contracts; and (iv) a review of hygienic factors and costs, such as travel expenses and consulting services. Moreover, CODELCO has also created a new Vice President for Productivity and Costs position with the aim of increasing productivity, reducing costs and enhancing the cost control program.

The main energy sources for CODELCO's operations are electricity, liquid fuels (such as diesel, fuel oil and gasoline) and natural gas. Since 2004, there has been a restricted supply of natural gas from Argentina. CODELCO's production costs have increased due to these shortages, having to rely on electricity generated from more expensive sources, such as diesel, oil or coal, and these increased costs have adversely affected CODELCO's results of operations. Notwithstanding the foregoing, CODELCO has renegotiated some of its PPAs during 2022 to progressively shift the power supply towards renewable energy sources which should help to decrease electricity costs.

In late 2009 and early 2010, as a palliative measure given the adverse effects of Argentina's restriction and in order to stabilize future energy costs, CODELCO entered into electrical supply agreements at competitive prices for a 15-year period for its facilities in the Chuquicamata Division and for a 30-year period for facilities in the middle-south region of Chile, respectively. The latest was renegotiated during 2022 to progressively shift the power supply towards renewable energy sources. Both agreements include the creation of new electrical generation capacity based on coal. Furthermore, in 2018 CODELCO entered into an extension of the Chuquicamata Division contract for an additional 11 years. This new agreement, effective as of 2025, provides for the creation of new electrical generation capacity based on renewable sources.

In August 2011, CODELCO entered into two energy and power supply agreements with Norgener S.A. for the Mina Ministro Hales Division and the Radomiro Tomic Division. CODELCO began to receive energy under these contracts in 2011 for Mina Ministro Hales and began in 2017 for Radomiro Tomic, in each case lasting until 2028. During 2014, AES Gener S.A. took over Norgener S.A., assigning CODELCO's contract to AES Gener S.A, now AES Andes S.A. Both energy and power supply agreements were amended and restated on December 29, 2022. Additionally, on that same day, CODELCO and AES Andes S.A. entered into a new energy and power supply agreement for renewable sources, which became effective as of January 1, 2023, until December 31, 2040.

In 2022, CODELCO and AES Andes S.A. renegotiated their agreements to replace the current supply of power based on coal with renewable energy. Similarly, during 2018, CODELCO and Engie Energía Chile S.A. renegotiated an electrical supply agreement. The contracts that were renegotiated by CODELCO with AES Andes S.A. and Engie Energía Chile S.A. guaranteed that by 2026, 70% of CODELCO's electricity requirements will come from renewable sources, granting CODELCO independence from the constant fluctuation of commodity prices and any additional associated costs. Additionally, in early 2010, CODELCO entered into a five-year supply contract for liquid fuels with the main Chilean fuel distributors. In 2015, after the expiration of this contract, CODELCO entered into a new five-year supply contract for liquid fuels.

In April 2012, CODELCO renewed a contract with Pacific Hydro, involving the purchase of power generation of the Coya and Pangal hydroelectric plants, for 12 years. Since CODELCO's sale of the Coya and Pangal hydroelectric plants to Pacific Hydro in 2004, Pacific Hydro and CODELCO have entered into similar supply contracts to purchase the injected energy produced by these hydroelectric plants. Moreover, on January 2023, CODELCO launched an electricity supply tender process to contract 2,500 GWh/year approximately.

In addition, in January 2023, CODELCO launched an electricity supply bidding process to procure approximately 2,500 GWh/year.

CODELCO continues to develop and refine its mine management practices and programs to limit and reduce its costs. These initiatives include the following: (i) improved deposit identification and mining techniques; (ii) the implementation of early retirement plans and workforce reduction programs; (iii) an investment in human capital and continuing to attract and retain a world-class management team and professionals of the highest caliber; (iv) improved utilization of equipment and inputs used in the processes of copper production to increase productivity and efficiency; and (v) the development of key projects, specifically the new mine level at El Teniente, the Andina plant reallocation and the Chuquicamata underground projects.

Marketing

General

Four of CODELCO's wholly-owned subsidiaries and 12 of its sales representatives cover over 35 countries around the world. The following table shows the breakdown of CODELCO's sales by product type including third-party products for the three years ended December 31, 2019, 2020 and 2021 and the nine-month period ended September 30, 2021 and 2022:

Copper Sales by Product Type
(in thousands of metric tons)

	Year ended December 31,			For the nine-month period ended September 30,
	2019	2020	2021	2022
Cathodes	1,076	1,233	1,253	825
Blisters and Anodes	58	104	107	68
Concentrates	721	611	554	323
Total	1,856	1,948	1,914	1,216

CODELCO's marketing strategy is focused in three major areas:

- *Establishing long-term relationships*. CODELCO encourages sales through annual contracts and direct long-term relationships with copper consumers.

- *Quality and sales service*. CODELCO focuses on product quality and sales service based on timeliness, scheduling and conditions of product delivery.

- *Diversification*. CODELCO has a geographically diverse sales portfolio.

Pricing and Hedging

The substantial majority of copper produced by CODELCO is sold under long-term contracts of at least one year to customers that have long-term relationships with CODELCO. The specific commercial terms of these contracts are negotiated annually by the parties for the following calendar year. Recently, and as part of a revamped commercial strategy, CODELCO has agreed to sell copper under a rolling deal format known as "evergreen" contracts with certain key customers. CODELCO's evergreen contracts have an initial duration of three years from the effective date and, unless terminated by either party, are automatically renewed for an additional year at the end of the original term. The main advantage of evergreen contracts is to lock-in sales to key customers (and for customers to have a guaranteed supply of raw material from a key supplier) over a longer period of time. For both annual and evergreen contracts, the premium over the base price is negotiated annually and the base price is the LME cash settlement averaged over the quotation period, which according to CODELCO's commercial policy is the month following the contractual or scheduled month of shipment (referred to as M+1). Products that are not committed under long-term contracts (which represent a small percentage of CODELCO's annual volume) are sold throughout the year at the prevailing conditions of the spot market to either consumers or merchants.

CODELCO applies a premium policy in sales of its Grade A cathodes. Premium amounts for different markets are adjusted in accordance with prevailing ocean freight costs and keyed to the standard terms of payment in different markets, as well as to the individual characteristics and competitive conditions of those markets. For 2021, the base premium for CIF shipments (including shipping and insurance costs) to Rotterdam was set at U.S.$98 per metric ton, compared to U.S.$98 per metric ton in 2020 and U.S.$98 per metric ton in 2019. The base premium for 2022 is U.S.$128 per metric ton.

CODELCO sells its copper concentrates under long-term contracts. These contracts generally have three-year terms with fixed volume. As a general rule, contracts covering one-third of the terms on one-third of the volume are negotiated on a yearly basis. The sale price is based on world metal prices and is generally tied to the LME settlement prices for Grade A copper cathodes minus certain treatment and refining charges.

Molybdenum is sold mainly to steel producers and merchants under annual sale contracts. Sales prices are based on prevailing monthly averages of molybdenum dealer oxide high/low prices as quoted in "Metals Week" for a quotation period, generally the month following the scheduled month of shipment.

CODELCO has hedged certain future copper delivery commitments and production in order to manage the risks associated with copper price volatility in the past. CODELCO currently does not have any hedged production commitments and therefore there is no relevant impact from hedging. See notes 29 and 30 to the Unaudited Interim Consolidated Financial Statements.

CODELCO also periodically enters into futures contracts with respect to sales of its own copper in order to provide protection against fluctuation in the sale price paid by them in connection with such sales.

See "Risk Factors—Risks Relating to CODELCO's Operations—CODELCO engages in hedging activity from time to time, particularly with respect to its copper production, which may not be successful and may result in losses to CODELCO," notes 27 and 28 to the Consolidated Financial Statements and notes 29 and 30 to the Unaudited Interim Consolidated Financial Statements for further details regarding CODELCO's hedging activity.

Major Export Customers

As discussed above, most of CODELCO's customers receive shipments on a monthly basis. Consequently, CODELCO's sales volume is relatively consistent throughout the year. CODELCO's sales of copper in 2021 were geographically diversified, with approximately 47.4% of sales made to Asia, including approximately 32.4% to China, as well as approximately 42.1% to North and South America and 10.4% to Europe. CODELCO's top ten customers purchased approximately 40.8% of its total copper sales volume in 2020.

The following table shows CODELCO's copper sales for the three years ended December 31, 2021 to CODELCO's top export markets and in Chile:

CODELCO's Copper Sales by Destination
(in thousands of metric tons)

	2019	2020	2021
China	656	754	626
United States	273	278	356
South Korea	113	99	114
Chile	251	323	349
France	79	64	80
Brazil	73	90	93
Germany	1	48	22
India	30	19	19
Japan	42	31	43
Taiwan	74	68	73
Spain	48	44	33
Bulgaria	3	8	11
Turkey	22	37	22
Greece	5	1	1
Mexico	31	13	10
Malaysia	6	9	4
Thailand	8	5	12
Vietnam	6	-	3
Canada	-	3	0
Others(1)	135	105	61
Total	**1,889**	**1,971**	**1,931**

(1) In 2020, CODELCO sold 19 thousand metric tons to Peru and 19 thousand metric tons to Finland.

The sales to China increased in 2020 compared to 2019 primarily driven by stronger demand at the end of the year related to the recovery in the economy of China after the COVID-19 pandemic.

Competition

CODELCO believes that competition in the copper market is based upon price, quality of product and timing of delivery. CODELCO's products compete with other materials, including aluminum and plastics. CODELCO competes with other mining companies and private individuals in connection with the acquisition of mining concessions and mineral leases and in connection with the recruitment and retention of qualified employees.

Employees

As of December 31, 2021, CODELCO employed 15,528 employees as compared to 15,867 employees as of December 31, 2020. CODELCO spent U.S.$9.3 million during 2021 on staff development and training. A total of 476,185 hours of training were held, with 13,601 employees attending multiple courses.

As of December 31, 2021, approximately 89.8% of CODELCO's employees were covered by collective bargaining agreements with labor unions. Most of these collective bargaining agreements have terms of two to three years.

In 2021, CODELCO negotiated four collective bargaining agreements and signed one additional collective bargaining agreement signed. CODELCO experienced a 21-day strike involving two labor unions from the Andina Division and 24-day strike involving one labor union also from the Andina Division. In 2020, CODELCO negotiated collective bargaining agreements on schedule without any conflicts or work stoppages. As of September 30, 2022 CODELCO negotiated all the collective bargaining agreements with no conflicts, nor there were work stoppages, except for one-day strike on the Ventana Division related to the decommission of the smelter.

CODELCO has experienced material work slowdowns, work stoppages and strikes in the past.

As of September 30, 2022, there were 20,830 employees of regular independent operating contractors and 25,853 employees of contractors involved in the development of CODELCO's investment projects.

Work slowdowns, stoppages and other labor-related events could increase CODELCO's independent contracting costs, which could have a material adverse effect on the business, financial condition, results of operations or prospects of CODELCO. See "Risk Factors—Risks Relating to CODELCO's Operations—Labor disruptions involving CODELCO's employees or the employees of its independent contractors could affect CODELCO's production levels and costs." In addition, pursuant to the Labor Code of Chile, CODELCO could be held liable for the payment of labor and social security obligations owed to the employees of independent contractors (or their subcontractors) if the independent contractors (or their subcontractors) do not fulfill those payment obligations. CODELCO has agreed with a Government of Chile agency to provide a framework to facilitate this agency's supervision of the labor and social security obligations owed by the independent contractors to their employees.

As part of its compensation plan, CODELCO offers each employee the opportunity to partially finance the purchase of a first home or to obtain other personal loans granted through each employee's severance plan. Such home loans have a term of up to 15 years, and such personal loans have a term of less than one year. Loans of both kinds provide for interest rates of actual inflation plus a margin of between 1% and 5%. As of September 30, 2022, an aggregate principal amount of U.S.$138.0 million of these loans was outstanding.

Number of Employees by Division[(1)]

Divisions	January to December 2019	2020	2021	Variation (%) 2020/2021	January to September 2022
Chuquicamata	5,155	4,244	3,791	(10.7)	3,827
Radomiro Tomic	1,220	1,220	1,212	(0.7)	1,278
Gabriela Mistral	501	457	468	2.4	480
Mina Ministro Hales	777	766	763	(0.4)	786
Salvador	1,517	1,438	1,470	2.2	1,498
Andina	1,623	1,500	1,436	(4.3)	1,413
El Teniente	4,154	3,939	3,927	(0.3)	3,845
Headquarters	578	577	818	41.8	951
Ventanas	845	823	762	(7.4)	769
Shared Services (Vice Presidency of Projects)	982	860	843	(2.0)	874
Internal Auditing	42	43	38	(11.6)	42
Total	17,395	15,867	15,528	(2.1)	15,763

(1) Average number of employees for the periods presented.

Chilean Law No. 20,123 of 2007 (the "Chile Subcontracting Law") governing subcontractors provides incentives for companies to ensure that contractors and subcontractors comply with labor, health and safety regulations and standards with respect to their own employees. The Chile Subcontracting Law gives companies the right to request that contractors provide information on the status of their payment of labor and social security obligations to their employees prior to the company's payment of amounts due to contractors. Additionally, companies have the right to withhold payments due if the contractors cannot provide evidence that they have fulfilled their labor and social security obligations. Finally, companies are required to pay contractors' pending labor and social security obligations with the amounts withheld from the contractors. It also regulates the provision of temporary services by contractors and subcontractors, enabling the creation of specialized and regulated companies for this specific purpose (*Empresas de Servicios Transitorios*) and defining the specific events under which companies may hire for temporary services.

Occupational Health and Safety

CODELCO, through its structural project on occupational safety and health, has established occupational health and safety performance indicators aimed at avoiding serious and fatal accidents and occupational illnesses. In 2022 and through the date of this offering memorandum, there were two fatalities involving CODELCO personnel and CODELCO contractors. In 2019, 2020 and 2021 there was one fatality in each of the periods mentioned involving CODELCO personnel or contractors.

In 2019, the current total number of "lost time" accidents was 108 and the accident frequency was 0.70 accidents per million hours worked. The total number of "lost time" accidents in 2020 was 95 and the accident frequency rate was 0.83 accidents per million hours worked and in 2021 "lost time" accidents was 94 and the accident frequency was 0.75 accidents per million hours worked. As of September 30, 2022, the current total number of "lost time" accidents is 58 and the accident frequency is 0.57 accidents per million hours worked.

Comptroller General of the Republic

During 2017, the Comptroller issued three declarations (Opinions No. 15.759 and No. 18.850, both from 2017, and Final Auditor Report (Informe Final de Auditoria) No. 900/2016, from a 2016 audit) that affect CODELCO. Two of these declarations are opinions related to labor relations that: (i) query whether CODELCO could provide greater benefits to its employees than those currently established by law and (ii) state that, although CODELCO may continue to engage in collective bargaining with its employees, the Comptroller reserves the right to evaluate the amounts agreed upon. The third declaration was the result of an audit report, which maintained that CODELCO was subject to the provisions of the Public Procurement Law (Law No. 19,886) that relates to: (i) the prohibition on contracts between related parties and (ii) the mandatory public tender of contracts through the rules that apply to public services. CODELCO has filed administrative appeals against all three declarations issued, and subsequently filed an action of annulment against the three declarations issued by the Comptroller. The action of annulment was denied and in October 2020 CODELCO appealed the decision. In December 2022, CODELCO withdrew the appeal after signing a joint agreement with the Comptroller.

Legal Proceedings

CODELCO is party to various legal proceedings in the ordinary course of business. Other than as disclosed in this offering memorandum, CODELCO is not currently involved in any litigation or arbitration proceeding, including any proceeding that is pending or threatened of which we are aware, which we believe will have, or has had, a material adverse effect on the Company. Other legal proceedings that are pending against or involve us and our subsidiaries are incidental to the conduct of our and their business. We believe that the ultimate resolution of such other proceedings individually or on an aggregate basis will not have a material adverse effect on our consolidated financial condition or results.

Labor-Related Proceedings

We are a party to various legal actions involving labor claims of unions and former and present employees. These labor disputes relate to working conditions, union practices, improper termination and discrimination. We do not expect these disputes to have a material adverse effect on our financial condition or future results of operations.

Other Proceedings

In October 2021, CODELCO, on the one hand, and Thyssenkrupp Industrial Solutions Chile Limitada on the other, filed reciprocal arbitration claims under a Purchase Order signed by both companies in 2015, for disputes related to delays, compensation for damages and payments. CODELCO's claims amount to approximately U.S.$42.0 million and Thyssen's claims amount to approximately U.S.$25 million. A final ruling is pending.

In October 2020, CODELCO, on the one hand, and Santa Elvira S.A., Mining Services Group S.A. and Sociedad de Servicios para la Minería Limitada (collectively "Santa Elvira") on the other, simultaneously filed reciprocal arbitration claims under an agreement with CODELCO's El Salvador Division, for disputes related to charges and payments between 2012 and 2018. CODELCO's claims amount to approximately U.S.$315.0 million and Santa Elvira is claiming payment for works allegedly executed for approximately U.S.$75.0 million. The discovery period ended and the process will follow to its post-evidence brief stage.

In July 2020, the State Defense Council filed a claim against CODELCO seeking environmental rehabilitation measures for alleged environmental damage to water sources and vegetation surrounding the "Salar de Pedernales" due to surface and underground water use between 1994 and 2017 by CODELCO's El Salvador Division. On November 16, 2020, CODELCO filed its response, and subsequently the parties to this proceeding agreed to and filed a settlement agreement, which was approved by the Environmental Court. As of the date of this offering memorandum, CODELCO is in compliance with the committed measures.

In October 2019, CODELCO was served notice of a civil claim filed by relatives of 139 former employees from the Andina Division, alleging that working conditions caused the former employees to contract silicosis claiming compensation on behalf of the former employees. The claim requests compensation in an aggregate amount of approximately U.S.$15.1 million. A final ruling is pending.

In July 2019, Ingeniería y Maquinarias Indak Limitada *et al.* filed a civil a claim against CODELCO claiming payment of damages, loss of profits, loss of opportunities and moral damages, plus interest thereon, in the amount of approximately U.S.$46.0 million. The proceedings are currently in the discovery period. A final ruling is still pending.

In April 2018, Trébol Minerals S.A. filed a civil claim against CODELCO's El Salvador Division claiming payment of unpaid services, damages, loss of profits and moral damages, plus interest thereon, in the amount of approximately U.S.$12.0 million. The proceedings are currently in the discovery period. A final ruling is still pending.

In June 30, 2016, the Union of Independent Workers, along with a group of artisanal fishermen, divers of Caleta de Horcón and other residents of the boroughs of Quintero and Puchuncaví filed a lawsuit before the Second Environmental Court against the Ministry of the Environment and eleven companies located in the industrial area of the Quintero bay, including CODELCO, seeking mitigation, remediation and restoration of alleged environmental damage caused by pollution that has affected the Quintero bay over the past decades. The proceeding is currently in its discovery period. A final ruling is still pending.

CODELCO believes that it has meritorious defenses to the claims against it and, accordingly, is vigorously defending its rights and interests in these proceedings.

For additional details related to CODELCO's litigation and contingencies and amounts of probable loss with respect to lawsuits and legal actions, see note 29 to the Consolidated Financial Statements.

OVERVIEW OF THE COPPER MARKET

Copper is an internationally traded commodity, the price of which is effectively established on terminal markets including the LME and COMEX. The following table sets forth quarterly average prices for refined copper since 2019 on the LME:

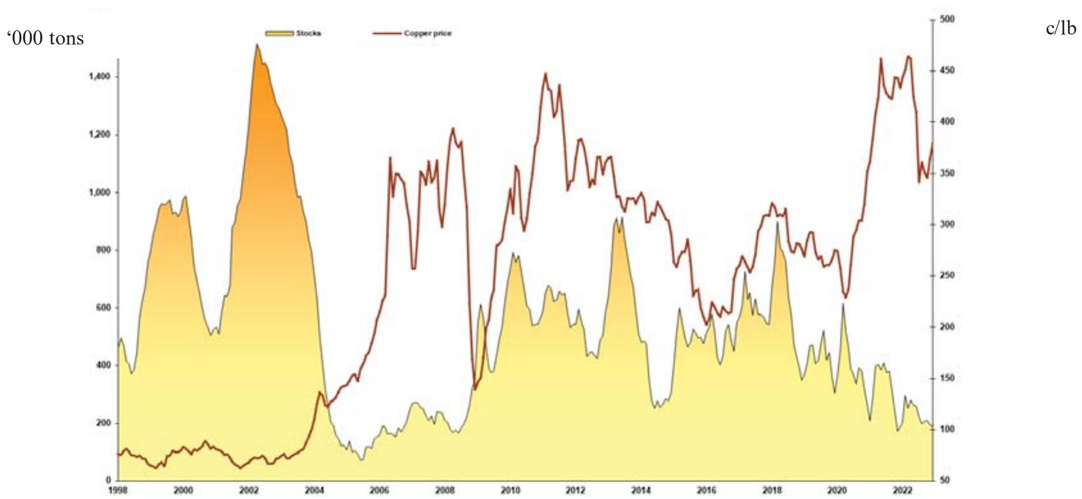
Average Copper Price
(U.S.¢/Pound)

2019		
	First Quarter	281.9
	Second Quarter	277.3
	Third Quarter	263.2
	Fourth Quarter	266.8
2020		
	First Quarter	255.7
	Second Quarter	243.0
	Third Quarter	295.7
	Fourth Quarter	325.1
2021		
	First Quarter	385.7
	Second Quarter	440.0
	Third Quarter	425.1
	Fourth Quarter	439.9
2022		
	First Quarter	453.5
	Second Quarter	431.5
	Third Quarter	351.3
	Fourth Quarter	362.9

Source: London Metal Exchange, Monthly Average Settlement.

The following graph compares average market prices for copper and the level of LME, Shanghai Metal Exchange and COMEX inventories from 1998 through December 31, 2021:

Copper Prices and Inventories on Commodities Exchanges



Source: Metal Exchanges: London, COMEX and Shanghai.

Historically, copper prices have been subject to wide fluctuations and are affected by numerous factors, including international economic and political conditions, levels of supply and demand, the availability and costs of substitutes, inventory levels maintained by producers and others and actions of participants in the commodities markets. To a lesser extent, copper prices are also subject to the effects of inventory carrying costs and currency exchange rates. In addition, the market prices of copper have occasionally been subject to rapid short-term changes. See "Risk Factors—Risks Relating to CODELCO's Operations—CODELCO's business is highly dependent upon the price of copper."

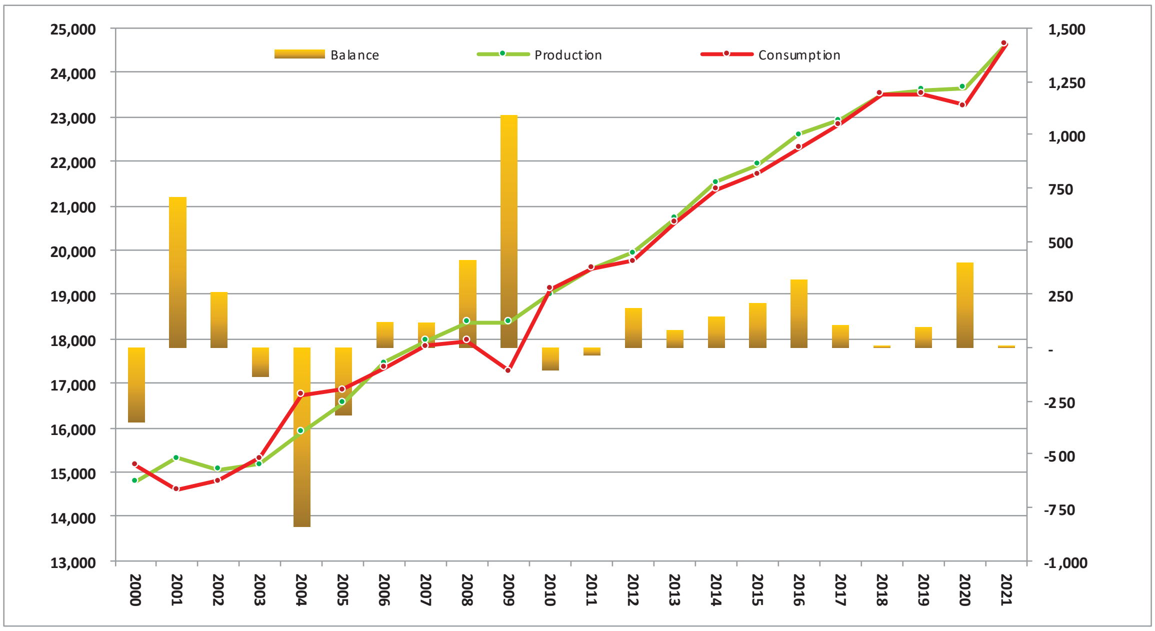
Opportunities for Copper

Since 2005, copper prices have experienced significant volatility. LME copper prices averaged 422.6 cents per pound in 2021 and 279.8 cents per pound in 2020, and compared to 272.1 cents per pound in 2019. While higher copper prices in 2020 compared to prices in 2019 reflected an increased in global demand, higher expectations on China and disruptions on the supply side, lower prices in 2019 reflected concerns on the trade dispute between China and the U.S. and its impact on the global growth. See "Risk Factors—Risks Relating to CODELCO's Operations—CODELCO's business is highly dependent upon the price of copper."

There is also increased general use of copper tubing, particularly in air conditioning systems. The quantity of copper consumed in electrical applications in cars, trains and other vehicles has also increased. In the electricity generation and transmission area, the control of energy losses and a growing concern for higher energy efficiency are factors that have tended to increase demand for copper, becoming the main copper usage. The termination of widespread substitution of aluminum for copper in overhead high-voltage transmission lines also bodes well for the metal's future.

Historically, demand and supply of copper have demonstrated continued growth during periods of oversupply as well as periods of overconsumption. The following graph shows the historical development of copper supply, demand and stocks in the world from 2000 through 2021 (in thousands of metric tons):

Refined Copper Supply and Demand Worldwide Balance



Source: CODELCO, internal data (October 2022).

REGULATORY FRAMEWORK

Overview of the Regulatory Regime

CODELCO is a mining, industrial and commercial state-owned enterprise of indefinite duration with its own legal personality and capital. CODELCO's relationship with the Government of Chile is conducted through the Ministry of Mining. CODELCO was incorporated pursuant to Decree Law No. 1,350 of 1976, as amended by Law No. 20,392. CODELCO is governed by Decree Law No. 1,350 and by Decree No. 146 of August 12, 1991, as amended (to conform the same with Law No. 20,392) by Decree No. 3 of January 13, 2012 issued jointly by the Ministries of Finance and Mining, and published in the Official Gazette on July 4, 2012, which sets forth CODELCO's current bylaws, and the general legal framework applicable to private companies regarding public disclosure (rules applicable to publicly held companies), and other applicable regulations. CODELCO's principal corporate purpose is to exercise all rights acquired by Chile pursuant to the nationalization of the Chilean mining industry, namely mining, exploration and the development of mining deposits and other rights belonging to Chile at the time of CODELCO's incorporation in 1976.

CODELCO is subject to the oversight of: (i) the Chilean securities authority, the CMF, on the same terms as publicly held corporations (CODELCO is registered under the Securities Registry No. 785 of the CMF) and (ii) the Chilean Commission of Copper (*Comisión Chilena del Cobre*, or "COCHILCO") or the governmental agencies that, among other authorities, are responsible for examining the compliance with certain regulations applicable to CODELCO's activities and report the relevant findings to its Chief Executive Officer. Furthermore, other government agencies in charge of specific areas, such as taxes and customs, exercise their legal authorities with respect to CODELCO as they do in regard to any other company of the Chilean private sector. The House of Deputies (*Cámara de Diputados*) of the Chilean Congress also maintains an overarching authority to oversee CODELCO in the exercise of its constitutional duties.

Chilean law requires CODELCO to obtain the approval of the Ministry of Finance before it can assume any financial indebtedness and before it can acquire assets outside Chile with financial or payment terms exceeding one year. Although CODELCO is 100% owned by it, the Government of Chile is not legally liable for CODELCO's obligations unless expressly guaranteed by the Government of Chile, nor do such obligations form any part of the direct public debt of the Government of Chile. A constitutional amendment would be required to allow private participation in CODELCO's ownership.

Each year, the Board of Directors must approve the BDP report of the Company for the following three years, subject to the approval of the Ministries of Finance and Mining. This plan must include the annual investment and financing amounts in addition to the annual profits that the Company is estimated to generate during the period. The Ministries of Finance and Mining jointly issue a decree pursuant to which a portion of CODELCO's profit may be allocated by CODELCO to the creation of capitalization and reserve funds.

CODELCO's Board of Directors must also submit its proposed annual budget to the Ministries of Finance and Mining for approval. In addition, Decree Law No. 1,350 requires CODELCO to include as part of its proposed annual budget a debt amortization budget that includes interest and principal payments on CODELCO's debts, including the notes. CODELCO's budget and financial statements are subject to both internal and external controls. CODELCO's Board of Directors is responsible for monitoring its operations, and CODELCO retains independent auditors to audit its consolidated financial statements and an internal comptroller to review its finances, accounting and administration.

CODELCO's Board of Directors approved corporate governance guidelines consistent with its high transparency, probity and accountability standards which: (i) establish limits and controls on the use of resources of the Board of Directors; (ii) implement a transparent and traceable system for the handling of hiring requests, promotions and redundancies of CODELCO's officers and employees; (iii) regulate the relationships between members and management of the Board of Directors with related parties; and (iv) establish guidelines for corporate speakers. CODELCO's Board of Directors also agreed to consider directives that: (i) regulate lobbying activities within CODELCO; (ii) strengthen and reform internal audit systems; and (iii) strengthen policies to avoid any conflicts of interest.

Mining Regulations

Legal framework. CODELCO's exploration, mining, milling, smelting and refining activities are subject to Chilean laws and regulations which are generally applicable to all Chilean companies in the mining sector. The legal framework which regulates CODELCO as a holder of mining concessions is contained in the Chile 's Constitution, the Constitutional Law Governing Mining Concessions (Law No. 18,097 of January 21, 1982) and the Mining Code (Law No. 18,248 of October 14, 1983). Under Chilean mining law, Chile is the owner of all mineral and fossil substances located in their natural deposit, regardless of who owns the surface land in which such substances are located. Private persons and companies may obtain mining concessions for exploration and exploitation. These concessions are granted by judicial resolutions in accordance with the Mining Code.

Mining concessions are transferable, mortgageable and irrevocable and regulated by the same civil law that regulates real estate rights generally. As a general rule, the owner of a mining concession may occupy as much of the surface land as is necessary for mining activities upon the creation of a mining easement or upon other authorization given by the land owner, such as a lease agreement or a license. Mining easements can be obtained by way of direct negotiation with the surface land owner or, if the latter opposes, by way of a summary procedure before the relevant court. Regardless of how the mining easement is obtained, the party granting the easement is entitled to be compensated for the damages that the granting of easements and the mining activities and works caused. Exploitation concessions have an indefinite duration. Exploration concessions are granted for two years and may be extended for a maximum of two additional years subject to waiving at least half of the area originally allocated. Prior to the expiration of the first or the second two-year period, the owner of exploration concessions has priority in applying for exploitation concessions over the area comprised by exploration concessions.

Owners of mining concessions must pay an annual fee equivalent to approximately U.S.$1.33 per hectare in the case of exploration concessions and approximately U.S.$6.66 per hectare in the case of exploitation concessions. However, the latter fees, within certain limits, may be credited to income taxes originated through the exploitation of the concession. Payments of the annual fees must be made in March of each year. Failure to make the annual fee payments may result in the loss of title to the concession through its auction.

CODELCO owns mining concessions granted by the Constitution and the Chilean Ordinary Courts for its exploration and exploitation operations. Some of these concessions were previously held by foreign private mining companies before being transferred to Chile in 1971 and subsequently to CODELCO upon its incorporation in 1976. CODELCO's principal concessions are those which give rights to the mineral deposits of the Chuquicamata, El Teniente, Andina, Salvador, Radomiro Tomic, Gabriela Mistral and Mina Ministro Hales Divisions. CODELCO's concessions relating to land that is currently being mined essentially grant an indefinite right to conduct mining operations in that land, provided that annual concession fees are paid. In 2019, CODELCO paid total concession fees of U.S.$8.4 million and in 2020, CODELCO paid total concession fees of U.S.$7.3 million. In 2021, CODELCO paid total concession fees of U.S.$7.3 million and as September 30, 2022, CODELCO paid total concession fees of U.S.$8.5 million

Pursuant to the Mining Code, all mining concessions, as well as certain raw materials, assets and other property permanently dedicated to the exploration or extraction of minerals cannot be subject, except in extremely limited circumstances, to an order of attachment. In addition, pursuant to the Constitution, mining concessions corresponding to mining deposits exploited by CODELCO upon its incorporation in 1976 cannot be subject to attachment nor to any act of disposition by CODELCO. As a result, the rights of holders to attach property of CODELCO in the event of a default under the notes would be limited by such provisions. See "Risk Factors—Risks Relating to the Offering—In case of a default under the notes, the ability of holders to attach property of CODELCO may be limited by Chilean law."

Environmental Regulations

CODELCO's operations are subject to national, regional and local regulations as well as international treaties subscribed by the Government of Chile and enacted as Chilean domestic law regarding the protection of the environment, natural resources and the effect of the environment on human health and safety, including laws and regulations concerning water, air and noise pollution, the handling, disposal and transportation of hazardous waste and occupational health and safety.

The General Environmental Law (Law No. 19,300), enacted in March 1994 and modified by Law No. 20,417, enacted in 2010, establishes the general environmental legal framework in Chile, including the establishment of a range of environmental management mechanisms known as the Environmental Impact Assessment System (*Sistema de Evaluación de Impacto Ambiental*), the Emission Standards and the Environmental Quality Standards, among others. Chilean environmental laws and regulations, and its enforcement, have become increasingly stringent since 2010 and even more in recent years due to recent changes. Such amendments include, among other significant modifications, the creation of a new institutional framework comprised by: (i) the Ministry of the Environment (*Ministerio del Medio Ambiente*); (ii) the Council of Ministers for Sustainability (*Consejo de Ministros para la Sustentabilidad*); (iii) the Environmental Assessment Service (*Servicio de Evaluación Ambiental*); (iv) the Bureau of the Environment (*Superintendencia del Medio Ambiente*); and (v) the Environmental Courts (*Tribunales Ambientales*), each of which are in charge of designing, evaluating and enforcing laws and regulations relating to projects and activities that could have an environmental impact. These institutions are fully operational. Recent legal and regulatory changes are likely to impose additional restrictions or costs on CODELCO and also increased fines due to non-compliance with such laws and regulations, relating to environmental litigation and protection of the environment, particularly those related to flora and fauna, wildlife protected areas, water quality standards, mine closure, air emissions, and soil pollution. Since the Bureau of the Environment became fully operational on December 28, 2012, infringement of environmental regulations may result in fines of up to approximately U.S.$8.7 million, the closure of facilities and the revocation of environmental approvals. As described in more detail below, CODELCO incurs, and may be required in the future to incur, substantial capital and operating costs related to environmental compliance. However, many of these costs are inextricably intertwined with the operation of CODELCO's business as a whole.

The General Environmental Law, as complemented by additional regulations, enables the Government of Chile to: (i) bring administrative and judicial proceedings against companies that violate environmental laws; (ii) close non-complying facilities; (iii) revoke required operating licenses; (iv) require that companies to submit their projects for environmental evaluation as required by applicable law; and (v) impose sanctions and fines when companies act negligently, recklessly or deliberately in connection with environmental matters. The General Environmental Law also grants citizens the right to bring civil actions against companies that are not in compliance with environmental laws and regulations when such companies have caused "environmental damage," as defined in such law, after such non-compliance has been established by a judicial proceeding. As of the date of this offering memorandum, one of these proceedings involves CODELCO, for an action brought by citizens against all the companies that operate in the Ventanas area and the Ministry of the Environment. CODELCO is unable to fully assess at this time the potential cost of compliance.

In 2016, the Bureau of the Environment presented claims against the Ventanas Division for the infringement of environmental regulations and permits. In response, CODELCO presented a Compliance Plan (*Programa de Cumplimiento*), which allows the Ventanas Division to comply with the Bureau of the Environment's requirements in a specified term and once successfully executed it may absolve the infringer from fines or sanctions. This Compliance Plan was approved by the Bureau of the Environment in 2016 and was implemented by CODELCO. In 2017 the Environmental Court required a complement of this plan to include the evaluation of possible environmental consequences. CODELCO presented the required information and on November, 28, 2018 the Bureau of the Environment approved the Compliance Program as satisfactorily fulfilled. This approval decision was later appealed and ultimately upheld in August 2020 by the Environmental Court and in February 2021 by the Supreme Court, following an appeal (*recurso de casación*).

Additionally, citizens affected by environmental pollution may file a petition for relief to Chilean Courts of Appeal, requiring the suspension of the offending activity and the adoption of protective measures through the judicial process called *recurso de protección* (constitutional protection action).

If determined that CODELCO violated its environmental permits, the Bureau of the Environment could impose a fine on CODELCO and could require CODELCO to implement environmental compensation and mitigation measures. There can be no assurance that the Bureau of the Environment, as a result of the Supreme Court decision, will not impose additional fines or require that additional measures be taken. As of the date of this offering memorandum, CODELCO has not assessed a potential loss as probable or such loss is not estimable.

The General Environmental Law and its regulations contain certain rules on Environmental Impact Assessment, which have been in effect since April 1997, and that provide that CODELCO must evaluate the environmental impact of any future project or activity listed in Article 10 of Law No. 19,300 by means of an environmental impact declaration or an environmental impact study depending on the significance of the environmental impacts associated. CODELCO has conducted these environmental impact declarations and studies pursuant to the General Environmental Law.

Chile has adopted environmental regulations requiring companies operating in Chile, including CODELCO, to undertake programs to reduce, control and/or eliminate certain environmental impacts. CODELCO has undertaken a number of environmental initiatives to comply with such regulations. From 2012 to 2019, CODELCO invested U.S.$3.6 billion in environmental projects, and plans to continue implementing pollution abatement plans through additional capital investments amounting to U.S.$439.0 million in 2020 and U.S.$490.0 million in 2021. In 2021, CODELCO allocated U.S.$196.0 million to environmental projects, including the expansion of the Talabre, Ovejería and Carén Tailings dams in the Chuquicamata, Andina and El Teniente Divisions and various projects in Chuquicamata, Potrerillos and Caletones smelters in order to comply with the new regulation regarding atmospheric emissions. Additionally, as part of its pollution abatement efforts, CODELCO continues to implement water recovery systems, the costs of which are also budgeted in CODELCO's pollution abatement plan, to conserve resources and minimize pollution of natural water sources.

To protect and improve environmental air quality in the country, the Ministry of the Environment has the authority to declare certain areas to be "latent zones" (*zonas latentes*) or "saturated zones" (*zonas saturadas*). Latent zones are areas in which there exists a high risk of excessive pollution – the pollutant concentration in air water or soil is greater than 80% of the corresponding quality standard in a certain area – and in which further emissions are highly restricted. Saturated zones are areas in which an excessive level of pollution already has been reached – the concentration of the air pollutant exceeds 100% of the corresponding quality standard for a pollutant in a certain area – and in which emissions are required to be reduced and mitigation measures are required to be implemented. In connection with the declaration of a latent or saturated zone, the Ministry of the Environment may initiate an investigation and public-consultation process to develop a prevention or decontamination plan, as the case may be. The whole process for approving these plans may take more than two years. Upon publication of either type of plan, emission reduction targets and other environmental remediation actions may be required of specific industries located within the latent or saturated zone. Measures included in the pollution prevention or reduction plans governing CODELCO's operations are subject to change and may become more stringent if compliance with applicable air quality standards is not achieved.

The area surrounding the Potrerillos, Caletones and Ventanas smelting facilities have been declared saturated zones for particulate matter (PM_{10} and/or $MP_{2,5}$) and sulfur dioxide (SO_2). These areas are subject to decontamination plans. The Ventanas decontamination plan has been recently reviewed by government authorities. In the areas surrounding the Chuquicamata smelter, there are decontamination plans for PM_{10} under review and under development, and a pollution prevention plan for SO_2 is currently under development. In August 2013, the Ministry of the Environment enacted a decontamination plan for Chile's Sixth Region, Central Valley, which could potentially affect CODELCO's operations in the region.

In addition, the relevant Environmental Assessment Service may impose further requirements on CODELCO's projects. Under the various plans that cover the areas where CODELCO operates, net increases in emissions by industrial facilities in these zones, including any increased emissions from the Potrerillos, Caletones, Ventanas and Chuquicamata smelting plants, have been banned. As of the date of this offering memorandum, the impact of operating in latent and saturated zones has not been material for CODELCO; however, it could have a material effect in the future.

A new air quality standard for an additional pollutant, primary particulate matter $PM_{2.5}$, was enacted by the Ministry of the Environment in 2011 and became effective in 2012. In 2015, a new saturated zone with respect to $PM_{2.5}$ and latent zone with respect to PM10 in the boroughs of Concón, Quintero and Puchuncaví, the areas where Ventanas is located, was declared and, as a result, a new decontamination plan has been recently enacted. CODELCO estimates that the cost of complying with this new standard will be U.S.$27.0 million, which will be incurred over a period of approximately four years.

In 2013, Supreme Decree No. 28 of the Ministry of the Environment, on Emission Standard for Smelting Plants was enacted, which establishes maximum parameters of emission for PM_{10}, SO_2, arsenic (As) and mercury (Hg) generated by smelting plants. Certain aspects of the regulation became effective immediately while other provisions of the new emission standards must be complied with by a later date—within three years in the case of Ventanas smelter, and within five years in Chuquicamata, Potrerillos and Caletones smelters. The cost of complying with this new standard was U.S.$2.4 billion, which was incurred over a period of approximately five years. This regulation is currently under routine review by the Ministry of the Environment, which is conducted every five years.

In May 2022, the Ministry of the Environment approved the Preliminary Draft on Emission Standards Applicable to Heavy Motor Vehicles, which aims to reduce the accumulative exposure of the emissions from heavy vehicles. The preliminary draft recently completed the public consultation phase.

Supreme Decree No. 90/2001 of the General Secretary of the Presidency, which sets forth the standards for discharges of liquid waste into surface water bodies, went into effect in 2006. CODELCO has invested significant amounts to reduce liquid waste emissions to date and expects that it will continue to incur costs related to compliance with Supreme Decree No. 90/2001. In addition, the authorities are developing water quality standards for water bodies that CODELCO currently or may in the future discharge into, including the Loa, Aconcagua and Cachapoal rivers. Such standards could require CODELCO to incur additional costs to manage liquid waste discharges.

Regulations were enacted in February 2004 governing safety standards for mining operations. Pursuant to these regulations, all mining companies, including CODELCO, were required to provide closure plans for their mining facilities, demonstrating compliance with safety standards. These plans must be updated every five years and must consider the requirements set forth in the environmental authorization issued for the respective facility, if any. SERNAGEOMIN has approved the closure plans CODELCO prepared for all of its facilities.

A new mine closure regulation, Law No. 20,551, which includes health, safety and environmental requirements along with mandatory provisions that require financial guarantees, was enacted in 2011, and became effective in 2012. According to this law, CODELCO and other mining companies in Chile were required to submit an assessment of the closure expenses of all its mines to the SERNAGEOMIN before 2014. Once the assessment of closure expenses was approved, CODELCO had to provide the financial guarantee between the sixth months since the approval and two-thirds of the project life (less than 20 years), or 15 years of the project life (more than 20 years). CODELCO obtained the approval of the closure plans for all of its divisions from SERNAGEOMIN and provided the financial guarantees in the term established by the law. CODELCO had total provisions amounting to U.S.$2.3 billion for future decommissioning and site restoration costs primarily related to tailing dams, closures of mine operations and other mining assets, including potential new governmental regulations, as of December 31, 2020, and U.S.$2.0 billion as of December 31, 2019. CODELCO is currently developing a project to estimate the additional costs of complying with this new regulation regarding mine closure, which could be material.

On June 20, 2020, Law No. 21,169 entered into force, which introduced the following amendments, among others: (i) the recognition of policies issued by Chilean insurance companies within the A.1 credit rating category, provided that they are unable to raise exceptions that condition or defer the payment of the indemnity to Sernageomin; and (ii) the obligation to request Sernageomin's authorization to make changes or alterations in the identity and validity of the A.1 financial instruments that comprise the guarantee.

On February 13, 2018, the Environmental Court (*Tribunal Ambiental*) in Antofagasta, Chile issued an interim decision which could potentially reduce the availability of a minor source of water to CODELCO in the city of Calama. As of the date of this offering memorandum, CODELCO: (i) is not a party to this legal proceeding; and (ii) has not been contacted by any party or served by the Environmental Court. If and when CODELCO becomes a party to this proceeding, CODELCO expects to: (a) enforce all its available legal remedies against any adverse decision; and (b) implement operational mitigation measures, if necessary. In August 2018, the Environmental Court voided its previous interim decision and subsequently during the month of August 2018 the Bureau of the Environment desisted from its original action giving rise to such interim decision.

Future legislative or regulatory developments, private causes of action or the discovery of new facts relating to environmental matters may impose new restrictions or result in additional costs that may have a material adverse effect on CODELCO's business, financial condition, results of operations or prospects. See "Risk Factors—Risks

Relating to CODELCO's Operations—CODELCO's compliance with environmental, health and safety laws may require increased costs, including capital commitments, and non-compliance may subject it to significant penalties."

Enforceability of Obligations

CODELCO's commercial obligations are enforceable in the same manner as those of any privately owned company in Chile. Even though CODELCO is a state-owned enterprise, it is subject to the same laws and regulations applicable to all private Chilean corporations. This principle is consistent with the constitution of 1980, wherein Article 19, No. 21 states that if Chile and its bodies carry out commercial activities, they will be governed by common legislation applicable to private persons, unless a specific law approved by an absolute majority of representatives of the Chilean Congress dictates otherwise. No such law has been passed with respect to CODELCO.

Payment of Obligations

Article 23 of Decree Law No. 1,350 provides that CODELCO has the obligation to return the total proceeds of its exports to Chile, but has no obligation to convert the proceeds to Chilean pesos in excess of its peso requirements. The proceeds from its exports are deposited at the Central Bank of Chile, and withdrawals against such foreign exchange deposits are made to cover CODELCO's expenses. In addition, Article 13 of Decree Law No. 1,350 directs CODELCO to prepare a Loan Amortization Budget which must include the payment of principal of CODELCO's debts and related interest payments, including the notes. This budget, as part of the general budget of CODELCO, is approved annually by joint decree of the Ministry of Mining and the Ministry of Finance and may be amended to meet non-budgeted expenses, in accordance with the terms and conditions of Article 16 of Decree Law No. 1,350. The incurrence of any indebtedness by CODELCO must be authorized by an official letter from the Ministry of Finance. For loans with maturity at issuance of a duration of more than one year, this authorization is required to commence the relevant procedures.

Statutory Documents

The statutory documents of CODELCO are contained in Decree Law No. 1,350 published in the Official Gazette on February 28, 1976, as amended by Law No. 20,392, and Decree No. 146 published in the Official Gazette on October 25, 1991, as amended (to conform the same with Law No. 20,392) by Decree No. 3 of January 13, 2012 issued jointly by the Ministries of Finance and Mining, published in the Official Gazette on July 4, 2012. These gazettes may be seen on-line on the Library of the Chilean Congress website (http://www.bcn.cl/) or in a booklet that CODELCO will issue upon request, which contains free translations of the regulations into English.

MANAGEMENT

The Board of Directors is primarily responsible for the management and administration of CODELCO. The Board of Directors is composed of nine members, appointed as set forth in Law No. 20,392,: (i) three directors are directly appointed by the President of Chile; (ii) four directors are appointed by the President of Chile from a short-list presented by the Council of Senior Public Management (*Consejo de la Alta Dirección Pública*), an entity within the National Civil Service Bureau that advises the President of Chile, ministers and heads of services departments on the appointment of high-ranking public positions; (iii) one director is appointed by the President of Chile from a short-list presented by the *Federación de Trabajadores del Cobre* (FTC); and (iv) one director is appointed by the President of Chile from a short-list presented by both the *Federación de Sindicatos de Supervisores del Cobre* (FESUC) and the *Asociación Nacional de Supervisores del Cobre* (ANSCO). All directors in CODELCO serve four year terms and may be reelected for new terms. The Board is renewed on a staggered basis and may not be revoked in its entirety.

The Board of Directors is vested with all the management and asset-disposal authority, except to the extent that Chilean law or CODELCO's bylaws establish such authority within the exclusive province of the President of Chile (as discussed below), and other than the authority delegated to the Chief Executive Officer. The main responsibilities of the Board of Directors of CODELCO are to: (i) designate and remove the Chief Executive Officer; (ii) approve and send to the Ministry of Finance an estimate of the revenues and surplus earnings that it will transfer to the Government of Chile in the following year's budget; (iii) prepare the annual budget of CODELCO and send for the approval of the Ministry of Finance; and (iv) approve the BDP report of the Company for the following three-year period.

The President of Chile is vested with authority analogous to that of the shareholders of a corporation (*sociedad anónima*) under Chilean law, which may be delegated in whole or in part to the Ministers of Finance and Mining, jointly. Pursuant to such authority, the President of Chile: (i) participates in the designation of the Board of Directors by designating three directors without external input and by electing six directors on the basis of third-party short-lists; (ii) appoints the Chairman of the Board of Directors; and (iii) may approve and amend the bylaws of the Company, by means of an executive decree issued jointly by the Ministries of Finance and Mining. See "Risk Factors – Risks Relating to CODELCO's Relationship with the Government of Chile."

Senior management and administration of the Company are vested in its Board of Directors and Chief Executive Officer. The Board of Directors is in charge of the ultimate conduct and oversight of the Company. The Chief Executive Officer is named by the Board of Directors and remains in office so long as he/she maintains the confidence of the Board. The Chief Executive Officer is responsible for implementing the resolutions of the Board of Directors and supervising the activities of CODELCO. On August 26th, 2022, the Board of Directors of CODELCO appointed André Sougarret Larroquete as the new Executive President and CEO, and he commenced his term on August 26, 2022.

On March 1, 2019, CODELCO announced the appointment Sergio Herbage Lundín, former Northern District Development Manager, as the General Manager of the Gabriela Mistral Division. The same day, CODELCO announced the appointment of Jaime Rivera Machado, former General Manager of the Mina Ministro Hales Division, as the General Manager of Andina Division, and the appointment of Andrés Music Garrido, former Mine Manager El Teniente Division, as the General Manager of the Mina Ministro Hales Division. Finally, CODELCO announced the appointment of Alvaro García Gonzalez as CODELCO's first Vice President of Technology.

On July 26, 2019, CODELCO announced the appointment of Mauricio Barraza Gallardo, former General Manager of the Chuquicamata Division, as Vice President of Central Southern Operations. The same day, CODELCO announced the appointment of Nicolás Rivera Rodriguez, former General Manager of the El Teniente Division, as the General Manager of the Chuquicamata Division, and the appointment of Andrés Music Garrido, the former General Manager of Mina Ministro Hales, as the General Manager of the El Teniente Division. On August 29, 2019, CODELCO announced the appointment of Rodrigo Barrera, former Chuquicamata Underground Project Manager, as the General Manager of the Mina Ministro Hales Division. All new positions were effective as of September 1, 2019.

On January 31, 2020, CODELCO announced the appointment of Lorena Ferreiro Vidal as General Counsel and created the position Vice Presidency of Smelters and Refiners, appointing José Sanhueza Reyes in the role. Both appointments are effective as of March 1, 2020. On February 28, 2020, CODELCO announced the appointment of Cristián Cortés Egaña as acting General Manager for the Ventanas Division, effective on March 1, 2020. On March 2, 2020, CODELCO announced the appointment of Patricio Vergara Lara as Vice President of Mining Resources Management and Development, effective on April 20, 2020.

On September 29, 2020, CODELCO announced the appointment of Ricardo Weishaupt Hidalgo as General Manager of the Ventanas Division, effective on November 1, 2020.

On October 2, 2020 CODELCO announced the appointment of Mauricio Barraza Gallardo as acting Vice President – Northern Operations and Alejandro Rivera Stambuck as acting Vice President – Productivity and Costs, both positions effective as of October 16, 2020. Mr. Mauricio Barraza Gallardo and Mr. Alejandro Rivera Stambuck will also maintain their current positions as Vice President – Central Southern Operations and Chief Financial Officer, respectively.

On October 30, 2020 CODELCO announced the appointment of Carlos Alvarado Hernández as Vice President of Sales and Rodrigo Miranda Schleyer as acting General Auditor, both positions effective on November 1, 2020. The same day, CODELCO announced the appointment of Rodrigo Barrera Paéz, former General Manager of the Mina Ministro Hales Division, as General Manager of Andina Division, and Francisco Balsebre Olaran as acting General Manager of the Mina Ministro Hales Division, both positions effective on December 1, 2020.

On November 19, 2020 CODELCO announced the appointment of Andre Sougarret as Vice President – Northern Operations, effective on January 2, 2021.

On January 26, 2021, CODELCO announced the resignation of Rodrigo Cerda Norambuena from his position as Director of CODELCO.

On January 29, 2021, CODELCO announced the appointment of Raúl Alejandro Puerto Mendoza as General Auditor effective on March 11, 2021.

On February 18, 2021, CODELCO announced organizational adjustments, consisting of the elimination of the Vice Presidency of Productivity and Costs, distributing its functions across other areas of the corporation. In consideration of the above, CODELCO announced the appointment of Mauricio Acuña Sapunar as Vice President of Supply, a new department reporting to the Executive President, effective on April 5, 2021.

On March 31, 2021, CODELCO announced the appointment of Felipe Larraín Bascuñán as Director of CODELCO.

On May 10, 2021, CODELCO announced the appointment of Patricia Núñez Figueroa and Pedro Pablo Errázuriz Domínguez as Directors of CODELCO.

On May 14, 2021, CODELCO announced the appointment of Marco Bastías Villablanca as Vice President of Projects, effective on October 1, 2021.

On March 10, 2022, CODELCO announced the resignation of Juan Benavides from his position as President of the Board of Directors and Director of CODELCO, effective on March 11, 2022

On March 31, 2022, CODELCO announced the appointment of Maximo Pacheco Matte as President of the Board of Directors, effective on March 31, 2022.

On March 31, 2022, CODELCO announced the appointment of Josefina Montenegro Araneda as Directors, effective on May 11, 2022.

On May 20, 2022, CODELCO announced the resignation of Renato Fernández Baeza as Vice President of Corporate Affairs & Sustainability and Marcelo Álvarez Jara as Vice President of Human Resources, effective on September 30, 2022

On May 23, 2022, CODELCO announced the appointment of Alejandra Wood Huidobro and Nelson Cáceres Hernández as Directors.

On July 12, 2022, CODELCO announced the resignation of Rodrigo Barrera Páez as General Manager of the Andina Division effective on July 12, 2022. In consideration of the above, CODELCO announced the appointment of Roberto Pastén Jeraldo as acting General Manager of the Andina Division.

On August 26, 2022, CODELCO announced the appointment of Mary Carmen Llano Aranzasti as Vice President of Human Resources, effective on October 01, 2022

On August 26, 2022, CODELCO announced the resignation of Octavio Araneda as Chief Executive Officer and President. In consideration of the above, CODELCO announced the appointment of André Sougarret Larroquete as Chief Executive Officer and Executive President, effective on August 29, 2022

On September 28, 2022, CODELCO announced the resignation of Lorena Ferreiro Vidal as General Counsel, effective on September 28, 2022. In consideration of the above, CODELCO announced the appointment of María Susana Rioseco Zorn as General Counsel.

On September 30, 2022, CODELCO announced the appointment of Nicolás Rivera Rodríguez as Vice President Northern Operations, Christian Caviedes Núñez as General Manager of the Chuquicamata Division, Lindor Quiroga Bugueño as General Manager of the Andina Division and Julio Díaz Rivera as General Manager of the Radomiro Tomic Division, effective on October 01, 2022

On November 16, 2022, CODELCO announced the resignation of Marcos Bastías Villablanca as Vice President of Projects effective on November 30, 2022. In consideration of the above, CODELCO announced the appointment of Francisco Carrasco Jerez as acting Vice President of Projects from December 01, 2022 to December 11, 2022 and the appointment of Julio Cuevas Ross as Vice President of Projects effective on December 12, 2022.

On December 05, 2022, CODELCO announced the appointment of Nicole Porcile Yanine as Vice President of Corporate Affairs & Sustainability effective on December 12, 2022.

Directors and Executive Officers

The following table sets forth the current directors and executive officers of CODELCO and their positions:

Name	Position
Directors	
Máximo Pacheco Matte	Chairman(1)(2)
Juan Enrique Morales Jaramillo	Director(3)(4)
Patricia Núñez Figueroa	Director(3)(5)
Isidoro Palma Penco	Director(3)(4)
Josefina Montenegro Araneda	Director(1)(2)
Pedro Pablo Errázuriz Domínguez	Director(3)(5)
Nelson Cáceres Hernández	Director(2)(6)
Alejandra Wood Huidobro	Director(1)(2)
Executive Officers	
André Sougarret Larroquete	Chief Executive Officer and Executive President
Alejandro Rivera Stambuck	Chief Financial Officer and acting Vice President – Productivity and Costs
Mary Carmen Llano Aranzasti	Vice President – Human Resources
Carlos Alvarado Hernández	Vice President of Sales
Julio Cuevas Ross	Vice President – Projects
Patricio Vergara Lara	Vice President – Mining Resources Management and Development
Nicole Porcile Yanine	Vice President – Corporate Affairs & Sustainability
Alvaro García González	Vice President – Technology
José Sanhueza Reyes	Vice President of Smelters and Refineries
Alejandro Sanhueza Díaz	Head of Finance
María Susana Rioseco Zorn	Acting General Counsel
Raúl Puerto Mendoza	General Auditor
Mauricio Barraza Gallardo	Vice President – Central Southern Operations
Nicolás Rivera Rodríguez	Vice President – Northern Operations
Christian Caviedes Núñez	General Manager – Chuquicamata Division
Julio Díaz Rivera	General Manager – Radomiro Tomic Division
Francisco Balsebre Olaran	General Manager – Mina Ministro Hales Division
Gonzalo Lara Skiba	General Manager – Gabriela Mistral Division
Christian Toutin	General Manager – Salvador Division
Ricardo Weishaupt Hidalgo	General Manager – Ventanas Division
Andrés Music Garrido	General Manager – El Teniente Division
Lindor Quiroga Bugueño	General Manager – Andina Division

(1) Directly appointed by the President of Chile.

(2) Term expires May 2026.

(3) Appointed by the President of Chile from a short list presented by the Council of Senior Public Management (*Consejo de la Alta Dirección Pública*).

(4) Term expires May 2023.

(5) Term expires May 2025.

(6) Appointed by the President of Chile from a short list presented by Unions

There is no family relationship between any director or executive officer and any other director or executive officer. The business address for the executives and directors is Huérfanos 1270, 6th floor, Santiago, Chile, postal code 8340424. No executive holds a position as an employee outside of CODELCO.

Committees of the Board of Directors

Audit, Benefits and Ethics Committee (Comité de Auditoría, Compensaciones y Ética)

CODELCO's audit, benefits and ethics committee consists of Isidoro Palma Penco (Chair), Juan Enrique Morales Jaramillo (Vice Chair), Patricia Núñez Figueroa and Pedro Pablo Errázuriz Domínguez, who may invite others to assist in its work. The audit, benefits and ethics committee's primary responsibility is to support the Board of Directors by providing and improving internal controls by reviewing transactions with related parties and the work of CODELCO's internal audit department. The committee also analyzes and reviews the work and reports of the external auditors. The committee is also responsible for analyzing observations made by Chilean regulatory entities and for recommending measures to be taken by the management in response. CODELCO's audit, benefits and ethics committee is not subject to the independence and other requirements to which U.S. public companies are subject.

Projects and Investment Committee (Comité de Proyectos y Financiamiento de Inversiones)

The projects and investment committee consists of Pedro Pablo Errázuriz Domínguez (Chair), Patricia Núñez Figueroa (Vice Chair), Isidoro Palma Penco, Josefina Montenegro Araneda and Nelson Cáceres Hernández This committee analyzes and recommends major mining development projects and financing of these projects.

Management Committee (Comité de Gestión)

The management committee consists of Pedro Pablo Errázuriz Domínguez (Chair), Patricia Núñez Figueroa (Vice Chair), Isidoro Palma Penco, Alejandra Wood Huidobro and Nelson Cáceres Hernández The committee is primarily responsible for the management of the Company's divisions and key projects. It also reviews and evaluates the performance of subsidiaries and affiliated companies.

Sustainability Committee (Comité de Sustentabilidad)

The sustainability committee consists of Alejandra Wood Huidobro (Chair), Nelson Cáceres Hernández (Vice Chair), Patricia Núñez Figueroa, Josefina Montenegro Araneda and Pedro Pablo Errázuriz Domínguez, The committee advises the Board of Directors with respect to matters of sustainability, providing assistance to the Board of Directors in the Company's sustainability policies and goals as well as analyzing the efficacy of the Company's policies and management systems in the areas of health, safety and the environment.

Science, Technology and Innovation Committee (Comité de Ciencias, Tecnología e Innovación)

The science, technology and innovation committee consists of Josefina Montenegro Araneda (Chair), Alejandra Wood Huidobro (Vice Chair), Pedro Pablo Errázuriz Domínguez, Juan Enrique Morales Jaramillo, and Nelson Cáceres Hernández. This committee was formed in 2016 and discusses the challenges facing the corporation with respect to science and technology.

RELATED PARTY TRANSACTIONS

In the ordinary course of its business, CODELCO engages in a variety of transactions on arm's-length terms with certain related parties. For information regarding these transactions, see note 3 to the Consolidated Financial Statements.

In its dealings with Cyprus El Abra Corporation (a subsidiary of Freeport-McMoRan Inc.), the partner in SCM El Abra, CODELCO acts through a subsidiary, as agent. CODELCO does not sell copper to Nordeutsche Affinerie Group, its partner in Deutsche Giessradht GmbH.

Pursuant to Article 147 of the Law No. 18,046 on Corporations (the "Corporations Act"), CODELCO may only enter into operations with related parties if its intent is to benefit the corporate interest, if its price, terms and conditions are consistent with those prevailing in the market when approved, and if it follows certain requirements and procedures established by the law.

According to Article 146 of the Corporations Act, as amended, "operations with related parties" of CODELCO include any and all negotiations, acts, contracts or operations in which the Company must take part, as well as:

(i) one or more related persons to the Company, pursuant to the definition contained in Article 100 of Law No. 18,045 (the "Securities Market Law," as amended);

(ii) a board member, manager, a main executive or a liquidator of CODELCO, acting directly or on behalf of any persons other than the Company, or their respective spouses or relatives up to the second degree (consanguinity or affinity);

(iii) a corporation or partnership in which one of the persons mentioned in (ii) above are direct or indirect owners of 10% or more of its capital, board members, managers or main executives;

(iv) those persons specifically established under CODELCO's bylaws or reasonably identified by the Directors' Committee, as applicable, even if the transaction with such persons (a) is not of a relevant amount, (b) is conducted on a regular basis (as per the regularity policy determined by the Board of Directors of CODELCO) or (c) is entered into with a subsidiary of CODELCO in which the Company holds a direct or indirect ownership interest of at least 95%; and

(v) any company in which a board member, manager or main executive of CODELCO has served as a board member, manager, main executive or liquidator, during the last 18 months.

Article 100 of the Securities Market Law provides that the following persons constitute a related party: (i) the other entities of the business conglomerate to which a company belongs; (ii) parents, subsidiaries and equity-method investors and investees of a company; (iii) all directors, managers, officers and liquidators of a company, and their spouses or blood relatives to the second degree, or any entity controlled, directly or indirectly, by any of the abovementioned individuals; (iv) any person that, by their own actions or with other persons under a joint action agreement, may appoint at least one member of the management of a company or controls 10% or more of the capital or voting capital of a stock company; and (v) other entities or persons deemed a related party by the CMF.

The rules, requirements and procedures to approve operations with related parties apply both to the operations of CODELCO as well as to those of its subsidiaries, regardless of their legal nature, except for some exemptions set forth in Article 147 of the Corporations Act in which related-party transaction may be executed without the requirements referred to above, with the prior approval of the Board of Directors.

The breach of any of the restrictions on related party transactions will not affect the validity of the transaction. However, CODELCO or the President of Chile may demand from the breaching party, the reimbursement for an amount equivalent to the benefits gained by the breaching party resulting from the transaction.

Additionally, CODELCO or the President of Chile may claim damages. Finally, the breaching party bears the burden of proof that the transaction was carried out according to the law.

CODELCO's policy for transactions with related parties is defined and governed by a specific internal regulation created pursuant to general policies established by the Board of Directors and in connection with the guidance provided by Decree Law No. 1,350 and the Corporations Act. CODELCO's internal regulation prescribes the manner in which transactions between CODELCO and related entities must be carried out and provides for sanctions if the requirements of the regulation are not met.

FOREIGN INVESTMENT AND EXCHANGE CONTROLS IN CHILE

As a general matter, the Central Bank of Chile is, among other things, responsible for monetary policies and for exchange controls in Chile. Most Chilean companies must inform the Central Bank of any international issue of bonds and if the proceeds of the issuance are not left abroad, should be brought into Chile through a bank or other participant in the Formal Exchange Market. Article 23 of Decree Law No. 1,350 provides that CODELCO has an obligation to return the total proceeds of its exports to Chile, but has no obligation to convert such proceeds to Chilean pesos beyond its peso requirements. These proceeds from its exports are deposited at the Central Bank of Chile, and withdrawals against such foreign exchange deposits are made to cover CODELCO's expenses. As a result, CODELCO does not require foreign exchange approval in connection with the issuance or placement of, or payments upon the notes. See "Regulatory Framework—Payment of Obligations."

DESCRIPTION OF NOTES

The notes will be issued pursuant to an indenture, dated as of February 5, 2019 (the "base indenture"), among CODELCO, The Bank of New York Mellon, as trustee, paying agent, transfer agent and registrar (the "trustee"), and The Bank of New York Mellon SA/NV, Luxembourg Branch, as Luxembourg paying agent, as amended and supplemented by the eleventh supplemental indenture, dated as of February 2, 2023 (together with the base indenture, the "indenture"), between CODELCO and the trustee.

The following description of certain provisions of the notes and of the indenture is subject to and is qualified in its entirety by reference to the provisions of the notes and the indenture, copies of which will be available for inspection at the office of the trustee at 240 Greenwich Street, New York, New York 10286. CODELCO urges you to read the indenture because it, and not this description, defines your rights as holders of the notes issued under the indenture.

General

The notes will be issued by CODELCO, and CODELCO will be liable therefor and obligated to perform all covenants and agreements to be performed by CODELCO pursuant to the notes and the indenture, including the obligations to pay principal, interest and Additional Amounts (as defined below under "Payment of Additional Amounts"), if any. The trustee under the indenture is The Bank of New York Mellon (the "trustee," which term shall include any successor trustee under the indenture).

The indenture provides for the issuance by CODELCO from time to time of notes in one or more series up to an aggregate principal amount of notes as from time to time may be authorized by CODELCO, subject to all required government authorizations. Notes having the same date of maturity and Interest Payment Dates (as defined below), payable in the same currency, bearing interest at the same rate and the terms of which are otherwise identical, are referred to as a "series."

The notes will bear interest at the applicable rate per annum set forth on the cover page of this offering memorandum from the date of issuance or from the most recent Interest Payment Date to which interest has been paid or provided for. Interest on the notes will be payable semi-annually in arrears on February 2 and August 2 of each year, commencing on August 2, 2023, or, if any such date is not a Business Day (as defined below), on the next succeeding Business Day (each an "Interest Payment Date") to the person or persons (each, a "Holder") in whose name such notes are registered in the Security Register (as defined below) at the close of business on January 18 and July 18, respectively, preceding such Interest Payment Dates (each a "Record Date"). Interest on the notes will be calculated on the basis of a 360-day year of twelve 30-day months. For the purposes hereof, the term "Business Day" means a day on which banks in The City of New York are not authorized or required by law or executive order to be closed.

Moneys paid by CODELCO to the trustee or any paying agent for the payment of principal of (and premium, if any) or interest on any of the notes and remaining unclaimed at the end of two years after the date on which such principal (and premium, if any) or interest shall have become due and payable (whether at maturity, upon call for redemption or otherwise) shall, together with interest made available for payment thereof, be repaid to CODELCO, whereupon all liability of the trustee or such paying agent with respect to such moneys shall cease.

The notes will mature on February 2, 2033. The notes will not be redeemable prior to maturity except as described below and in the event of certain developments affecting taxation, in that case at a price equal to the outstanding principal amount thereof, together with any Additional Amounts and accrued interest to the redemption date. On the maturity date of the notes, CODELCO will be required to pay 100% of the then outstanding principal amount of the notes plus accrued and unpaid interest thereon and Additional Amounts, if any.

Ranking

The notes will constitute direct, general, unsecured, unconditional and unsubordinated obligations of CODELCO. The notes rank and will rank without any preference among them and equally with all other unsecured and unsubordinated obligations of CODELCO, other than certain obligations granted preferential treatment pursuant to Chilean law. It is understood that this provision will not be construed so as to require CODELCO to make payments under the notes ratably with payments being made under any other obligations. The indenture contains no restriction on the amount of additional indebtedness which may be incurred by CODELCO or its subsidiaries; however, as set forth under "—Limitation on Liens" below, the indenture contains certain restrictions on the ability of CODELCO and its subsidiaries to incur secured indebtedness.

Registration, Form and Delivery

The trustee will initially act as paying agent, transfer agent and registrar for the notes. The notes will be issued upon the closing of this offering in definitive, fully registered form, without coupons, in denominations of U.S.$200,000 principal amount at maturity and multiples of U.S.$1,000 in excess thereof. The notes will be exchangeable, and transfers thereof will be registrable, at the office of the registrar for the notes. No charge will be made to holders of the notes in connection with any exchange or registration of transfer, but CODELCO may require payment of a sum sufficient to cover any tax or other governmental charge payable in that connection.

The trustee will maintain at its office in the City of New York, currently located at 240 Greenwich Street, New York, New York 10286, a security register (the "Security Register") with respect to the notes. The name and address of the registered Holder of each note and the amount of each note will be recorded in the applicable Security Register, and the trustee and CODELCO may treat the person in whose name the note is registered as the owner of such note for all purposes. For so long as the notes are represented by one or more Global Notes (as defined below), the registered owner of a Global Note, in accordance with the terms of the indenture, may be treated at all times and for all purposes by CODELCO and the trustee as the sole owner with respect to such notes, with respect to all payments on the notes and for all other purposes under the terms of the notes and the indenture.

The notes are being offered and sold in connection with the initial offering thereof solely to "qualified institutional buyers," as that term is defined in Rule 144A under the Securities Act, pursuant to Rule 144A, and in offshore transactions to persons other than "U.S. persons," as defined in Regulation S under the Securities Act, in reliance on Regulation S. Following the initial offering of the notes, the notes may be resold to qualified institutional buyers pursuant to Rule 144A, non-U.S. persons in reliance on Regulation S and pursuant to Rule 144 under the Securities Act, as described under "Transfer Restrictions."

The Global Notes

Rule 144A Global Note

The notes offered and sold to qualified institutional buyers pursuant to Rule 144A will initially be issued in the form of one or more registered notes in global form, without interest coupons. The Rule 144A Global Notes will be deposited on the date of the closing of the sale of the notes with, or on behalf of, The Depository Trust Company ("DTC"), and registered in the name of Cede & Co., as nominee of DTC, or will remain in the custody of the trustee as custodian for DTC. Interests in the Rule 144A Global Note will be available for purchase only by qualified institutional buyers.

Regulation S Global Note

The notes offered and sold in offshore transactions to non-U.S. persons in reliance on Regulation S under the Securities Act will initially be issued in the form of one or more registered notes in global form, without interest coupons. The Regulation S Global Notes will be deposited upon issuance with, or on behalf of, a custodian for DTC.

Except as set forth below, the Rule 144A Global Note and the Regulation S Global Note (collectively, the "Global Notes") may be transferred, in whole and not in part, solely to another nominee of DTC or to a successor of DTC or its nominee. Beneficial interests in the Global Notes may not be exchanged for notes in physical, certificated form (referred to as "certificated notes") except in the limited circumstances described below.

The notes will be subject to certain restrictions on transfer and will bear a restrictive legend as set forth under "Transfer Restrictions."

All interests in the Global Notes are subject to the procedures and requirements of DTC. Those interests held through Euroclear or Clearstream are subject to the procedures and requirements of such systems.

Euroclear and Clearstream will hold interests in the Global Notes on behalf of their participants through customers' securities accounts in their respective names on the books of their respective depositaries. Such depositaries, in turn, will hold such interests in the Global Notes in customers' securities accounts in the depositaries' names on the books of DTC.

Exchanges Among the Global Notes

Prior to the 40th day after the later of the commencement of the offering of the notes and the date of the closing of the sale of the notes (the period through and including the 40th day, the "restricted period"), transfers by an owner of a beneficial interest in the Regulation S Global Note to a transferee who takes delivery of this interest through the corresponding Rule 144A Global Note will be made only in accordance with applicable procedures and upon receipt by the trustee of a written certification from the transferor of the beneficial interest in the form provided in the indenture to the effect that such transfer is being made to a person whom the transferor reasonably believes is a qualified institutional buyer within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A. Such written certification will no longer be required after the expiration of the restricted period.

Transfers by an owner of a beneficial interest in the Rule 144A Global Note to a transferee who takes delivery of such interest through the corresponding Regulation S Global Note, whether before or after the expiration of the restricted period, will be made only upon receipt by the trustee of a certification from the transferor to the effect that such transfer is being made in accordance with Regulation S under the Securities Act.

Any beneficial interest in one of the Global Notes that is transferred to a person who takes delivery in the form of an interest in another Global Note will, upon transfer, cease to be an interest in such Global Note and become an interest in the other Global Note and, accordingly, will thereafter be subject to all transfer restrictions, if any, and other procedures applicable to beneficial interests in such other Global Note for as long as it remains such an interest.

Certain Book-Entry Procedures for the Global Notes

The descriptions of the operations and procedures of DTC, Euroclear and Clearstream set forth below are provided solely as a matter of convenience. These operations and procedures are solely within the control of the respective settlement systems and are subject to change by them from time to time. Neither CODELCO nor the initial purchasers take any responsibility for these operations or procedures, and investors are urged to contact the relevant system or its participants directly to discuss these matters.

DTC has advised CODELCO that it is (i) a limited purpose trust company organized under the laws of the State of New York, (ii) a "banking organization" within the meaning of the New York Banking Law, (iii) a member of the Federal Reserve System, (iv) a "clearing corporation" within the meaning of the Uniform Commercial Code, as amended, and (v) a "clearing agency" registered pursuant to Section 17A of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). DTC was created to hold securities for its participants and facilitates the clearance and settlement of securities transactions between participants through electronic book-entry changes to the accounts of its participants, thereby eliminating the need for physical transfer and delivery of certificates. DTC's participants include securities brokers and dealers (including the initial purchasers), banks and trust companies, clearing corporations and certain other organizations. Indirect access to DTC's system is also available to other entities such as banks, brokers, dealers and trust companies, or indirect participants that clear through or maintain a custodial relationship with a participant, either directly or indirectly. Investors who are not participants may beneficially own securities held by or on behalf of DTC only through participants or indirect participants.

CODELCO expects that pursuant to procedures established by DTC (i) upon deposit of each Global Note, DTC will credit the accounts of participants designated by the initial purchasers with an interest in the Global Note and (ii) ownership of the notes will be shown on, and the transfer of ownership thereof will be effected only through, records maintained by DTC (with respect to the interests of participants) and the records of participants and the indirect participants (with respect to the interests of persons other than participants).

The laws of some jurisdictions may require that certain purchasers of securities take physical delivery of such securities in definitive form. Accordingly, the ability to transfer interests in the notes represented by a Global Note to such persons may be limited. In addition, because DTC can act only on behalf of its participants, who in turn act on behalf of persons who hold interests through participants, the ability of a person having an interest in notes represented by a Global Note to pledge or transfer such interest to persons or entities that do not participate in DTC's system, or to otherwise take actions in respect of such interest, may be affected by the lack of a physical definitive security in respect of such interest.

So long as DTC or its nominee is the registered owner of a Global Note, DTC or such nominee, as the case may be, will be considered the sole owner or holder of the notes represented by the Global Note for all purposes under the indenture. Except as provided below, owners of beneficial interests in a Global Note will not be entitled to have notes represented by such Global Note registered in their names, will not receive or be entitled to receive physical delivery of certificated notes, and will not be considered the owners or holders thereof under the indenture for any purpose, including with respect to the giving of any direction, instruction or approval to the trustee thereunder. Accordingly, each holder owning a beneficial interest in a Global Note must rely on the procedures of DTC and, if such holder is not a participant or an indirect participant, on the procedures of the participant through which such holder owns its interest, to exercise any rights of a holder of notes under the indenture or such Global Note. CODELCO understands that under existing industry practice, in the event that CODELCO requests any action of holders of notes, or a holder that is an owner of a beneficial interest in a Global Note desires to take any action that DTC, as the holder of such Global Note, is entitled to take, DTC would authorize the participants to take such action and the participants would authorize holders owning through such participants to take such action or would otherwise act upon the instruction of such holders. Neither CODELCO nor the trustee will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, notes by DTC, or for maintaining, supervising or reviewing any records of DTC relating to such notes.

Payments with respect to the principal of, premium, if any, and interest on any notes represented by a Global Note registered in the name of DTC or its nominee on the applicable Record Date will be payable by the trustee to or at the direction of DTC or its nominee in its capacity as the registered holder of the Global Note representing such notes under the indenture. Under the terms of the indenture, CODELCO and the trustee may treat the persons in whose names the notes, including the Global Notes, are registered as the owners thereof for the purpose of receiving payment thereon and for any and all other purposes whatsoever. Accordingly, neither CODELCO nor the trustee has or will have any responsibility or liability for the payment of such amounts to owners of beneficial interests in a Global Note (including principal, premium, if any, and interest). Payments by the participants and the indirect participants to the owners of beneficial interests in a Global Note will be governed by standing instructions and customary industry practice and will be the responsibility of the participants or the indirect participants and DTC.

Transfers between participants in DTC will be effected in accordance with DTC's procedures, and will be settled in same-day funds. Transfers between participants in Euroclear or Clearstream will be effected in the ordinary way in accordance with their respective rules and operating procedures.

Subject to compliance with the transfer restrictions applicable to the notes, cross-market transfers between the participants in DTC, on the one hand, and Euroclear or Clearstream participants, on the other hand, will be effected through DTC in accordance with DTC's rules on behalf of Euroclear or Clearstream, as the case may be, by its respective depositary. However, such cross-market transactions will require delivery of instructions to Euroclear or Clearstream, as the case may be, by the counterparty in such system in accordance with the rules and procedures and within the established deadlines of such system. Euroclear or Clearstream, as the case may be, will, if the transaction meets its settlement requirements, deliver instructions to its respective depositary to take action to effect final settlement on its behalf by delivering or receiving interests in the relevant Global Notes in DTC, and making or receiving payment in accordance with normal procedures for same-day funds settlement applicable to DTC. Euroclear participants and Clearstream participants may not deliver instructions directly to the depositaries for Euroclear or Clearstream.

Because of time zone differences, the securities account of a Euroclear or Clearstream participant purchasing an interest in a Global Note from a participant in DTC will be credited, and any such crediting will be reported to the relevant Euroclear or Clearstream participant, during the securities settlement processing day (which must be a business day for Euroclear and Clearstream) immediately following the settlement date of DTC. Cash received in Euroclear or Clearstream as a result of sales of interest in a global security by or through a Euroclear or Clearstream participant to a participant in DTC will be received with value on the settlement date of DTC but will be available in the relevant Euroclear or Clearstream cash account only as of the business day for Euroclear or Clearstream following DTC's settlement date.

Although DTC, Euroclear and Clearstream have agreed to the foregoing procedures to facilitate transfers of interests in the Global Notes among participants in DTC, Euroclear and Clearstream, they are under no obligation to perform or to continue to perform such procedures, and such procedures may be discontinued at any time. Neither CODELCO nor the trustee will have any responsibility for the performance by DTC, Euroclear or Clearstream or their respective participants or indirect participants of their respective obligations under the rules and procedures governing their operations.

Certificated Notes

With respect to the notes, if (i) CODELCO notifies the trustee in writing that DTC is no longer willing or able to act as a depositary or DTC ceases to be registered as a clearing agency under the Exchange Act and a successor depositary is not appointed within 90 days of such notice or cessation; (ii) CODELCO, at its option, notifies the trustee in writing that it elects to cause the issuance of notes in definitive form under the indenture; or (iii) upon the occurrence of certain other events as provided in the indenture, then, upon surrender by DTC of the Global Notes, certificated notes will be issued to each person that DTC identifies as the beneficial owner of the notes represented by the Global Notes. Upon any such issuance, the trustee is required to register such certificated notes in the name of such person or persons (or the nominee of any thereof) and cause the same to be delivered thereto.

Neither CODELCO nor the trustee shall be liable for any delay by DTC or any participant or indirect participant in identifying the beneficial owners of the related notes and CODELCO and the trustee may conclusively rely on, and shall be protected in relying on, instructions from DTC for all purposes (including with respect to the registration and delivery, and the respective principal amounts, of the notes to be issued).

Covenants

CODELCO has agreed to restrictions on its activities for the benefit of holders of the notes. The following restrictions will apply to the notes:

Consolidation, Merger, Conveyance, Sale or Lease

Nothing contained in the indenture prevents CODELCO from consolidating with or merging into another corporation or conveying, transferring or leasing its properties and assets substantially as an entirety to any person, *provided* that: (i) the corporation formed by such consolidation or into which CODELCO is merged or the person which acquires by conveyance or transfer, or which leases, the properties and assets of CODELCO substantially as an entirety is a corporation organized and existing under the laws of Chile and expressly assumes, by supplemental indenture, the due and punctual payment of the principal of and interest and Additional Amounts, if any, on all outstanding notes and the performance of every covenant in the indenture on the part of CODELCO to be performed or observed; (ii) immediately after giving effect to such transaction no Event of Default (as defined below), and no event which, after notice or lapse of time or both, would become an Event of Default, shall have happened and be continuing; and (iii) CODELCO has delivered to the trustee an officers' certificate and an opinion of counsel, each stating that such consolidation, merger, conveyance, transfer or lease and such supplemental indenture complies with the foregoing provisions relating to such transaction.

Limitation on Liens

Nothing contained in the indenture restricts or prevents CODELCO or any Restricted Subsidiary (as defined below) from incurring any additional indebtedness; *provided* that neither CODELCO nor any Restricted Subsidiary will (i) issue, assume or guarantee any indebtedness for money borrowed ("Debt") if such Debt is secured by a lien upon, or (ii) directly or indirectly secure any outstanding Debt by a lien upon, any Principal Property (as defined below) or upon any shares of stock of, or indebtedness of, any Restricted Subsidiary, now owned or hereafter acquired, without effectively providing that the notes shall be secured equally and ratably with such Debt, except that the foregoing restrictions shall not apply to (i) liens on any Principal Property acquired, constructed or improved after the date of issuance of the notes to secure or provide for the payment of the purchase price or cost of construction or improvements (including costs such as increased costs due to escalation, interest during construction and similar costs) thereof incurred after the date of the issuance of the notes, or existing liens on property acquired, *provided* such liens shall not apply to any property theretofore owned by CODELCO or any Restricted Subsidiary other than theretofore unimproved real property, (ii) liens on any Principal Property or shares of stock or indebtedness acquired from a corporation merged with or into CODELCO or a Restricted Subsidiary, (iii) liens to secure Debt of a Restricted Subsidiary to CODELCO or another Subsidiary, (iv) the sale or other transfer of any interest in property of the character commonly referred to as a "production payment," (v) liens over any property at the time of acquisition of such property by CODELCO or any of its Restricted Subsidiaries which lien was not (or is not) created in connection with such acquisition, (vi) liens in existence on the date of the offering of the notes, (vii) liens on deposits to secure, or any lien otherwise securing, the performance of bids, statutory obligations, surety bonds, appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business, (viii) liens created on any property to secure Debt incurred in connection with the financing of such property, the repayment of which Debt is to be made from the revenues arising out of, or other proceeds of realization from, such property, with recourse to those revenues and proceeds and other property used in connection with, or forming the subject matter of, such property, but without recourse to any other property of CODELCO or any Restricted Subsidiary and (ix) any extension, renewal or replacement (or successive extensions, renewals or replacements), in whole or in part, of any lien referred to in the foregoing clauses (i) to (iii) or (v), (vi) and (viii), inclusive of any Debt secured thereby, *provided* that the principal amount of Debt so secured thereby shall not exceed the principal amount of Debt so secured at the time of such extension, renewal or replacement and that such extension, renewal or replacement lien shall be limited to all or part of the property which secured the lien extended, renewed or replaced (plus improvements on or additions to such property). Notwithstanding the foregoing, CODELCO and one or more Restricted Subsidiaries may issue, assume or guarantee Debt secured by liens which would otherwise be subject to the foregoing restrictions in an aggregate principal amount which, together with the aggregate outstanding principal amount of all other Debt of CODELCO and its Restricted Subsidiaries that would otherwise be subject to the foregoing restrictions (not including Debt permitted to be secured under clauses (i) through (ix) above) and the aggregate value of the sale-and-lease-back transactions described under "—Limitation on Sale-and-Lease-Back Transactions" below (other than sale-and-lease-back transactions the proceeds of which have been applied as provided in clause (b) under "—Limitation on Sale-and-Lease-Back Transactions" below), does not at the time of issuance, assumption or guarantee thereof exceed 20% of Consolidated Net Tangible Assets.

"Consolidated Net Tangible Assets" means the total of all assets (including reevaluations thereof as a result of commercial appraisals, price level restatement or otherwise) appearing on the consolidated balance sheet of CODELCO and its Subsidiaries as of the then most recent date filed by CODELCO with the CMF, but excluding goodwill, trade names, trademarks, patents, unamortized debt discount and all other like intangible assets (which term shall not be construed to include such reevaluations), less the aggregate of the current liabilities of CODELCO and its Subsidiaries appearing on such balance sheet.

"Principal Property" means any mineral property, concentrator, smelter, refinery or rod mill located within Chile, of CODELCO or any Subsidiary except any such property, plant or facility which the Board of Directors by resolution declares is not of material importance to the total business conducted by CODELCO and its Subsidiaries as an entity.

"Subsidiary" means any corporation more than 50% of the outstanding voting stock of which is owned, directly or indirectly, by CODELCO and of which CODELCO has the power to direct the management.

"Restricted Subsidiary" means (i) any Subsidiary which owns, directly or indirectly, any Principal Property and (ii) any Subsidiary which owns, directly or indirectly, any stock or debt of a Restricted Subsidiary.

Limitation on Sale-and-Lease-Back Transactions

The indenture provides that neither CODELCO nor any Restricted Subsidiary will enter into any arrangement with any person (other than CODELCO or a Restricted Subsidiary), or to which any such person is a party, providing for the leasing to CODELCO or a Restricted Subsidiary for a period of more than three years of any property or assets which has been or is to be sold or transferred by CODELCO or such Restricted Subsidiary to such person or to any person (other than CODELCO or a Restricted Subsidiary) to which funds have been or are to be advanced by such person on the security of the leased property or assets unless either (i) CODELCO or such Restricted Subsidiary would be entitled, pursuant to the provisions described under "—Limitation on Liens" above, to incur Debt in a principal amount equal to or exceeding the value of such sale-and-lease-back transaction, secured by a lien on the property or assets to be leased, without equally and ratably securing the notes, or (ii) CODELCO, during or immediately after the expiration of six months after the effective date of such transaction (whether made by CODELCO or a Restricted Subsidiary), applies to the voluntary retirement of indebtedness of CODELCO (including the notes) maturing by its terms more than one year after the original creation thereof ("Funded Debt") an amount equal to the value of such transaction, less an amount equal to the sum of (a) the principal amount of notes delivered, within six months after the effective date of such arrangement, to the trustee for retirement and cancellation and (b) the principal amount of other Funded Debt voluntarily retired by CODELCO within such six-month period, in each case excluding retirements of notes and other Funded Debt as a result of conversions or pursuant to mandatory sinking fund or mandatory prepayment provisions or by payment at maturity.

Periodic Reports

CODELCO will furnish, to the noteholders and to prospective purchasers of notes, upon request to the trustee, any information required to be delivered pursuant to Rule 144A(d)(4) under the Securities Act so long as the notes are not freely transferable under the Securities Act.

Events of Default

An Event of Default with respect to the notes is defined in the indenture as being any of the following (each an "Event of Default"): (i) default for 30 days in payment of any interest on the notes; (ii) default in payment of principal of the notes; (iii) default in the performance, or breach, of any covenant or warranty or obligation of CODELCO in the indenture and continuance of such default or breach for a period of 60 days after written notice is given to CODELCO by the trustee or to CODELCO and the trustee by the holders of at least 33 1/3% in aggregate principal amount of the notes; (iv) default under any bond, debenture, note or other evidence of indebtedness for money borrowed, or under any mortgage, indenture or instrument under which there may be issued or by which there may be secured or evidenced any indebtedness for money borrowed by CODELCO or any Subsidiary, whether such indebtedness now exists or shall hereafter be created, in an aggregate principal amount exceeding U.S.$50.0 million (or its equivalent in any other currency or currencies) which default (x) shall constitute the failure to pay any portion of the principal of such indebtedness when due and payable, whether at maturity, upon redemption or acceleration or otherwise, or (y) shall have resulted in such indebtedness becoming or being declared due and payable prior to the date on which it would otherwise become due and payable, in either case, if such default shall continue for more than 30 Business Days and within such 30 Business Days the time for payment of such amount has not been expressly extended (provided that if such default under such indenture or instrument shall be remedied or cured by CODELCO or waived by the holders of such indebtedness, then the event of default with respect to the notes shall be deemed likewise to have been remedied, cured or waived); and (v) certain events of bankruptcy or insolvency of CODELCO or any Significant Subsidiary. "Significant Subsidiary" is defined in the indenture as a Subsidiary, the total assets of which exceed 10% of the total assets of CODELCO and its subsidiaries on a consolidated basis as of the end of the most recently completed year. The trustee shall not be charged with knowledge of any Event of Default with respect to the notes unless a written notice of such default or Event of Default shall have been given to an officer of the trustee who has direct responsibility for the administration of the indenture and the notes by CODELCO or any holder of notes.

The indenture provides that (i) if an Event of Default (other than an Event of Default described in clause (v) above) shall have occurred and be continuing with respect to the notes, either the trustee or the holders of not less than $33^1/_3$% of the total principal amount of the notes of such series then outstanding may declare the principal of all such outstanding notes and the interest accrued thereon, if any, to be due and payable immediately and (ii) if an Event of Default described in clause (v) above shall have occurred, the principal of all such outstanding notes and the interest accrued thereon, if any, shall become and be immediately due and payable without any declaration or other act on the part of the trustee or any holder of such notes. The indenture provides that the notes owned by CODELCO or any of its affiliates shall be deemed not to be outstanding for certain purposes, including declaring the acceleration of the maturity of the notes. Upon the satisfaction by CODELCO of certain conditions, including (i) the payment of all fees and expenses of the trustee, (ii) CODELCO's deposit with the trustee of a sum sufficient to pay all outstanding amounts then due on the applicable notes (other than principal due by virtue of the acceleration) together with interest on such amounts through the date of the deposit and (iii) all Events of Default (other than non-payment of principal that became due by virtue of the acceleration upon the event of default) have been cured or waived, the declaration described in clause (i) of this paragraph may be annulled by the holders of a majority of the total principal amount of the applicable notes then outstanding. Past defaults, other than non-payment of principal, interest and compliance with certain covenants, may be waived by the holders of a majority of the total principal amount of the applicable notes outstanding.

The trustee must give to the holders of the notes notice of all uncured defaults known to it with respect to the notes within 30 days after a Responsible Officer of the trustee has received written notification of such a default (unless such default shall have been cured); *provided, however,* that, except in the case of default in the payment of principal, interest or Additional Amounts, the trustee shall be protected in withholding such notice if it in good faith determines that the withholding of such notice is in the interest of the holders of the notes. "Responsible Officer" is defined in the indenture as any officer of the trustee with direct responsibility for the administration of the indenture and, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

No holder of notes may institute any proceeding, judicial or otherwise, under the indenture unless (i) such holder shall have given the trustee written notice of a continuing Event of Default with respect to the notes of that series, (ii) the holders of not less than 33⅓% of the total principal amount of the notes of that series then outstanding shall have made written request to the trustee to institute proceedings in respect of the Event of Default, (iii) such holder or holders shall have offered the trustee such reasonable indemnity as the trustee may require, (iv) the trustee shall have failed to institute an action for 60 days thereafter and (v) no inconsistent direction shall have been given to the trustee during such 60-day period by the holders of a majority of the total principal amount of the notes of such series. Such limitations, however, do not apply to any suit instituted by a holder of a note for enforcement of payment of the principal or interest on the notes on or after the respective stated maturity expressed in such notes.

The indenture provides that, subject to the duty of the trustee during default to act with the required standard of care, the trustee will be under no obligation to exercise any of its rights or powers under the indenture at the request or direction of any holders of the notes, unless such holders shall have offered to the trustee reasonable indemnity.

CODELCO is required to furnish to the trustee annually a statement as to the performance by CODELCO of certain of its obligations under the indenture and as to any default in such performance.

Payment of Additional Amounts

All payments of principal and stated interest under the notes by CODELCO will be made without deduction or withholding for or on account of any present or future taxes, assessments, duties or governmental charges of whatever nature imposed or levied by or on behalf of Chile or any political subdivision or territory or possession thereof or therein (the "Taxing Jurisdiction") unless the withholding or deduction of such taxes, assessments, duties or governmental charges is required by law or regulation or by the official interpretation thereof. In that event, CODELCO will pay to each Holder of a note such additional amounts ("Additional Amounts") as may be necessary in order that each net payment on such note after such deduction or withholding will not be less than the amount provided for in such note to be then due and payable; *provided, however*, that the foregoing obligation to pay Additional Amounts will not apply to:

> (i) any tax, assessment, duty or other governmental charge that would not have been so deducted or withheld but for (i) the existence of any present or former connection between the Holder or the beneficial owner of the note (or between a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of a power over, such Holder or beneficial owner, if such Holder or beneficial owner is an estate, trust, partnership or corporation) and the Taxing Jurisdiction imposing such tax, assessment, duty or other governmental charge (including, without limitation, such Holder or beneficial owner (or such fiduciary, settler, beneficiary, member, shareholder or possessor) being or having been a citizen or resident thereof or being or having been engaged in a trade or business or present therein or having, or having had, a permanent establishment therein) other than the mere receipt of payments in respect of a note or the holding or ownership of a note or beneficial interest therein; or (ii) the presentation of a note (where presentation is required) for payment on a date more than 30 days after the date on which such payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later;

(ii) any estate, inheritance, gift, sales, transfer, personal property, capital gains, excise or similar tax, assessment, duty or other governmental charge;

(iii) any tax, assessment, duty or other governmental charge that is payable other than by withholding from payments of (or in respect of) principal of, or any interest on, the notes;

(iv) any tax, assessment, duty or other governmental charge that would not have been imposed but for the failure to comply with certification, information or other reporting requirements concerning the nationality, residence or identity of the Holder or beneficial owner of the note, if compliance is required by statute or by regulation of the Taxing Jurisdiction as a precondition to relief or exemption from all or part of such tax, assessment, duty or other governmental charge, or to a reduction in the applicable tax rate, and proper notice has been sent to the Holder or beneficial owner; or

(v) any combination of items (i), (ii), (iii), and (iv) above.

Nor shall Additional Amounts be paid with respect to any payment of the principal of or any interest on any note to any Holder or beneficial owner that is a fiduciary or partnership or other than the sole beneficial owner of such note to the extent such payment would be required by the laws of the Taxing Jurisdiction to be included in the income for tax purposes of a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner who would not have been entitled to such Additional Amounts had it been a Holder of such note.

If CODELCO pays Additional Amounts in respect of the Chilean withholding tax on payments of interest or premium, if any, made by CODELCO in respect of the notes to a Foreign Holder (as defined in "Taxation") assessed at a rate of 4%, and a refund is provided with respect to such withholding tax, CODELCO shall have the right to receive and be entitled to such funds from the relevant Taxing Jurisdiction.

Redemption

CODELCO will not be permitted to redeem the notes before their stated maturity, except as set forth below. The notes will not be entitled to the benefit of any sinking fund—meaning that CODELCO will not deposit money on a regular basis into any separate account to repay your notes. In addition, you will not be entitled to require CODELCO to repurchase your notes from you before the stated maturity.

Optional Redemption

CODELCO may redeem on one or more occasions some or all of the notes before they mature.

Prior to November 2, 2032 (three months prior to their maturity date) (the "Par Call Date"), CODELCO may redeem the notes at its option, in whole or in part, at any time and from time to time, at a redemption price (expressed as a percentage of principal amount and rounded to three decimal places) equal to the greater of:

(1) (a) the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the redemption date (assuming the notes matured on the Par Call Date) on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 25 basis points less (b) interest accrued to the date of redemption, and

(2) 100% of the principal amount of the notes to be redeemed,

plus, in either case, accrued and unpaid interest thereon to the redemption date.

On or after the Par Call Date, CODELCO may redeem the notes, in whole or in part, at any time and from time to time, at a redemption price equal to 100% of the principal amount of the notes being redeemed plus accrued and unpaid interest thereon to the redemption date.

"Treasury Rate" means, with respect to any redemption date, the yield determined by CODELCO in accordance with the following two paragraphs.

The Treasury Rate shall be determined by CODELCO after 4:15 p.m., New York City time (or after such time as yields on U.S. government securities are posted daily by the Board of Governors of the Federal Reserve System), on the third Business Day preceding the redemption date based upon the yield or yields for the most recent day that appear after such time on such day in the most recent statistical release published by the Board of Governors of the Federal Reserve System designated as "Selected Interest Rates (Daily) - H.15" (or any successor designation or publication) ("H.15") under the caption "U.S. government securities–Treasury constant maturities–Nominal" (or any successor caption or heading). In determining the Treasury Rate, CODELCO shall select, as applicable: (1) the yield for the Treasury constant maturity on H.15 exactly equal to the period from the redemption date to the Par Call Date (the "Remaining Life"); or (2) if there is no such Treasury constant maturity on H.15 exactly equal to the Remaining Life, the two yields – one yield corresponding to the Treasury constant maturity on H.15 immediately shorter than and one yield corresponding to the Treasury constant maturity on H.15 immediately longer than the Remaining Life – and shall interpolate to the Par Call Date on a straight-line basis (using the actual number of days) using such yields and rounding the result to three decimal places; or (3) if there is no such Treasury constant maturity on H.15 shorter than or longer than the Remaining Life, the yield for the single Treasury constant maturity on H.15 closest to the Remaining Life. For purposes of this paragraph, the applicable Treasury constant maturity or maturities on H.15 shall be deemed to have a maturity date equal to the relevant number of months or years, as applicable, of such Treasury constant maturity from the redemption date.

If on the third Business Day preceding the redemption date H.15 or any successor designation or publication is no longer published, CODELCO shall calculate the Treasury Rate based on the rate per annum equal to the semi-annual equivalent yield to maturity at 11:00 a.m., New York City time, on the second Business Day preceding such redemption date of the United States Treasury security maturing on, or with a maturity that is closest to, the Par Call Date, as applicable. If there is no United States Treasury security maturing on the Par Call Date but there are two or more United States Treasury securities with a maturity date equally distant from the Par Call Date, one with a maturity date preceding the Par Call Date and one with a maturity date following the Par Call Date, CODELCO shall select the United States Treasury security with a maturity date preceding the Par Call Date. If there are two or more United States Treasury securities maturing on the Par Call Date or two or more United States Treasury securities meeting the criteria of the preceding sentence, CODELCO shall select from among these two or more United States Treasury securities the United States Treasury security that is trading closest to par based upon the average of the bid and asked prices for such United States Treasury securities at 11:00 a.m., New York City time. In determining the Treasury Rate in accordance with the terms of this paragraph, the semi-annual yield to maturity of the applicable United States Treasury security shall be based upon the average of the bid and asked prices (expressed as a percentage of principal amount) at 11:00 a.m., New York City time, of such United States Treasury security, and rounded to three decimal places.

CODELCO's actions and determinations in determining the redemption price shall be conclusive and binding for all purposes, absent manifest error. CODELCO will notify the trustee of the redemption price promptly after the calculation thereof and the trustee shall have no duty to determine, or verify the calculation of, the redemption price.

Notice of any redemption will be mailed or electronically delivered (or otherwise transmitted in accordance with the depositary's procedures) at least 10 days but not more than 60 days before the redemption date to each holder of notes to be redeemed. For so long as the notes are listed on the Luxembourg Stock Exchange and the rules of the Euro MTF market so require, CODELCO will cause notices of redemption to be announced through the Luxembourg Stock Exchange.

In the case of a partial redemption, selection of definitive notes for redemption will be made by lot. No notes of a principal amount of US$1,000 or less will be redeemed in part. If any note in definitive form is to be redeemed in part only, the notice of redemption that relates to such note will state the portion of the principal amount of the note to be redeemed. A new definitive note in a principal amount equal to the unredeemed portion of such note will be issued in the name of the holder of such note upon surrender for cancellation of the original definitive note. For so long as the notes are held by DTC (or another depositary), the redemption of the notes shall be done in accordance with the policies and procedures of the depositary, which may be made on a pro rata pass-through distribution of principal basis.

Unless CODELCO defaults in payment of the redemption price, on and after the redemption date interest will cease to accrue on the notes or portions thereof called for redemption.

Tax Redemption

The notes may be redeemed at the election of CODELCO, in whole, but not in part, by the giving of notice as provided in "—Notices" below (which notice shall be irrevocable), at a price equal to the outstanding principal amount thereof, together with any Additional Amounts and accrued and unpaid interest to the redemption date, if, as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder, including a holding by a court of competent jurisdiction) of the Taxing Jurisdiction, or any change in the official application, administration or interpretation of such laws, regulations or rulings in such Taxing Jurisdiction, CODELCO has or will become obligated to pay Additional Amounts on the applicable notes in excess of the Additional Amounts that would be payable were payments of interest on the notes subject to the 4% of Chilean Interest Withholding Tax, as defined below ("Excess Additional Amounts"), and if such change or amendment is announced or becomes effective on or after the date of the agreement to purchase the notes and such obligation cannot be avoided by CODELCO taking measures it considers reasonable and that are available to it (for this purpose, reasonable measures shall not include any change in CODELCO's or any successor's jurisdiction of incorporation or organization or location of its principal executive or registered office); *provided, however*, that no such notice of redemption shall be given earlier than 60 days prior to the earliest date on which CODELCO would be obligated to pay such Excess Additional Amounts, were a payment in respect of the notes then due. Prior to the giving of notice of redemption of such notes, CODELCO will deliver to the trustee an officers' certificate and a written opinion of recognized Chilean counsel independent of CODELCO to the effect that all governmental approvals necessary for CODELCO to effect such redemption, if any, have been or at the time of redemption will be obtained and in full force and effect and that CODELCO is entitled to effect such a redemption, and setting forth in reasonable detail the circumstances giving rise to such right of redemption. See "Taxation—Chilean Taxation."

Notices

For so long as the notes are outstanding in global form, notices to be given to holders will be given to the depositary, in accordance with its applicable procedures as in effect from time to time. If notes are issued in individual definitive form, notice to holders of the notes will be given by mail to the addresses of such holders as they appear in the security register. In addition, so long as the notes are listed on the Luxembourg Stock Exchange and the rules of such exchange so require, notices will also be published in a leading newspaper having general circulation in Luxembourg (which is expected to be *Luxemburger Wort*) or on the website of the Luxembourg Stock Exchange (www.bourse.lu). Any such notice will be deemed to have been delivered on the date of first publication.

Replacement of Notes

In case of mutilated, destroyed, lost or stolen notes, application for replacement thereof may be made to the trustee or CODELCO. Any such note shall be replaced by the trustee in compliance with such procedures, and on such terms as to evidence and indemnification, as the trustee or CODELCO may require and subject to any applicable law or regulation. All such costs as may be incurred in connection with the replacement of any notes shall be borne by the applicant. Mutilated notes must be surrendered before new ones will be issued.

Modification of the Indenture

CODELCO and the trustee may, without the consent of the holders of notes, amend, waive or supplement the indenture or the notes for certain specified purposes, including among other things: (i) to evidence CODELCO's succession by another corporation, and the assumption by such party of CODELCO's obligations; (ii) to add to CODELCO's covenants or surrender any of its rights or powers for the benefit of all or any series of notes; (iii) to cure any ambiguity, defect or inconsistency in the indenture; (iv) to provide for the issuance of any new series of securities, and/or add to the rights of any holders of any series of notes; (v) to provide for the appointment of a successor trustee; (vi) to add any additional Events of Default for the benefit of any or all series; (vii) to provide for the issuance of securities in bearer form; and (viii) to make any other change to the indenture as shall not adversely affect the interests of any holder of the notes.

In addition, with certain exceptions, the indenture and the notes may be modified by CODELCO and the trustee with the consent of the holders of a majority in aggregate principal amount of the notes of the series affected thereby then outstanding, but no such modification may be made without the consent of the holder of each outstanding note affected by the modification which would:

(i) change the maturity of any principal of, or any premium on, or any installment of interest on, any note, or reduce the principal amount thereof or the rate of interest or any premium (or Additional Amounts, if any) payable thereon, or change the method of computing the amount of principal thereof or interest or premium (or Additional Amounts, if any) payable thereon on any date, or change any place of payment where, or the coin or currency in which, the principal or interest (including Additional Amounts) on any note are payable, or impair the right of holders to institute suit for the enforcement of any such payment on or after the date when due;

(ii) reduce the percentage in aggregate principal amount of outstanding notes of such series, where the consent of holders is required for any such modification or for any waiver of compliance with certain provisions of the indenture or certain defaults thereunder and their consequences provided for in the indenture; or

(iii) modify provisions relating to waiver of certain defaults, waiver of certain covenants and the provisions summarized in this paragraph, including provisions governing the amendment of the indenture, except to increase any such percentage or to provide that certain other provisions of the indenture cannot be modified or waived without the consent of the holder of each outstanding note affected by the modification.

The indenture provides that the notes owned by CODELCO or any of its affiliates shall be deemed not to be outstanding for, among other purposes, consent to any such modification.

Defeasance and Covenant Defeasance

CODELCO, at its option, at any time upon the satisfaction of certain conditions described below, may elect to be discharged from its obligations with respect to the notes. In general, upon a defeasance, CODELCO shall be deemed to have paid and discharged the entire indebtedness represented by the notes and to have satisfied all of its obligations under the notes, except for: (i) the rights of holders of notes to receive, solely from the trust fund established for such purposes, payments in respect of the principal of, and interest, and Additional Amounts, if any, on the notes when such payments are due; (ii) certain provisions relating to ownership, registration and transfer of the notes; (iii) the covenant relating to the maintenance of an office or agency in New York City; and (iv) certain provisions relating to the rights, powers, trusts, duties and immunities of the trustee.

In addition, CODELCO, at its option, at any time, upon the satisfaction of certain conditions described below, may discharge its obligation to comply with the covenants specified above under "—Consolidation, Merger, Conveyance, Sale or Lease," "—Limitation on Liens" and "—Limitation on Sale-and-Lease-Back Transactions." In order to cause a defeasance or covenant defeasance with respect to the notes, CODELCO will be required to (i) deposit funds or obligations issued by the United States in an amount sufficient to provide for the timely payment of principal, interest and all other amounts due under the notes with the trustee, and (ii) satisfy certain other conditions, including delivery to the trustee of an opinion of independent tax counsel of recognized standing to the effect that beneficial owners of notes will not recognize income, gain or loss for U.S. federal income tax purposes as a result of such deposit and defeasance and will be subject to U.S. federal income tax on the same amount and in the same manner and at the same times as would have been the case if such deposit and defeasance had not occurred. Such opinion of counsel in the case of defeasance must refer to and be based upon a ruling of the Internal Revenue Service or a change in applicable U.S. federal income tax law occurring after the date of the indenture.

Governing Law; Submission to Jurisdiction; Sovereign Immunity

The indenture provides that it and the notes will be governed by, and will be construed and interpreted in accordance with, the law of the State of New York. The indenture provides that CODELCO will maintain at all times during the life of the notes an office or agent in the Borough of Manhattan, The City of New York, upon whom process may be served in any action arising out of or based on the notes which may be instituted in the Supreme Court of the State of New York or the United States District Court for the Southern District of New York, in either case in the Borough of Manhattan, The City of New York, by any holder of a note, and CODELCO will expressly accept the jurisdiction of any such court.

To the extent that CODELCO may be entitled, in any jurisdiction in which judicial proceedings may at any time be commenced with respect to the notes, to claim for itself or its revenues or assets any immunity from suit, jurisdiction, attachment in aid or execution of a judgment or prior to a judgment, execution of a judgment or any other legal process with respect to its obligations under the notes, and to the extent that in any such jurisdiction there may be attributed to CODELCO such an immunity (whether or not claimed), CODELCO will irrevocably agree not to claim and will irrevocably waive such immunity to the maximum extent permitted by law.

Article 226 of the Mining Code of Chile prohibits the attachment and judicial sale of a debtor's mining concessions and installations and other goods permanently dedicated to exploration or extraction of minerals relating to those mining concessions, except with respect to mortgages. However, a debtor may consent to such attachment and sale, *provided* that the consent is given in the same judicial proceeding in which the attachment and sale is sought. The general waiver of immunity by CODELCO in the notes will not be effective with respect to immunity under Article 226. In addition, pursuant to the Constitution, mining concessions corresponding to mining deposits exploited by CODELCO upon its creation in 1976 may not be subject to attachment or to any act of disposition by CODELCO.

Further Issues of Notes

Without the consent of the holders, CODELCO may create and issue additional notes with terms and conditions that are the same (or the same except as to scheduled interest payments prior to the time of issue of the additional notes) as the terms and conditions of the notes. CODELCO may consolidate the additional notes to form a single series with the notes; *provided*, however, that unless such additional notes are issued under a separate CUSIP number, such additional notes must be part of the same "issue" as the outstanding series of notes for U.S. federal income tax purposes, issued pursuant to a "qualified reopening" of the outstanding series of notes for U.S. federal income tax purposes, or issued with less than a *de minimis* amount of original issue discount.

TAXATION

General

The following is a summary of certain Chilean tax and U.S. federal income tax considerations (and certain EU-related tax consequences) relating to the purchase, ownership and disposition of notes. The summary does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase the notes, and, except to the extent certain EU-related tax consequences are described below, it does not describe any tax consequences arising under the laws of any national, state, or local taxing jurisdiction other than the United States and Chile.

This summary is based on the tax laws of Chile and the United States as in effect on the date of this offering memorandum, as well as regulations, rulings and decisions of Chile and the United States available on or before such date and now in effect. All of the foregoing is subject to change, which may apply retroactively and could affect the continued validity of this summary.

Prospective purchasers of the notes should consult their own tax advisors as to the Chilean, United States or other tax consequences of the purchase, ownership and disposition of the notes, taking into account the application of the tax considerations discussed below to their particular situation, as well as the application of state, local, foreign or other tax laws.

On February 4, 2010, Chile and the United States entered into a tax treaty (the "Treaty"), which has been ratified by the Chilean Congress. The Treaty was approved with certain reservations on March 29, 2022 by the U.S. Senate Foreign Relations Committee. Then, it must be considered by the full U.S. Senate, where a two-thirds majority will be required for its final approval. If the Treaty is approved by the U.S. Senate, it may apply to income generated in Chile or the United States by a resident of either country. Investors should consult their own advisors regarding the application of the Treaty to their particular circumstances and the date on which a particular Treaty provision will enter into effect.

Chilean Taxation

The following is a general summary of the material consequences under Chilean tax law, as currently in effect, of an investment in the notes made by a "Foreign Holder." For purposes of this summary, the term "Foreign Holder" means (i) an individual not resident or domiciled in Chile or (ii) a legal entity that is not incorporated under the laws of Chile, unless the notes are acquired by or assigned to a branch, agent, representative or a permanent establishment of such entity in Chile. For purposes of Chilean taxation, (a) an individual is a resident of Chile if such individual has remained in Chile, uninterruptedly or not, for a period or periods that in total exceed 183 days within a twelve-month period, and (b) an individual is domiciled in Chile if such individual resides in Chile with the actual or presumptive intention of remaining in Chile notwithstanding the time resided in Chile (the intention will be determined according to the circumstances).

Under Chile's Income Tax Law, payments of interest or premium, if any, in respect of the notes to a Foreign Holder will generally be subject to a Chilean withholding tax assessed at a rate of 35%. However, interest and premium (analogous to interest) from bonds or debentures issued in foreign or local currency by companies incorporated in Chile (i.e. CODELCO) are subject to a reduced tax rate of 4% (the "Chilean Interest Withholding Tax").

The Income Tax Law provides that a Foreign Holder is subject to income tax on Chilean source income. Chilean source income is defined by the Income Tax Law as income arising from goods located in Chile or activities performed in Chile, regardless of the domicile or residence of the taxpayer. For these purposes, the Income Tax Law establishes that the source of interest shall be deemed to be located in the debtor's domicile (i.e. CODELCO, as issuer).

As described above, CODELCO has agreed, subject to specific exceptions and limitations, to pay to the holders of notes Additional Amounts in respect of the Chilean Interest Withholding Tax in order that any interest or premium the Foreign Holder receives, net of the Chilean Interest Withholding Tax, equals the amount which would have been received by such Foreign Holder in the absence of such withholding. See "Description of Notes—Payment of Additional Amounts."

A Foreign Holder will not be subject to any Chilean taxes in respect of payments of principal made by CODELCO with respect to the notes.

Article 11 of the Chilean Income Tax Law also states that bonds and other private or public securities issued in Chile by taxpayers domiciled, resident or established in Chile, such as CODELCO, will be deemed to be located in Chile. Consequently, as the notes are issued outside of Chile, capital gains arising from the disposition of the notes would not be deemed as Chilean source income (according to Chilean IRS ruling 604 of 2015). Therefore, any capital gains realized by a Foreign Holder on the sale or other disposition of the notes issued outside of Chile should not be subject to any Chilean taxes.

A Foreign Holder will not be liable for estate, gift, inheritance or similar taxes with respect to its holdings unless the notes held by a Foreign Holder are either located in Chile at the time of such Foreign Holder's death, or, if the notes are not located in Chile at the time of a Foreign Holder's death, if such notes were purchased or acquired with funds obtained from Chilean sources.

As a general rule, the issuance of the notes is subject to stamp tax at a rate of 0.066% per month or fraction thereof elapsed between the issuance and the maturity of the notes, calculated on the principal amount of the notes, with a maximum 0.8% stamp tax on the principal amount of the notes, which will be paid by CODELCO. If the stamp tax is not paid when due, Chile's stamp tax law imposes penalties (fines, interests, and inflation adjustments), which will also be payable by CODELCO. In addition, until such tax (and any penalty) is paid, Chilean courts would not enforce any action brought with respect to the notes. We have agreed to pay promptly such tax when due.

U.S. Federal Income Taxation

This summary of U.S. federal income tax considerations deals with U.S. Holders (as defined below) that will hold CODELCO notes as capital assets and whose functional currency is the U.S. dollar. It does not purport to be a comprehensive description of all of the tax considerations that may be relevant to a particular investor's decision to purchase notes and generally does not address the tax treatment of U.S. Holders that may be subject to special tax rules, such as certain banks, tax-exempt entities, partnerships (or entities classified as partnerships for U.S. federal income tax purposes) or partners therein, insurance companies, regulated investment companies, dealers in securities or currencies, traders in securities electing to mark to market, U.S. expatriates, U.S. Holders holding the notes in connection with a trade or business conducted outside the United States, nonresident alien individuals present in the United States for 183 days or more during a taxable year, or persons that will hold notes as part of an integrated investment (including a "straddle") consisting of the notes and one or more other positions, nor does it address the tax treatment of U.S. Holders that do not acquire notes as part of the initial distribution at the notes' "issue price," which will equal the first price to the public (not including bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers) at which a substantial amount of the notes is sold for money.

As used in this section "—U.S. Federal Income Taxation", the term "U.S. Holder" means a beneficial owner of a note that is a citizen or resident of the United States or a U.S. domestic corporation or that otherwise will be subject to U.S. federal income taxation on a net income basis in respect of the notes.

This summary is based on the U.S. Internal Revenue Code of 1986 (the "Code"), as amended to the date hereof, administrative pronouncements, judicial decisions, and final, temporary and proposed Treasury Regulations, changes to any of which subsequent to the date of this offering memorandum may affect the tax consequences described herein. Moreover, as described above, final approval of the Treaty by the U.S. Senate may also affect the tax consequences described herein. Investors should consult their own tax advisors in determining the tax consequences to them of purchasing, owning, and disposing of the notes, including the application in their particular circumstances of the U.S. federal income tax considerations discussed below, as well as the application of state, local, non-U.S. or other tax laws, the alternative minimum tax or the Medicare tax on net investment income or the special timing rules prescribed under Section 451(b) of the Code and possible changes in tax laws.

Payments of Interest and Additional Amounts. The gross amount of stated interest and Additional Amounts (*i.e.*, without reduction for Chilean taxes withheld) will be taxable to a U.S. Holder as ordinary interest income at the time it accrues or is actually or constructively received, in accordance with the holder's method of accounting for U.S. federal income tax purposes. It is expected, and this discussion assumes, that the notes will be issued without original issue discount ("OID") for U.S. federal income tax purposes. In general, however, if the notes are issued with OID at or above a *de minimis* threshold, a U.S. Holder will be required to include OID in gross income, as ordinary income, under a "constant-yield method" before the receipt of cash attributable to such income, regardless of the U.S. Holder's regular method of accounting for U.S. federal income tax purposes.

Subject to generally applicable limitations and conditions, Chilean interest withholding tax paid at the appropriate rate applicable to the U.S. Holder may be eligible for credit against such U.S. Holder's U.S. federal income tax liability. These generally applicable limitations and conditions include new requirements recently adopted by the U.S. Internal Revenue Service ("IRS") and any Chilean tax will need to satisfy these requirements in order to be eligible to be a creditable tax for a U.S. Holder. The application of these requirements to the Chilean tax on interest is uncertain and we have not determined whether these requirements have been met. If the Chilean tax is not a creditable tax or the U.S. Holder does not elect to claim a foreign tax credit for any foreign income taxes, the U.S. Holder may be able to deduct the Chilean tax in computing the U.S. Holder's taxable income for U.S. federal income tax purposes, subject to applicable limitations and requirements. Interest and Additional Amounts will constitute income from sources without the United States and, for U.S. Holders that validly claim foreign tax credits generally will constitute "passive category income" for foreign tax credit purposes.

The availability and calculation of foreign tax credits and deductions for foreign taxes may depend on a U.S. Holder's particular circumstances and involve the application of complex rules to those circumstances. U.S. Holders should consult their own tax advisors regarding the application of these rules to their particular situations.

Taxation of Dispositions. A U.S. Holder will generally recognize taxable gain or loss upon the sale, exchange, redemption or other taxable disposition of the notes in an amount equal to the difference between the amount realized upon such sale, exchange, redemption or other disposition (less any accrued interest and, in the case of a redemption, any Additional Amounts with respect to accrued interest, which will be taxable in the manner described above under "—Taxation of Interest and Additional Amounts") and such U.S. Holder's adjusted tax basis in those notes. A U.S. Holder's adjusted tax basis in a note will generally equal the cost of the note to such Holder. Such gain or loss will be capital gain or loss, and will be long-term capital gain or loss if the notes are held for more than one year. Certain non-corporate U.S. Holders (including individuals) may be eligible for a preferential rate in respect of long-term capital gain. The deduction of capital losses is subject to limitations.

Specified Foreign Financial Asset Reporting. Certain U.S. Holders that own "specified foreign financial assets" with an aggregate value in excess of U.S.$50,000 on the last day of the taxable year or U.S.$75,000 at any time during the taxable year are generally required to file an information statement along with their tax returns, currently on IRS Form 8938, with respect to such assets. "Specified foreign financial assets" include any financial accounts held at a non-U.S. financial institution, as well as securities issued by a non-U.S. issuer (which would include the notes) that are not held in accounts maintained by financial institutions. Higher reporting thresholds apply to certain individuals living abroad and to certain married individuals. Regulations extend this reporting requirement to certain entities that are treated as formed or availed of to hold direct or indirect interests in specified foreign financial assets based on certain objective criteria. U.S. Holders who fail to report the required information could be subject to substantial penalties. In addition, the statute of limitations for assessment of tax would be suspended, in whole or part. Prospective investors should consult their own tax advisors concerning the application of these rules to their investment in the notes in their particular circumstances.

Information Reporting and Backup Withholding. Payments of interest and Additional Amounts on the notes and sales or redemption proceeds that are made within the United States or through certain U.S.-related financial intermediaries generally are subject to information reporting and to backup withholding unless the holder is an exempt recipient that, if required, establishes its exemption or (ii) in the case of backup withholding, the holder provides a correct taxpayer identification number and certifies that it is not subject to backup withholding.

Any amounts withheld under the backup withholding rules from a payment to a holder will generally be refunded (or credited against such holder's U.S. federal income tax liability, if any), provided the required information is properly furnished to the IRS on a timely basis.

The Proposed Financial Transaction Tax

On February 14, 2013, the European Commission published a proposal (the "Commission's Proposal") for a Directive for a common financial transaction tax ("FTT") in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "Participating Member States") and which, if enacted, could apply under certain circumstances to transactions involving the Notes. The issuance and subscription should, however, be exempt. Estonia has since officially announced its withdrawal from the negotiations.

The mechanism by which the tax would be applied and collected is not yet known, but if the proposed directive or any similar tax is adopted, transactions in the Notes would be subject to higher costs, and the liquidity of the market for the Notes may be diminished.

Following the lack of consensus in the negotiations on the Commission's Proposal, the Participating Member States (excluding Estonia) and the scope of such tax are uncertain. Based on recent public statements, the Participating Member States (excluding Estonia) have agreed to continue negotiations on the basis of a proposal that would reduce the scope of the FTT and would only concern listed shares of European companies with a market capitalization exceeding EUR 1 billion on December 1 of the year preceding the taxation year. According to this revised proposal, the applicable tax rate would not be less than 0.2%. Such proposal remains subject to change until a final approval and it may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate and/or certain of the Participating Member States may withdraw.

Prospective holders of Notes are advised to seek their own professional advice in relation to the consequences of the FTT that could be associated with subscribing for, purchasing, holding and disposing of the Notes.

PLAN OF DISTRIBUTION

Subject to the terms and conditions of the purchase agreement among CODELCO, BNP Paribas Securities Corp, BofA Securities, Inc., Santander Investment Securities Inc. and Scotia Capital (USA) Inc., the initial purchasers have severally, and not jointly, agreed to purchase from the Company the following respective principal amounts of notes listed opposite their name below at the initial offering prices set forth on the cover page of this offering memorandum, less commissions:

Initial Purchasers	Principal Amount of Notes
BNP Paribas Securities Corp.	U.S.$225,000,000
BofA Securities, Inc.	U.S.$225,000,000
Santander Investment Securities Inc.	U.S.$225,000,000
Scotia Capital (USA) Inc.	U.S.$225,000,000
Total	U.S.$900,000,000

The purchase agreement provides that the obligations of the several initial purchasers to purchase the notes offered hereby are subject to certain conditions precedent and that the initial purchasers will purchase all of the notes offered by this offering memorandum if any of these notes are purchased. The initial purchasers may use any of their affiliates to offer and sell any of the notes. The initial purchasers are offering the notes, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the notes, and other conditions contained in the purchase agreement, such as the receipt by the initial purchasers of officer's certificates and legal opinions. The initial purchasers reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

After the initial offering, the initial purchasers may change the offering price and other selling terms.

CODELCO has agreed to indemnify the initial purchasers against certain liabilities, including liabilities under the Securities Act, and to contribute to payments the initial purchasers may be required to make in respect of any of these liabilities.

The notes have not been registered under the Securities Act. Each initial purchaser has agreed that it will offer or sell the notes only (i) in the United States to qualified institutional buyers in reliance on Rule 144A under the Securities Act or (ii) in offshore transactions in reliance on Regulation S under the Securities Act. The notes being offered and sold pursuant to Regulation S may not be offered, sold or delivered in the United States or to, or for the account or benefit of, any U.S. person, unless the notes are registered under the Securities Act or an exemption from, the registration requirements thereof is available. Resales of the notes are restricted as described under "Transfer Restrictions."

Until forty (40) days after the later of the commencement of the offering and the closing date, any offer or sale of notes within the United States by a broker-dealer (whether or not participating in this offering) may violate the registration requirements of the Securities Act, unless such offer or sale is made pursuant to Rule 144A under the Securities Act or another available exemption from the registration requirements thereof. Terms used above have the meanings given to them by Regulation S and Rule 144A under the Securities Act.

CODELCO has agreed, that for a period of 30 days from the date of the purchase agreement, CODELCO will not, without prior consent of the initial purchasers, offer, sell or contract to sell, or otherwise dispose of (or enter into any transaction which is designed to, or might reasonably be expected to, result in the disposition (whether by actual disposition or effective economic disposition due to cash settlement or otherwise) by CODELCO or any affiliate of CODELCO or any person in privity with CODELCO or any of its affiliates), directly or indirectly, or announce any public or broadly marketed offering of, any U.S. dollar-denominated debt securities issued or guaranteed by CODELCO in the international capital markets (other than the notes).

The notes are a new issue of securities without an established trading market. We intend to apply to list the notes on the Official List of the Luxembourg Stock Exchange; however, the notes have not yet been listed. The notes are expected to trade on the Euro MTF market of the Luxembourg Stock Exchange. See "General Information—Listing." The initial purchasers may make a market in the notes after completion of the offering, but will not be obligated to do so and may discontinue any market-making activities at any time without notice. No assurance can be given as to the liquidity of the trading market for the notes or that an active market for the notes will develop. If an active public trading market for the notes does not develop, the market price and liquidity of the notes may be adversely affected. If the notes are traded, they may trade at a discount from their initial offering price, depending on prevailing interest rates, the market for similar securities, our operating performance and financial condition, general economic conditions and other factors.

In connection with the offering of the notes, the initial purchasers may engage in overallotment, stabilizing transactions and syndicate covering transactions. Overallotment involves sales in excess of the offering size, which creates a short position for the initial purchasers. Stabilizing transactions involve bids to purchase the notes in the open market for the purpose of pegging, fixing or maintaining the price of the notes. Syndicate covering transactions involve purchases of the notes in the open market after the distribution has been completed in order to cover short positions. Stabilizing transactions and syndicate covering transactions may cause the price of the notes to be higher than it would otherwise be in the absence of those transactions. If the initial purchasers engage in stabilizing or syndicate covering transactions, they may discontinue them at any time without notice.

The initial purchasers and their affiliates have performed and may in the future perform certain commercial banking, investment banking or advisory services for us from time to time for which they have received customary fees and expenses. The initial purchasers may, from time to time, continue to engage in transactions with and perform services for us in the ordinary course of their business.

In addition, in the ordinary course of their business activities, the initial purchasers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. Certain of the initial purchasers or their affiliates that have a lending relationship with us routinely hedge, and certain other of those initial purchasers or their affiliates that have a lending relationship with us may hedge, their credit exposure to us consistent with their customary risk management policies. Typically, such initial purchasers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the notes offered hereby. Any such short positions could adversely affect future trading prices of the notes offered hereby. The initial purchasers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to customer that they acquire, long and/or short positions in such securities and instruments.

Delivery of the notes is expected on or about February 2, 2023 which will be the third business day following the date of pricing of the notes (this settlement cycle being referred to as "T+3"). Under Rule 15c6-1 of the Exchange Act, trades in the secondary market generally are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade notes prior to the delivery of the notes may be required, by virtue of the fact that the notes initially will settle in T+ 3, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of the notes who wish to trade notes prior to their date of delivery hereunder should consult their own advisor.

Notice to Prospective Investors in the European Economic Area

The notes are not intended to be offered, sold or otherwise made available to and will not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of:

(i) a retail client as defined in point (11) of Article 4(1) of MiFID II;

(ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(iii) not a "qualified investor" as defined in the Prospectus Regulation.

Consequently, no key information document required by the PRIIPs Regulation for offering or selling the notes or otherwise making them available to retail investors in the EEA, has been prepared and therefore offering or selling the notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Notice to Prospective Investors in the United Kingdom

The notes are not intended to be offered, sold or otherwise made available to and will not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of:

(i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA;

(ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or

(iii) not a "qualified investor" as defined in the Prospectus Regulation.

Consequently, no key information document required by the UK PRIIPs Regulation for offering or selling the notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Notice to Prospective Investors in Canada

The notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of the *Securities Act* (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this offering memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to Section 3A.3 of National Instrument 33-105 *Underwriting Conflicts* ("NI 33-105"), the initial purchasers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Notice to Prospective Investors in Brazil

The notes have not been and will not be issued nor publicly placed, distributed, offered or negotiated in the Brazilian capital markets. The issuance of the notes has not been nor will be registered with the CVM. Any public offering or distribution, as defined under Brazilian laws and regulations, of the notes in Brazil is not legal without prior registration under Law No. 6,385/76 and CVM Instruction No. 400. Documents relating to the offering of the notes, as well as information contained therein, may not be supplied to the public in Brazil (as the offering of the notes is not a public offering of securities in Brazil), nor be used in connection with any offer for subscription or sale of the notes to the public in Brazil.

Notice to Prospective Investors in Hong Kong

The notes may not be offered or sold in Hong Kong by means of any document other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "SFO") and any rules made under the SFO Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that ordinance; and no advertisement, invitation or document relating to the notes may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under that ordinance.

Notice to Prospective Investors in Italy

The offer of the notes has not been registered with the *Commissione Nazionale per le Società e la Borsa* (Italian Securities and Exchange Commission, or the "CONSOB") pursuant to Italian securities legislation and, accordingly, the notes may not be offered, sold or distributed to the public in the Republic of Italy ("Italy") nor may copies of this offering memorandum or of any other document relating to the notes be distributed in Italy, except:

(i) to *investitori qualificati* (qualified investors), as defined in Article 2, paragraph (e) of the Prospectus Regulation as implemented by Article 34-ter of CONSOB Regulation No. 11971 of May 14, 1999, as amended from time to time, (the "Issuers Regulation"); or

(ii) in any other circumstances where an express exemption from compliance with the restrictions on offers to the public applies, as provided under Article 100 of the Italian Legislative Decree No. 58 of February 24, 1998, as amended from time to time, (the "Financial Services Act") and Article 34-ter of the Issuers Regulation.

Moreover, and subject to the foregoing, any offer, sale or delivery of the notes or distribution of copies of this offering memorandum or any other document relating to the notes in Italy under (i) or (ii) above must be:

(i) made by an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007, as amended from time to time, and Legislative Decree No. 385 of September 1, 1993, as amended from time to time (the "Banking Act");

(ii) in compliance with Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in Italy; and

(iii) in compliance with any other applicable laws and regulations or requirement imposed by the Bank of Italy, CONSOB or other Italian authority.

Any investor purchasing the notes in this offering is solely responsible for ensuring that any offer or resale of the notes it purchased in the offering occurs in compliance with applicable Italian laws and regulations.

Notice to Prospective Investors in Japan

The notes have not been and will not be registered under the Financial Instruments and Exchange Act, and the notes have not been offered or sold and will not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan, except as pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws, regulations and ministerial guidelines of Japan.

Notice to Prospective Investors in Singapore

This offering memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this offering memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the notes may not be circulated or distributed, nor may the notes be offered or sold, or be made the subject of an invitation for subscription or purchase, of such notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(i) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the notes pursuant to an offer made under Section 275 of the SFA, except:

(i) to an institutional investor under Section 274 of the SFA or to a relevant person (as defined in Section 275(2) of the SFA), or to any person arising from an offer referred to in Section 275(1A), or Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in Section 276(7) of the SFA; or

(v) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Notification under Section 309(B)(1)(c) of the SFA. The Company has determined that the Securities are (A) prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and (B) Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Notice to Prospective Investors in Switzerland

This offering memorandum is not intended to constitute an offer or solicitation to purchase or invest in the notes described herein. The notes may not be publicly offered, sold or advertised, directly or indirectly, in, into or from Switzerland and will not be listed on the SIX Swiss Exchange or on any other exchange or regulated trading facility in Switzerland. Neither this offering memorandum nor any other offering or marketing material relating to the notes constitutes a prospectus as such term is understood pursuant to Article 652a or Article 1156 of the Swiss Code of Obligations, and neither this offering memorandum nor any other offering or marketing material relating to the notes may be publicly distributed or otherwise made publicly available in Switzerland.

Notice to Prospective Investors in Chile

The notes may not be offered or sold in Chile, directly or indirectly, by means of a "Public Offer" (as defined under the Chilean Securities Market Law and regulations from the CMF). Chilean institutional investors (such as banks, pension funds and insurance companies) are required to comply with specific restrictions relating to the purchase of the notes. Pursuant to Chilean law, a public offering of securities is an offering that is addressed to the general public or to certain specific categories and/or groups thereof. Considering that the definition of public offering is quite broad, even an offering addressed to a small group of investors may be considered to be addressed to a certain specific category or group of the public and therefore be considered public under applicable law. On June 27, 2012, the CMF issued *Norma de Carácter General* No. 336 (General Rule No. 336, hereinafter "NCG 336"), which is intended to govern the private offering of securities in Chile. NCG 336 provides that the offering of securities that meet the conditions described therein shall not be considered public offerings in Chile and shall be exempted from complying with the general rules applicable to public offerings.

The following information is provided to prospective investors pursuant to NCG 336:

1. Date of commencement of the offer: January 30, 2023. The offer of the notes is subject to CMF rule (*norma de carácter general*) No. 336, dated June 27, 2012, as amended, issued by the CMF.

2. The subject matter of this offer are securities not registered with the securities registry (*registro de valores*) or the foreign securities registry (*registro de valores extranjeros*) kept by the CMF. As a consequence, the notes are not subject to the oversight of the CMF.

3. Since the notes are not registered in Chile, the issuer is not obliged to provide public information about the notes in Chile.

4. The notes shall not be subject to public offering in Chile unless registered with the relevant securities registry kept by the CMF.

Notice to Prospective Investors in China

The notes are not being offered or sold and may not be offered or sold, directly or indirectly, in the People's Republic of China (the "PRC") (for such purposes, not including the Hong Kong and Macau Special Administrative Regions or Taiwan), except as permitted by the securities laws of the PRC.

Notice to Prospective Investors in the Dubai International Financial Centre

This offering memorandum relates to an Exempt Offer in accordance with the Markets Rules 2012 of the Dubai Financial Services Authority ("DFSA"). This offering memorandum is intended for distribution only to persons of a type specified in the Markets Rules 2012 of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this offering memorandum nor taken steps to verify the information set forth herein and has no responsibility for this offering memorandum. The notes to which this offering memorandum relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the notes offered should conduct their own due diligence on the notes. If you do not understand the contents of this offering memorandum, you should consult an authorized financial advisor.

Notice to Prospective Investors in Taiwan

The notes have not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and the notes may not be sold, issued or offered within Taiwan through a public offering or in a circumstance which constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan requiring registration or approval of the Financial Supervisory Commission of Taiwan. No person or entity in Taiwan has been authorized to offer, sell, give advice regarding or otherwise intermediate the offering and sale of the notes in Taiwan.

Notice to Prospective Investors in the Republic of Korea

The notes have not been and will not be offered, delivered or sold directly or indirectly in Korea or to any resident of Korea except as otherwise permitted under applicable Korean laws and regulations.

TRANSFER RESTRICTIONS

The notes have not been and will not be registered under the Securities Act or with any securities regulatory authority in any jurisdiction and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons except that notes may be offered or sold to (i) Qualified Institutional Buyers ("QIBs") in reliance upon the exemption from the registration requirement of the Securities Act provided by Rule 144A and (ii) persons other than U.S. persons as such term is defined in Regulation S under the Securities Act ("Foreign Purchasers") in offshore transactions in reliance upon Regulation S.

Each purchaser of the notes that is not a Foreign Purchaser will be deemed to:

(ii) represent that it is purchasing the notes for its own account or an account with respect to which it exercises sole investment discretion and that it and any such account is a QIB and is aware that the sale to it is being made in reliance on Rule 144A;

(iii) acknowledge that the notes have not been and will not be registered under the Securities Act or with any securities regulatory authority in any jurisdiction and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below;

(iv) agree that if it should resell or otherwise transfer the securities, it will do so only pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, in each case in accordance with all applicable securities laws of the states of the United States or any other applicable jurisdiction;

(v) agree that it will deliver to each person to whom it transfers notes notice of any restrictions on transfer of such notes;

(vi) agree that it is not an "affiliate" (within the meaning of Rule 144 under the Securities Act) of the Bank; and

(vii) acknowledge that CODELCO, the trustee, the initial purchasers and others will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements. If it is acquiring any notes for the account of one or more QIBs, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgments, representations and agreements on behalf of each such account. If any of the acknowledgements, representations or agreements it is deemed to have been made by the purchase of notes is no longer accurate, it will promptly notify CODELCO and the initial purchasers.

Each 144A Global Note will bear the following legend:

THIS NOTE HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") OR ANY STATE SECURITIES LAW. NEITHER THIS NOTE NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT AS SET FORTH IN THE FOLLOWING SENTENCE. BY ITS ACQUISITION HEREOF, THE HOLDER (1) REPRESENTS THAT (A) IT AND ANY ACCOUNT FOR WHICH IT IS ACTING IS A "**QUALIFIED INSTITUTIONAL BUYER**" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("**RULE 144A**")) AND THAT IT EXERCISES SOLE INVESTMENT DISCRETION WITH RESPECT TO EACH SUCH ACCOUNT OR (B) IT IS A NON-U.S. PERSON OUTSIDE THE UNITED STATES WITHIN THE MEANING OF (OR AN ACCOUNT SATISFYING THE REQUIREMENTS OF PARAGRAPH (k)(2)(i) OF RULE 902 UNDER) REGULATION S UNDER THE SECURITIES ACT, (2) AGREES THAT IT WILL NOT, PRIOR TO THE EXPIRATION OF THE HOLDING PERIOD APPLICABLE TO SALES OF THE NOTES EVIDENCED HEREBY UNDER RULE 144(d) UNDER THE SECURITIES ACT (OR ANY SUCCESSOR PROVISION), OFFER, SELL, PLEDGE OR OTHERWISE TRANSFER SUCH NOTES EXCEPT IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF

THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTION AND ONLY (A) TO THE ISSUER OR A SUBSIDIARY THEREOF, (B) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, (C) SO LONG AS THIS NOTE IS ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE RESALE, PLEDGE OR OTHER TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (E) PURSUANT TO AN EXEMPTION FROM REGISTRATION (IF APPLICABLE). PRIOR TO THE REGISTRATION OF ANY TRANSFER IN ACCORDANCE WITH (E) ABOVE, THE COMPANY RESERVES THE RIGHT TO REQUIRE THE DELIVERY OF SUCH LEGAL OPINIONS, CERTIFICATIONS OR OTHER EVIDENCE AS MAY REASONABLY BE REQUIRED IN ORDER TO DETERMINE THAT THE PROPOSED TRANSFER IS BEING MADE IN COMPLIANCE WITH THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. THIS NOTE IS SUBJECT TO THE RESTRICTIONS ON TRANSFER SET FORTH IN THE INDENTURE REFERRED TO ON THE REVERSE HEREOF. THIS LEGEND WILL BE REMOVED ONLY AT THE OPTION OF THE ISSUER.

Each purchaser of notes that is a Foreign Purchaser will be deemed to:

(i) represent that it is purchasing the notes for its own account or an account for which it exercises sole investment discretion and that it and any such account is a Foreign Purchaser that is outside the United States and acknowledge that the notes have not been and will not be registered under the Securities Act or with any securities regulatory authority in any jurisdiction and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except as set forth below; and

(ii) agree that if it should resell or otherwise transfer the notes prior to the expiration of a restricted period (defined as 40 days after the later of the commencement of the offering and the closing date with respect to the notes), it will do so only (a)(1) outside the United States in compliance with Rule 904 under the Securities Act or (2) to a QIB in compliance with Rule 144A, and (b) in accordance with all applicable securities laws of the states of the United States or any other applicable jurisdiction.

Each Regulation S Global Note will bear the following legend:

THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR WITH ANY SECURITIES REGULATORY AGENCY IN ANY JURISDICTION, AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS, EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR IN A TRANSACTION NOT SUBJECT TO THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THIS SECURITY IS SUBJECT TO THE RESTRICTIONS ON TRANSFER SET FORTH IN THE INDENTURE REFERRED TO ON THE REVERSE HEREOF. PRIOR TO THE EXPIRATION OF A 40-DAY RESTRICTED PERIOD OR SUCH LATER DATE AS THE COMPANY MAY NOTIFY TO THE TRUSTEE, THIS SECURITY, OR ANY BENEFICIAL INTEREST HEREIN, MAY NOT BE RESOLD OR OTHERWISE TRANSFERRED EXCEPT (A)(1) OUTSIDE THE UNITED STATES IN COMPLIANCE WITH RULE 904 UNDER THE SECURITIES ACT OR (2) TO A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT IN COMPLIANCE WITH RULE 144A, AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES OR ANY OTHER APPLICABLE JURISDICTION.

The transfer or exchange of a beneficial interest in a Regulation S Global Note for a beneficial interest in a corresponding 144A Global Note prior to the expiration of the restricted period will be made only in accordance with applicable procedures upon receipt by the trustee of a duly completed certificate from the transferor to the effect that such transfer is being made in accordance with Rule 144A under the Securities Act. Such written certification will no longer be required after the expiration of the restricted period. The transfer or exchange of a beneficial interests in a Rule 144A Global Note for a corresponding beneficial interest in a Regulation S Global Note, whether before or after the expiration of the restricted period, will be made only upon receipt by the trustee of a written certification from the transferor to the effect that such transfer is being made in accordance with Regulation S under the Securities Act.

For so long as the notes are listed on the Luxembourg Stock Exchange, if the notes are ever issued in certificated form:

- Certificated Notes will be delivered by the trustee as described in this offering memorandum and at the offices of the paying agent; and

- holders of notes in certificated form will be able to transfer or exchange their notes at the offices of the transfer agent.

Any resale or other transfer, or attempted resale of other transfer, made other than in compliance with the above stated restrictions shall not be recognized by us.

For further discussion of the requirements (including the presentation of transfer certificates) under the indenture to effect exchanges or transfers of interests in Global Notes, see "Description of Notes—Registration, Form and Delivery—Certain Book-Entry Procedures for the Global Notes."

We have prepared this offering memorandum solely for use in connection with the offer and sale of the notes outside the United States, for the private placement of the notes in the United States and for the listing on the Luxembourg Stock Exchange. We and the initial purchasers reserve the right to reject any offer to purchase, in whole or in part, for any reason, or to sell less than the amount of notes offered pursuant to Rule 144A under the Securities Act. This offering memorandum does not constitute an offer to any person in the United States other than any QIB under the Securities Act to whom an offer has been made directly by the initial purchasers or an affiliate of the initial purchasers.

Each purchaser of notes must comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers or sells notes or possesses or distributes this offering memorandum or any part of it and must obtain any consent, approval or permission required by it for the purchase, offer or sale by it of notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or resales, and neither the Company nor the initial purchasers shall have any responsibility therefor.

VALIDITY OF THE NOTES

The validity of the notes will be passed upon for CODELCO by Cleary Gottlieb Steen & Hamilton LLP, New York, New York, United States counsel for CODELCO, and by Carey y Cía. Ltda., Chilean counsel to CODELCO, and for the initial purchasers by Linklaters LLP, special New York, New York, United States counsel for the initial purchasers, and by Garrigues Chile SpA, special Chilean counsel for the initial purchasers. Cleary Gottlieb Steen & Hamilton LLP may rely without independent investigation as to all matters of Chilean law on Carey y Cía. Ltda., and Linklaters LLP may rely without independent investigation as to all matters of Chilean law on Garrigues Chile SpA.

INDEPENDENT AUDITORS

The financial statements of CODELCO and its subsidiaries as of and for the years ended December 31, 2020 and 2019, included in this offering memorandum, have been audited by Deloitte Auditores y Consultores Ltda., independent auditors, as stated in their report appearing herein.

The financial statements of CODELCO and its subsidiaries as of and for the year ended December 31, 2021 included in this offering memorandum, have been audited by PricewaterhouseCoopers Consultores, Auditores y Compañía Limitada, independent auditors, as stated in their report appearing herein.

GLOSSARY OF CERTAIN MINING TERMS

Andesite: A fine-grained volcanic rock, usually dark grey in color, with an average composition of 50-60% sulphur dioxide.

Anode Copper: Blister copper that has undergone further refinement to remove impurities. In an anode furnace, the blister copper is blown with air and a hydrocarbon redundant to upgrade its purity to approximately 99.5% copper. It is then cast into keystone-shaped slabs that are shipped to an electrolytic refinery.

Anodic Slime: A product with a high content of precious metals that settles on the bottom of an electrolytic cell in the copper refinery during the production of copper cathodes. The product is called anode, or anodic, slime due to its muddy appearance. Anode slimes have a high commercial value based on their precious metals content (silver, gold, platinum and palladium).

Blister Copper: Copper that has been cast after passing through a converter. Blister copper is approximately 99.0% copper and takes its name from the "blisters" that form on the surface during cooling.

Breccia: A rock conglomerate made up of highly angular coarse fragments.

Calcopyrite: A combination of copper and iron sulfide with a metallic yellow-gold color, containing 34.7% copper, 30% iron and 26% sulfur.

Cathode: Copper produced by an electrochemical refining process that has been melted and cast into cakes, billets, wire bars or rods usually weighing approximately 90kg.

Concentration: The process by which crushed and ground ore is separated into metal concentrates and reject material through processes such as flotation. Concentrates are shipped to a smelter for further processing.

Concentrator: A plant where concentration takes place.

Converter: A plant that conducts a principal phase of the smelting process, blowing oxygen-enriched air through, molten metal, causing oxidation and the removal of sulfur and other impurities. In the case of copper, the product of this process is blister copper.

Copper Concentrate: A product of the concentrator usually containing 25% to 30% copper. It is the raw feed material for smelting.

Copper Grade: The concentration of copper in a given volume of rock, usually expressed as a percentage.

Dacite: A fine-grained volcanic rock similar in composition to andesite but containing a greater abundance of quartz crystals that are frequently visible to the naked eye.

Development: Activities related to the building of infrastructure and the stripping and opening of mineral deposits, commencing when economically recoverable reserves can reasonably be estimated to exist and generally continuing until commercial production begins.

Diorite: A dark, coarsely crystalline igneous rock, similar in composition to granite that is composed principally of silica, alumina, calcium and iron.

Electrolytic Refining: Electrochemical refining of copper anodes. Copper anodes are placed between layers of refined copper sheets in a tank through which an acid copper sulfate solution is circulated. A low voltage current is introduced, causing the transfer of copper from the anodes to the pure copper sheets, and producing 99.98% copper cathodes. Impurities, often containing precious metals, settle to the bottom of the tank.

Electrowinning: The process of directly recovering copper from solution by the action of electric currents.

Exploration: Activities associated with ascertaining the existence, location, extent or quality of a mineral deposit.

Fine Copper: 99.99% pure copper obtained through metallurgical processes.

Flotation: A process of copper concentrate production in which mineral particles attach themselves to the bubbles in an oily froth and rise to the surface, where they are skimmed off. This process is used primarily for the concentration of sulfide ores.

Flux: A high grade silica, which reacts with iron oxides formed during smelting and converting stages to create a molten slag.

Geological Resources (measured, indicated and inferred): Concentrations or occurrences of materials in such form, quantity (tonnage and ore grade) and quality, based on specific geological evidence and knowledge, which allows for the calculation of the amount, ore grade and quality of the material with some level of confidence.

Grade A Copper: Electrolytic copper, in the form of cathodes, that (i) is at least 99.99% pure, (ii) meets the LME's highest standards for copper quality, and (iii) is named in the LME-approved list of brands of Grade A copper.

Indicated Resources (geological or mineral resources): Resources about which CODELCO's knowledge is substantial but less extensive than its knowledge of measured resources.

Inferred Resources (geological or mineral resources): Resources about which CODELCO's knowledge is only indirect.

Intrusion: A geologic processes in which magmatic material flows to the earth's surface through pre-existing rocks.

Leached Capping: An abundant mass of iron oxide concentrated in the upper zones of a porphyry copper deposit.

Leaching: The process of extracting a soluble metallic compound from an ore by selectively dissolving it in a suitable solvent.

Matte: A high density liquid that is produced during the concentrate fusion stage of the pyro-metallurgical process.

Matte Sulfide: A high density liquid containing copper and iron sulfides that is produced of the concentrate fusion stage of the pyro-metallurgical process.

Measured Resources (geological or mineral resources): Resources about which CODELCO's knowledge is both extensive and direct.

Milling: A treatment process in which ore is ground into a fine powder.

Mine: Mines are the source of mineral-bearing material found near the surface or deep in the ground.

Mineral Deposit: A mineralized underground body that has been probed by a sufficient number of closely-spaced drill holes and/or underground sampling measurements to support an estimate of sufficient tonnage and ore grade to warrant further exploration or development. Mineral deposits or mineralized materials do not qualify as commercially minable ore reserves (*i.e.*, proved reserves or probable reserves), as prescribed under standards of the U.S. Bureau of Mines Circular 831 of 1980, until a final and comprehensive economic, technical, and legal feasibility study based upon the test results has been concluded.

Mineral Resources (measured, indicated and inferred): Geological resources about which CODELCO has achieved increased knowledge and which enable CODELCO to generate a long-term mining plan for the exploitation of such resources.

Mineralization: A deposit of rock containing one or more minerals for which the economics of recovery have not yet been established.

Molybdenum: A metallic element, grayish in color, that resembles chromium and tungsten in many properties, and is used especially in strengthening and hardening steel.

Ore: A mineral or aggregate of minerals from which metal can be economically mined or extracted.

Ore Grade: The average amount of metal expressed as a percentage or in ounces per metric ton.

Ore Deposit: Category including all geological resources, mineral resources and ore reserves.

Ore Reserves: The economically mineable part of a mineral resource.

Ounces: Unit of weight. A troy ounce equals 31,103 grams or 1.097 avoirdupois ounces.

Outokumpu Flash Furnace: Pyro-metallurgical technology used to smelt copper concentrate.

Overburden: The alluvium and rock that must be removed in order to expose an ore deposit.

Oxide Ore: Metalliferous minerals altered by weathering, surface waters, and their conversion, partly or wholly, into oxides, carbonates, or sulfates.

Pierce Smith Converter: Horizontal furnace to remove impurities from white metal by oxidation.

Porphyry: Rock with siliceous minerals and fine-medium grained size.

Porphyry-type Ore Body: Deposit of porphyric rocks with economic mineralization.

Probable Ore Reserves: Ore reserves about which CODELCO's knowledge is substantial but less extensive than its knowledge of proved ore reserves.

Proved Ore Reserves: Ore reserves about which CODELCO's knowledge is both extensive and direct. Quantities of proved ore reserves are computed from dimensions revealed in outcrops, trenches, workings or drill holes, and grade and quality are computed from the results of detailed sampling. Sites for inspection, sampling and measurement of proved ore reserves are spaced so closely together, and the geologic character of the ore is so well defined, that its size, shape, depth and mineral content are well established.

Reclamation: The process of restoring mined land to a condition established by applicable law. Reclamation standards vary widely, but usually address issues of ground and surface water, topsoil, final slope gradients, overburden and revegetation.

Refining: The purification of crude metallic substances.

Reverberatory Furnace: A furnace with a shallow hearth and a ceiling that reflects flames toward the hearth or radiates heat toward the surface of the charge.

Rod Mill: A large rotating cylinder in which metal rods are used for grinding ore.

Slag: A residue of the smelting process containing iron and other impurities, which the Company disposes of with its other industrial solid waste.

Smelting: A pyro-metallurgical process in which metal is separated by fusion from those impurities with which it may be chemically combined or physically mixed.

Solvent Extraction: A method of separating one or more substances from a chemical solution by treatment with a suitable organic solvent.

Subvertical: Amount of waste material removed during mining per metric ton of ore extracted in a near-vertical spatial orientation.

Sulfide Ore: Ore characterized by the inclusion of metal in the crystal structure of a sulfide mineral.

Tabular: Having a near-rectangular geometric configuration close to a rectangular shape.

Tailings: Finely ground rock from which valuable minerals have been extracted by concentration.

Teniente Converter: A horizontal rotary furnace into which matte, concentrates and flux are placed, and through which oxygen-rich air is blown to provide sufficient heat to smelt the concentrates. Off-gases are captured and transported to the acid plant.

Teniente Modified Converter: An advanced pyro-metallurgical technology used to smelt copper concentrate.

Ton: A unit of weight. One metric ton equals 2,204.6 pounds. One short ton equals 2,000 pounds. Unless otherwise specified in this document, "tons" refers to metric tons.

Tourmaline: A dark-green hydrosilicate that exists in altered rock zones in some ore deposits.

GENERAL INFORMATION

Authorization

The Ministry of Finance of Chile authorized CODELCO to commence negotiations to issue bonds abroad through Resolution No. **1978** dated **November 09, 2022**. The Ministry of Finance of Chile authorized the issuance of the notes by Resolution No. **221** dated **January 27, 2023**.

CODELCO's Board of Directors authorized the issuance of the notes in its ordinary session of **May 26, 2022** by means of Reserved Agreement No. **22-2022**. CODELCO has obtained all other consents and authorizations necessary under Chilean law for the issuance of the notes.

Litigation

CODELCO is not involved in any litigation or arbitration proceeding which is material in the context of the issuance of the notes. CODELCO is not aware of any material litigation or arbitration proceeding that is pending or threatened.

Clearing

CODELCO has applied to have the notes accepted into DTC's book-entry settlement system. The notes have been accepted for clearance through the clearing systems of Euroclear System and Clearstream Banking, S.A. The securities codes for the notes are:

	CUSIP Number	**ISIN Number**
Rule 144A Global Note	21987B BF4	US21987BBF40
Regulation S Global Note	P3143N BP8	USP3143NBP89

Listing

CODELCO's LEI Code is 549300UVMBCBCIPSU170. We intend to apply to list the notes on the Official List of the Luxembourg Stock Exchange and for trading on the Euro MTF market of the Luxembourg Stock Exchange in accordance with its rules and regulations. The notes are not yet listed. If any European or national legislation is adopted and is implemented or takes effect in Luxembourg in a manner that would impose requirements on us that CODELCO, in its discretion determines are impracticable or unduly burdensome, CODELCO may de-list the notes. In these circumstances, there can be no assurance that CODELCO would obtain an alternative admission to listing, trading and/or quotation for the notes by another listing authority, exchange and/or system within or outside the EU. For information regarding the notice requirements associated with any delisting decision, see "Description of Notes—Notices."

CODELCO has initially appointed The Bank of New York Mellon SA/NV, Luxembourg Branch to serve as its Luxembourg listing agent. You can contact the Luxembourg listing agent at the addresses listed on the inside back cover of this offering memorandum. CODELCO will maintain a paying agent so long as the notes are listed on the Luxembourg Stock Exchange. Any change in the paying agent will be communicated to the Luxembourg Stock Exchange and through publication in a daily newspaper in Luxembourg.

As long as the notes are listed on the Luxembourg Stock Exchange, you may receive free of charge copies of the following documents at the offices of the listing agent or the paying agent on any business day:

- this offering memorandum;
- the indenture attaching the forms of the notes;

- CODELCO's statutory documents;
- English translations of the official letter authorizing the incurrence of indebtedness as issued by the Ministry of Finance; and
- the most recent annual report, including the Consolidated Financial Statements, of CODELCO.

Copies of the indenture may be physically inspected during usual business hours on any weekday (excluding Saturday, Sundays and public holidays) at the offices of the trustee at 240 Greenwich Street, Floor 7 East, New York, New York 10286.

Financial Position

There has been no material adverse change in CODELCO's financial position and prospects since the date of the last financial information included in the offering memorandum.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

THE ISSUER

Corporación Nacional del Cobre de Chile
Huérfanos 1270
Santiago
Republic of Chile
Postal Code 8340424

TRUSTEE, PAYING AGENT, TRANSFER AGENT AND REGISTRAR

The Bank of New York Mellon
240 Greenwich Street
New York, New York 10286
United States

LUXEMBOURG LISTING AGENT

Vertigo Building
Polaris 2-4 rue Eugène Ruppert
L-2453 Luxembourg
Luxembourg

LEGAL ADVISORS TO THE ISSUER

As to New York law
Cleary Gottlieb Steen & Hamilton LLP
One Liberty Plaza
New York, New York 10006
United States

As to Chilean law
Carey y Cía. Ltda.
Isidora Goyenechea, 2800, Piso 43
Las Condes, Santiago
Republic of Chile
Postal Code 7550647

LEGAL ADVISORS TO THE INITIAL PURCHASERS

As to New York law
Linklaters LLP
1290 Avenue of the Americas
New York, NY 10104
United States

As to Chilean law
Garrigues Chile Spa
Isidora Goyenechea 3477, Piso 12 Las Condes, Santiago
Republic of Chile
Postal Code 7550106

INDEPENDENT AUDITORS

Deloitte
Auditores y Consultores Ltda.
Rosario Norte 407, Las Condes
Santiago
Chile
Postal Code 7561210

PricewaterhouseCoopers Consultores,
Auditores y Compañía Limitada
Av. Andrés Bello 2711, Floor 5, Las Condes
Santiago
Chile
Postal Code 7550611

Corporación Nacional del Cobre de Chile

U.S.$900,000,000 5.125% Notes due 2033

Offering Memorandum

Joint Book-Running Managers

BNP PARIBAS **BofA Securities** **Santander** **Scotiabank**

January 30, 2023

CORPORACION NACIONAL DEL COBRE DE CHILE

Interim Consolidated Financial Statements as of
September 30, 2022

INDEPENDENT AUDITOR'S REVIEW REPORT
(A free translation from the original in Spanish)

Santiago, October 27, 2022

To the President and Directors of
Corporación Nacional del Cobre de Chile

We have reviewed the accompanying interim consolidated financial statements of Corporación Nacional del Cobre de Chile and its subsidiaries, which comprise the interim consolidated statement of financial position as of September 30, 2022, and the related interim consolidated statements of income and comprehensive income for the three-month and nine-month periods ended September 30, 2022 and 2021, and the interim consolidated statements of changes in equity and cash flows for the nine-month periods then ended.

Management's Responsibility for the Interim Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the interim consolidated financial statements in accordance with IAS 34 "Interim Financial Reporting" incorporated in the International Financial Reporting Standards. This responsibility includes the design, implementation and maintenance of internal control sufficient to provide a reasonable basis for the preparation and fair presentation of the interim consolidated financial statements in accordance with the applicable framework for the preparation and presentation of financial information.

Auditor's Responsibility

Our responsibility is to conduct our reviews in accordance with auditing standards generally accepted in Chile applicable to reviews of interim financial statements. A review of interim financial statements consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in Chile, the objective of which is the expression of an opinion on the financial statements. Accordingly, we do not express such an opinion.

Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying interim consolidated financial statements for them to be in accordance with IAS 34 "Interim Financial Reporting" incorporated in the International Financial Reporting Standards.

Emphasis of Matter - Preparation for the Ventanas Smelter Shutdown

As indicated in Note 29 to the interim consolidated financial statements, on June 17, 2022 the Board of Directors of Corporación Nacional del Cobre de Chile announced its decision to move forward in preparing the closure of the Ventanas smelter. As described in that same Note, the closure of the smelter requires the amendment of Law No. 19,993, which obliges the Corporation to smelt the ores of Empresa Nacional de Minería (ENAMI) exclusively at the Ventanas smelter. In the event that the referred law was amended and the Corporation proceeded with the closure of the smelter, the recoverable value of its net assets could be lower than its carrying amount. Our conclusion is not modified in respect of this matter.

Other matters – Consolidated Statement of Financial Position as of December 31, 2021

On February 24, 2022, we expressed an unmodified opinion on the consolidated financial statements of Corporación Nacional del Cobre de Chile and its subsidiaries as of December 31, 2021 which include the consolidated statement of financial position as of December 31, 2021 and explanatory notes also presented in the attached interim consolidated financial statements.

DocuSigned by:
5C2853C6DC264A1...
Juan Carlos Pitta De C.
RUT: 14.709.125-7

PricewaterhouseCoopers

CODELCO - CHILE

Interim consolidated financial statements
as of September 30, 2022
(A free translation from the original in Spanish)

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INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(A free translation from the original in Spanish)

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(In thousands of US dollars - ThUS$)
(A free translation from the original in Spanish)

	Note N°	9-30-2022	12-31-2021
Assets			
Current assets			
Cash and cash equivalents	1	1,611,381	1,283,618
Other current financial assets	11	51,846	320,340
Other current non-financial assets		28,435	23,997
Trade and other current receivables	2	2,076,467	4,194,350
Accounts receivable from related entities, current	3	13,441	156,711
Current inventories	4	2,566,252	1,811,455
Current tax assets	6	161,380	11,438
Total current assets		**6,509,202**	**7,801,909**
Non-current assets			
Other non-current financial assets	11	39,250	38,283
Other non-current non-financial assets		1,702	1,621
Non-current accounts receivable	2	80,220	104,177
Accounts receivable from related parties, non-current	3	224	224
Non-current inventories	4	604,502	610,558
Investments accounted for using equity method	9	3,534,431	3,546,011
Intangible assets other than goodwill		42,808	43,311
Property, plant and equipment	7	31,101,244	30,449,893
Investment property		981	981
Right-of-use assets	8	403,315	361,539
Non-current tax assets	6	4,699	4,333
Deferred tax assets	5	90,526	94,595
Total non-current assets		**35,903,902**	**35,255,526**
Total assets		**42,413,104**	**43,057,435**

The accompanying notes are an integral part of these interim consolidated financial statements.

CORPORACIÓN NACIONAL DEL COBRE DE CHILE
INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As of September 30, 2022 (unaudited) and December 31, 2021
(In thousands of US dollars - ThUS$)
(A free translation from the original in Spanish)

	Note N°	9-30-2022	12-31-2021
Equity and liabilities			
Liabilities			
Current liabilities			
Other financial liabilities, current	12	380,136	605,203
Lease liabilities, current	8	116,390	112,104
Trade and other payables	15	1,181,416	1,497,429
Accounts payable to related entities, current	3	84,581	221,344
Other short-term provisions	16	514,710	742,027
Current tax liabilities, current	6	14,499	308,376
Current provisions for employee benefits	17	346,321	419,323
Other non-financial liabilities, current		36,022	33,071
Total current liabilities		**2,674,075**	**3,938,877**
Non-current liabilities			
Other financial liabilities, non-current	12	16,620,648	16,903,640
Lease liabilities, non-current	8	259,341	240,023
Non-current payables		1,028	1,065
Other long-term provisions	16	2,159,378	2,457,585
Deferred tax liabilities	5	7,978,169	7,004,523
Non-current provisions for employee benefits	17	943,453	934,542
Other non-financial liabilities, non-current		2,238	2,279
Total non-current liabilities		**27,964,255**	**27,543,657**
Total liabilities		**30,638,330**	**31,482,534**
Equity			
Share capital		5,619,423	5,619,423
Other reserves	18.a	5,302,576	5,286,406
Accumulated losses		(66,447)	(277,340)
Equity attributable to owners of parent		**10,855,552**	**10,628,489**
Non-controlling interests	18.b	919,222	946,412
Total equity		**11,774,774**	**11,574,901**
Total liabilities and equity		**42,413,104**	**43,057,435**

The accompanying notes are an integral part of these interim consolidated financial statements.

CORPORACIÓN NACIONAL DEL COBRE DE CHILE
INTERIM CONSOLIDATED STATEMENTS OF INCOME
For the nine- and three-month periods ended september 30, 2022 and 2021 (unaudited)
(In thousands of US dollars - ThUS$)
(A free translation from the original in Spanish)

	Note N°	1-1-2022 9-30-2022	1-1-2021 9-30-2021	7-1-2022 9-30-2022	7-1-2021 9-30-2021
Revenue	19	11,879,784	14,868,179	3,188,844	4,853,260
Cost of sales		(8,340,192)	(8,822,621)	(2,552,636)	(2,919,254)
Gross margin		**3,539,592**	**6,045,558**	**636,208**	**1,934,006**
Other income	22.a	39,476	83,337	8,533	24,605
Distribution costs		(10,353)	(7,429)	(3,647)	(2,400)
Administrative expenses		(374,634)	(322,012)	(127,975)	(101,350)
Other expenses by function	22.b	(1,305,710)	(1,748,250)	(379,764)	(808,362)
Other gains		22,415	24,032	6,647	8,707
Gains (losses) from operating activities		**1,910,786**	**4,075,236**	**140,002**	**1,055,206**
Finance income		29,600	10,086	15,895	3,056
Finance costs	23	(424,459)	(448,789)	(139,000)	(144,282)
Impairment of gains and reversal of impairment losses determined in accordance with IFRS 9		(1,182)	(9)	136	249
Equity in income of associates and joint ventures accounted for using the equity method	9	53,391	305,607	(23,430)	87,487
Exchange gains (losses) in foreign currencies	25	129,728	254,932	4,737	219,546
Income for the period before tax		**1,697,864**	**4,197,063**	**(1,660)**	**1,221,262**
Income tax expense	5	(1,206,688)	(2,690,160)	(26,930)	(809,998)
Net income for the period		**491,176**	**1,506,903**	**(28,590)**	**411,264**
Profit attributable to					
Profit attributable to owners of the parent		471,660	1,425,934	(26,132)	387,687
Profit attributable to non-controlling interests	18.b	19,516	80,969	(2,458)	23,577
Net income for the period		**491,176**	**1,506,903**	**(28,590)**	**411,264**

The accompanying notes are an integral part of these interim consolidated financial statements.

CORPORACIÓN NACIONAL DEL COBRE DE CHILE
INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

For the nine- and three-month periods ended September 30, 2022 and 2021 (unaudited)
(In thousands of US dollars - ThUS$)
(A free translation from the original in Spanish)

	Note N°	1-1-2022 9-30-2022	1-1-2021 9-30-2021	7-1-2022 9-30-2022	7-1-2021 9-30-2021
Profit		**491,176**	**1,506,903**	**(28,590)**	**411,264**
Comprehensive income					
Components of comprehensive income that will not be reclassified to profit or loss for the period, before taxes					
Comprehensive (loss) income, before income taxes, gains from remeasurement of defined benefit plans	17	(46,194)	77,853	(15,832)	15,460
Share of comprehensive income of associates and joint ventures accounted for using the equity method that will not be reclassified to profit or loss for the period, before taxes		161	(335)	103	(138)
Total other comprehensive income that will not be reclassified to profit or loss for the period, before taxes		**(46,033)**	**77,518**	**(15,729)**	**15,322**
Components of comprehensive income that will be reclassified to profit or loss for the period, before taxes					
Exchange differences on translation					
(Loss) gain on foreign exchange translation differences, before income taxes		(4,477)	(2,917)	(1,405)	(2,284)
Comprehensive income (loss) before income taxes, foreign exchange translation differences		**(4,477)**	**(2,917)**	**(1,405)**	**(2,284)**
Cash flows hedges					
Gains (losses) on cash flows hedges, before taxes		101,120	(73,917)	(6,029)	(10,495)
Comprehensive income, before tax, cash flow hedges		**101,120**	**(73,917)**	**(6,029)**	**(10,495)**
Total comprehensive income that will be reclassified to profit or loss for the period, before taxes		**96,643**	**(76,834)**	**(7,434)**	**(12,779)**
Other components of comprehensive income, before taxes		**50,610**	**684**	**(23,163)**	**2,543**
Income tax related to components comprehensive income					
Income taxes related to remeasurements of defined benefit comprehensive income plans	5	32,187	(54,358)	11,063	(10,640)
Income taxes related to components of comprehensive income that will not be reclassified to profit or loss for the period		**32,187**	**(54,358)**	**11,063**	**(10,640)**
Income taxes related to components of comprehensive income that will be reclassified to profit or loss for the period					
Income taxes related to comprehensive income cash flow hedges	5	(65,728)	48,046	3,919	6,822
Income taxes related to components of comprehensive income that will be reclassified to profit or loss for the period		**(65,728)**	**48,046**	**3,919**	**6,822**
Comprehensive income		**17,069**	**(5,628)**	**8,181**	**(1,275)**
Total comprehensive income		**511,186**	**1,501,275**	**(36,771)**	**409,989**
Comprehensive income, attributable to					
Comprehensive income attributable to owners of parent		488,729	1,420,306	(34,313)	386,412
Comprehensive income attributable to non-controlling interests	18.b	19,516	80,969	(2,458)	23,577
Total comprehensive income		**508,245**	**1,501,275**	**(36,771)**	**409,989**

The accompanying notes are an integral part of these interim consolidated financial statements.

CORPORACIÓN NACIONAL DEL COBRE DE CHILE
INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the periods from January 1, to September 30, 2022 and 2021 (unaudited)
(In thousands of US dollars - ThUS$)
(A free translation from the original in Spanish)

9-30-2022	Share capital	Reserve on exchange differences on translation	Reserves of cash flow hedges	Reserve of remeasurement of defined benefit plans	Other reserves	Total other reserves Note 18	Retained earnings (losses)	Equity attributable to owners of parent	Non-controlling interests Note 18	Total equity
Opening balance at 01.01.2022	**5,619,423**	**(6,221)**	**(31,254)**	**(259,573)**	**5,583,454**	**5,286,406**	**(277,340)**	**10,628,489**	**946,412**	**11,574,901**
Changes in equity										
Gain							471,660	471,660	19,516	491,176
Comprehensive income		(4,477)	35,392	(14,007)	161	17,069	-	17,069		17,069
Profit (loss)	-	(4,477)	35,392	(14,007)	161	17,069	-	488,729	19,516	508,245
Dividends							(259,900)	(259,900)		(259,900)
(Decrease) Increase through transfers and other changes, equity	-	-	-	-	(899)	(899)	(867)	(1,766)	(46,706)	(48,472)
Increase (decrease) in equity	**-**	**(4,477)**	**35,392**	**(14,007)**	**(738)**	**16,170**	**210,893**	**227,063**	**(27,190)**	**199,873**
Closing balance at 09.30.2022	**5,619,423**	**(10,698)**	**4,138**	**(273,580)**	**5,582,716**	**5,302,576**	**(66,447)**	**10,855,552**	**919,222**	**11,774,774**

The accompanying notes are an integral part of these interim consolidated financial statements.

CORPORACIÓN NACIONAL DEL COBRE DE CHILE
INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the periods from January 1, to September 30, 2022 and 2021 (unaudited)
(In thousands of US dollars - ThUS$)
(A free translation from the original in Spanish)

9-30-2021	Share capital	Reserve on exchange differences on translation	Reserves of cash flow hedges	Reserve of remeasurement of defined benefit plans	Other reserves	Total other reserves Note 18	Retained earnings (losses)	Equity attributable to owners of parent	Non-controlling interests Note 18	Total equity
Opening balance at 01.01.2021	**5,619,423**	**(2,939)**	**2,988**	**(305,556)**	**5,582,329**	**5,276,822**	**(194,696)**	**10,701,549**	**924,942**	**11,626,491**
Changes in equity										
Gain							1,425,934	1,425,934	80,969	1,506,903
Comprehensive income		(2,917)	(25,871)	23,495	(335)	(5,628)		(5,628)	-	(5,628)
Profit (loss)		(2,917)	(25,871)	23,495	(335)	(5,628)		1,420,306	80,969	1,501,275
Dividends							(1,266,711)	(1,266,711)		(1,266,711)
(Decrease) Increase through transfers and other changes, equity	-	-	-	-	125	125	5,125	5,250	(89,741)	(84,491)
Increase (decrease) in equity	**-**	**(2,917)**	**(25,871)**	**23,495**	**(210)**	**(5,503)**	**164,348**	**158,845**	**(8,772)**	**150,073**
Closing balance at 09.30.2021	**5,619,423**	**(5,856)**	**(22,883)**	**(282,061)**	**5,582,119**	**5,271,319**	**(30,348)**	**10,860,394**	**916,170**	**11,776,564**

The accompanying notes are an integral part of these interim consolidated financial statements.

CORPORACIÓN NACIONAL DEL COBRE DE CHILE
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

For the nine-month periods ended September 30, 2022 and 2021 (unaudited)
(In thousands of US dollars - ThUS$)
(A free translation from the original in Spanish)

	Note N°	1-1-2022 9-30-2022	1-1-2021 9-30-2021
Cash flows from (used in) operating activities			
Classes of cash receipts from operating activities			
Receipts from sales of goods and rendering of services		13,971,769	14,882,039
Other cash receipts from operating activities	26	1,724,131	1,538,133
Payments to suppliers for goods and services		(8,001,386)	(7,254,810)
Payments to and on behalf of employees		(1,102,015)	(1,290,120)
Other cash payments from operating activities	26	(2,257,471)	(2,323,035)
Dividends received		163,619	270,872
Income tax (paid)		(695,990)	(1,173,534)
Net cash flow from operating activities		3,802,657	4,649,545
Cash flows from (used in) investing activities			
Other cash payments to acquire equity or debt instruments of other entities		(257)	(193)
Purchases of property, plant and equipment		(2,415,287)	(2,011,492)
Interest received		24,736	5,687
Other cash outflows		285,611	(101,919)
Net cash flows used in investing activities		(2,105,197)	(2,107,917)
Cash flows from (used in) financing activities			
Payment of loans and bonds		(344,623)	(551,509)
Lease liability payments		(102,286)	(107,547)
Dividends paid		(259,900)	(1,160,306)
Interest paid		(610,933)	(621,974)
Other cash outflows		(63,747)	(100,562)
Net cash flows used in financing activities		(1,381,489)	(2,541,898)
Net increase (decrease) in cash and cash equivalents before the effect of exchange rate changes		**315,971**	**(270)**
Effect of exchange rate changes on cash and cash equivalents		11,792	(46,688)
Net increase (decrease) in cash and cash equivalents		**327,763**	**(46,958)**
Cash and cash equivalents at beginning of period	1	1,283,618	2,107,493
Cash and cash equivalents at end of period	**1**	**1,611,381**	**2,060,535**

The accompanying notes are an integral part of these interim consolidated financial statements.

CORPORACIÓN NACIONAL DEL COBRE DE CHILE
NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS OF SEPTEMBER 30, 2022 (UNAUDITED) AND DECEMBER 31, 2021
(Monetary values in thousands of United States dollars,
unless another currency or unit is indicated)

I. GENERAL INFORMATION

1. Corporate information

Corporación Nacional del Cobre de Chile (hereinafter referred to as “Codelco” or the “Corporation”), is, in Management´s opinion, the largest copper producer in the world. Codelco’s most important product is refined copper, primarily in the form of cathodes. The Corporation also produces copper concentrates, blister and anode copper and by-products such as molybdenum, anode slime and sulfuric acid.

The Corporation trades its products based on a policy aimed to sell refined copper to manufacturers or producers of semi-manufactured products.

These products contribute to diverse fields of community development, particularly those intended to improve areas such as public health, energy efficiency, and sustainable development, among others.

The Corporation is registered under Securities Registry No. 785 of the Chilean Commission for the Financial Market (the “CMF”) and is subject to its supervision. According to Article No. 10 of Law No. 20392 (related to the new Corporate Governance of Codelco), such supervision shall be on the same terms as publicly traded companies, notwithstanding the provisions in Decree Law (D.L.) No.1349 of 1976, which created the Comisión Chilena del Cobre (“Chilean Copper Commission”).

Codelco’s head office is in Santiago, Chile, at 1270 Huérfanos Street, telephone number (56-2) 26903000.

Codelco was incorporated through D.L. No. 1350 of 1976, which is the statutory decree applicable to the Corporation. In accordance with the statutory decree, Codelco is a government-owned mining, industrial and commercial company, which is a separate legal entity with its own equity. Codelco Chile currently carries out its mining business through its Chuquicamata, Radomiro Tomic, Ministro Hales, Gabriela Mistral, Salvador, Andina, El Teniente and Ventanas divisions.

The Corporation also carries out similar activities in other mining deposits in association with third parties.

In accordance with letter e) of Article 10 of Law No. 20392, Codelco is governed by its organic standards set forth in Decree Law No. 1350 (D.L. No. 1350) and that of its by-laws, and in matters not covered by them and, insofar as they are compatible and do not contradict the provisions of such standards, by the rules that govern publicly traded companies and the common laws as applicable to them.

In accordance with D.L. No. 1350 Section IV related to the Company's Exchange and Budget Regulations. Codelco's financial activities are conducted following an annual budgeting program that is composed of an Operations Budget, an Investment Budget, and a Debt Amortization Budget.

The tax system applicable to Codelco's taxable income is in accordance with Article 26 of D. L. No.1350 which refers to Decree Law No. 824 on Income Tax of 1974 and Decree Law No. 2398 (Article 2) of 1978, as applicable. The Corporation's taxable income is also subject to a Specific Mining Tax in accordance with Law No. 20026 of 2005.

According to Law No. 13196, the return on foreign currency of the Corporation's foreign sales (real income), of its copper production, including its by-products, is taxed at 10% and method of payment and the duration of this obligation for Codelco, which are detailed in Note III.22 letter c) of this report.

The subsidiaries whose financial statements are included in these consolidated financial statements correspond to companies located in Chile and abroad, which are detailed in Note II.2.d.

The associates located in Chile and abroad, are detailed in the Explanatory Notes Section III of Note 9.

2. Basis of presentation of the consolidated financial statements

The interim consolidated statements of financial position as of September 30, 2022 and the consolidated statements of financial position as of December 31, 2021, the interim consolidated statements of profit, statements of comprehensive income for the nine-month and three-month periods ended September 30, 2022 and 2021 and the interim consolidated statements of changes in equity and cash flows for the nine-month periods ended September 30, 2022 and 2021 have been prepared in accordance with International Accounting Standard No. 34 (IAS 34) "Interim Financial Reporting", incorporated in the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (hereinafter "IASB").

These interim consolidated financial statements (unaudited) include all information and disclosures required in annual financial statements.

These interim consolidated financial statements (unaudited) have been prepared from accounting records maintained by the Corporation.

The interim consolidated financial statements (unaudited) of the Corporation are presented in thousands of United States dollar ("U.S. dollar").

Responsibility for information and estimates made

The Board of Directors of the Corporation has been informed of the information included in these interim consolidated financial statements (unaudited) and expressly declared its responsibility for the consistent and reliable nature of the information included as of September 30, 2022 which financial statements fully comply with IFRS. These interim consolidated financial statements (unaudited) as of September 30, 2022 were approved by the Board of Directors at a meeting held on October 27, 2022.

Accounting policies

These interim consolidated financial statements (unaudited) reflect the financial position of Codelco and its subsidiaries as of September 30, 2022 and December 31, 2021 and the results of their operations for the nine and three-month periods ended September 30, 2022 and 2021, and changes in equity and cash flows for the nine-month periods ended September 30, 2022 and 2021, and their related notes, all prepared in accordance with IAS 34 ”Interim Financial Reporting”, considering the respective presentation regulations of the Commission for the Financial Market (CMF).

II. SIGNIFICANT ACCOUNTING POLICIES

1. Significant judgments and key estimates

In preparing these interim consolidated financial statements, the use of certain critical accounting estimates and assumptions that affect the amounts of assets and liabilities recognized as of the date of the financial statements and the amounts of revenue and expenses recognized during the reporting period is required. Such preparation also requires the Corporation's Management to exercise its judgment in the process of applying the Corporation's accounting policies. The areas involving a greater degree of judgment or complexity or areas in which the assumptions and estimates are significant for the consolidated financial statements are described as follows:

a) **Useful economic lives and residual values of property, plant and equipment:** the useful lives and residual values of property, plant and equipment that are used for calculating depreciation are determined based on technical studies prepared by internal specialists. The technical studies consider specific factors related to the use of assets.

   Where there are indications that the useful lives of these assets or their residual values may have changed from previous estimates, this should be done using technical estimates to determine the impact of any changes

b) **Ore reserves:** the measurements of ore reserves are based on estimates of the ore resources that are legally and economically exploitable and reflect the technical and environmental considerations of the Corporation regarding the amount of resources that could be exploited and sold at prices exceeding the total cost associated with the extraction and processing.

The Corporation applies judgment in determining the ore reserves, and as such, possible changes in these estimates might significantly impact the estimates of net revenues over time. In addition, these changes might lead to modifications in usage estimates, which might have an effect on depreciation and amortization expense, calculation of stripping cost adjustments, determination of impairment losses, expected future disbursements related to decommissioning and restoration obligations, long term defined benefits plans' accounting and the accounting for financial derivative instruments.

The Corporation estimates its reserves and mineral resources based on the information certified by the Competent Persons internal and external of the Corporation, who are defined and regulated according to Law No. 20235. These estimates correspond to the application of the Certification Code of Ore Reserves, Resources and Exploration, issued by the Mining Committee which was instituted through the law.

Notwithstanding the foregoing, the Corporation periodically reviews its estimation models, supported by experts who, in some divisions, also certify the reserves determined from these models.

c) **Impairment of non-financial assets:** the Corporation reviews the carrying amount of its non-financial assets to determine whether there is any indication that the carrying amount may not be recoverable. If any such indicator exists, the recoverable amount of the assets is estimated to determine the extent of the impairment loss. In testing impairment, the assets are grouped into cash generating units ("CGUs") to which the assets belong, if applicable. The recoverable amount of these CGUs is calculated as the present value of the expected future cash flows from such assets, considering a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of the assets is lower than their carrying amount, an impairment loss is recognized.

The Corporation defines the CGUs and also estimates the timing and cash flows that such CGUs will generate. Subsequent changes in the grouping of the CGU, or changes in the assumptions supporting the estimates of cash flows or the discount rate, may impact the carrying amounts of the corresponding assets.

Estimates of assumptions influencing the calculation of cash flows, such as the price of copper or treatment charges and refining charges, among others, are determined based on studies conducted by the Corporation using uniform criteria over different periods. Any change in these criteria may have an impact on the recoverable amount of the assets being tested for impairment.

The Corporation has assessed and defined that the CGUs are determined at the level of each of its current operating divisions.
Impairment testing also is performed at subsidiaries and associates.

d) **Provisions for decommissioning and site restoration costs**: when a disruption is caused by the ongoing development or production of a mining property, an obligation to incur decommissioning and restoration costs arises. Costs are estimated based on a formal closure plan and are reassessed as of each reporting period or as of the date such obligations become known. The initial estimate of decommissioning and site restoration costs is recognized as property, plant, and equipment in accordance with IAS 16, and simultaneously a liability in accordance with IAS 37, is recorded.

For these purposes, a defined list of mine sites, facilities and other equipment are studied under this process, considering the engineering level profile, the cubic meters of assets that will be subject to removal and restoration, weighted by a structure of market prices of goods and services, reflecting the best current knowledge related to carrying out such activities, as well as techniques and more efficient construction procedures to date. In the process of valuation of these activities, the assumptions of the exchange rate for tradable goods and services are made, as well as a discount rate, which considers the time value of money and the risks associated with the liabilities, which is determined based, where applicable, on the currency in which disbursements are expected to be made.

The liability amounts recognized at the end of each reporting date represent management's best estimate of the present value of the future decommissioning and site restoration costs. Changes in the estimate of the liability because of changes in the estimated future costs or in the discount rate are added to or deducted from the respective asset cost. The amount deducted from the cost of the asset shall not exceed it carrying amount. If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognized immediately in profit or loss.

If the adjustment results in an addition to the cost of the asset, Codelco considers whether this is an indicator that the new carrying amount of the asset may not be fully recoverable. If such an indicator exists, Codelco tests the asset for impairment by estimating its recoverable amount, and accounts for any impairment loss in accordance with IAS 36.

Costs arising from the installation of a plant or other site preparation work, discounted to their net present value, are provided for and capitalized at the beginning of each project as soon as the obligation to incur such costs arises. These decommissioning costs are charged to net income over the life of the mine, through depreciation of the corresponding asset. Depreciation expense is included in cost of sales, while the discount in the provision is included in finance costs.

e) **Provisions for employee benefits:** Provisions for employee benefits related to severance payments and health benefits for services rendered by the employees are determined based on actuarial calculations using the projected unit credit method and are recognized in other comprehensive income or s (depending on the accounting standards applicable) on an accrual basis

The Corporation uses assumptions to determine the best estimate of future obligations related to these benefits. Such estimates, as well as assumptions, are determined by management using the assistance of external actuaries. These assumptions include demographic assumptions, discount rate and expected salary increases and rotation levels, among other factors.

f) **Accruals for open invoices:** the Corporation uses information on future copper prices, through which it recognizes adjustments to its revenues and trade receivables, due to the conditions in provisional pricing arrangements. These adjustments are updated monthly, See Notes 2 r) “Revenue from contracts with customers” of Note 2 “Significant accounting policies” below.

g) **Fair value of derivatives and other financial instruments:** management may use its judgment to choose an adequate and proper valuation method for financial instruments that are not quoted in an active market. In the case of derivative financial instruments, assumptions are based on observable market inputs, adjusted depending on factors specific to the instruments among others.

h) **Lawsuits and contingencies:** The Corporation assesses the probability of lawsuits and contingency losses on an ongoing basis according to estimates performed by its legal advisors. For cases in which management and the Corporation’s legal advisors believe that a loss is not probable of occurring or where probable, may not be estimated reliably, no provisions are recognized. When it is considered more likely than not that a loss is probable and it may be reliably estimated, a provision is recognized.

i) **Application of IFRS 16:** includes the following:
- Estimation of the lease term
- Determine if it is reasonably certain that an extension or termination option will be exercised.
- Determination of the appropriate rate to discount lease payments

j) **Revenue recognition:** the Corporation determines appropriate revenue recognition for its contracts with customers by analyzing the type, terms and conditions of each contract or agreement with a customer.

As part of the analysis, the management must make judgments about whether an agreement or contract is legally enforceable, and whether the agreement includes separate performance obligations. In addition, estimates are required to allocate the total price of the transaction to each performance obligation based on the stand-alone selling price of the promised goods or services underlying each performance obligation. (The Corporation applies the constraint on variable consideration as defined in IFRS 15, if applicable).

Although the abovementioned estimates have been made based on the best information available as of the date of issuance of these consolidated financial statements, it is possible that new developments could lead the Corporation to modify these estimates in the future. Such modifications, if applicable, would be adjusted prospectively, as required by IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors."

2. Significant accounting policies

a. Period covered: The accompanying interim consolidated financial statements of Corporación Nacional del Cobre de Chile include the following statements:

- Interim Consolidated Statements of Financial Position as of September 30, 2022 (unaudited) and December 31, 2021.
- Interim Consolidated Statements of Comprehensive Income (unaudited) for the nine-month and three-month periods ended September 30, 2022 and 2021.
- Interim Consolidated Statements of Changes in Equity (unaudited) for the nine-month periods ended September 30, 2022 and 2021.
- Interim Consolidated Statements of Cash Flows (unaudited) for the nine-month periods ended September 30, 2022 and 2021.

b. Basis of preparation - These interim consolidated financial statements (unaudited) of the Corporation as of September 30, 2022 have been prepared in accordance with the instructions of the Commission for the Financial Market which fully comply with International Financial Reporting Standards (IFRS) issued by the IASB.

The consolidated statements of financial position as of December 31, 2021 (audited), and the statements of income for the nine-month and three-month periods ended September 30, 2021 (unaudited) and the statements of shareholders' equity and cash flows for the nine-month period ended September 30, 2021 (unaudited), which are included for comparative purposes, have been prepared in accordance with IFRS as issued by the IASB, on a basis consistent with the basis used for the same period ended September 30, 2021, except for the adoption of new IFRS standards and interpretations adopted by the Corporation as of September 30, 2022, which are disclosed in number 3 "New standards and interpretations adopted by the Corporation" in section II of this report

These interim consolidated financial statements have been prepared from accounting records held by the Corporation.

c. Functional currency - The functional currency of Codelco is the U.S. dollar, which is the currency of the primary economic environment in which the Corporation operates and the currency in which it receives its revenues.

The functional currency of subsidiaries, associates, and joint ventures is the currency of the primary economic environment in which those entities operate and the currency in which they receive their revenues. For those subsidiaries and associates that are an extension of the operations of Codelco (entities that are not self-sustaining and whose main transactions are with Codelco); the functional currency is also the U.S. dollar.

The presentation currency of Codelco's interim consolidated financial statements is the U.S. dollar.

d. **Basis of consolidation** - The intermediate consolidated financial statements incorporate the financial statements of the Corporation and its subsidiaries.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Corporation obtains control, and continue to be consolidated until the date such control ceases. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement from the date the Corporation gains control until the date when the Corporation ceases to control the subsidiary.

The financial statements of the subsidiaries are prepared for the same reporting period as the Corporation, using consistent accounting policies

All assets, liabilities, equity, income, expenses, and cash flows related to transactions between consolidated companies are fully eliminated on consolidation. The value of the non-controlling interest of shareholders in equity and in the results of affiliates is presented, respectively, as " Non-controlling interests" in the consolidated statement of financial position and "Income (loss) attributable to non-controlling interests" and "Comprehensive income (loss) attributable to non-controlling interests" in the consolidated statements of income.

The following companies have been consolidated:

Taxpayer ID No.	COMPANY	Country	Functional currency	9-30-2022			12-31-2021
				% Ownership			% Ownership
				Direct	Indirect	Total	Total
Foreign	Chile Copper Limited	England	GBP	100.00	-	100.00	100.00
Foreign	Codelco do Brasil Mineracao	Brazil	BRL	-	100.00	100.00	100.00
Foreign	Codelco Group Inc.	USA	US$	100.00	-	100.00	100.00
Foreign	Codelco Kupferhandel GmbH	Germany	EURO	100.00	-	100.00	100.00
Foreign	Codelco Metals Inc.	USA	US$	-	100.00	100.00	100.00
Foreign	Codelco Services Limited	England	GBP	-	100.00	100.00	100.00
Foreign	Codelco Shanghai Company Limited	China	RMB	100.00	-	100.00	100.00
Foreign	Codelco Singapore P.L	Singapore	US$	100.00	-	100.00	100.00
Foreign	Codelco USA Inc.	USA	US$	-	100.00	100.00	100.00
Foreign	Codelco Canada	Canada	US$	100.00	0.00	100.00	100.00
Foreign	Ecometales Limited	Channel Islands	US$	-	100.00	100.00	100.00
Foreign	Exploraciones Mineras Andinas Ecuador EMSAEC S.A.	Ecuador	US$	-	100.00	100.00	100.00
Foreign	Cobrex Prospeccao Mineral	Brazil	BRL	-	51.00	51.00	51.00
78.860.780-6	Compañía Contractual Minera Los Andes	Chile	US$	99.97	0.03	100.00	100.00
81.767.200-0	Asociación Garantizadora de Pensiones	Chile	CLP	96.69	-	96.69	96.69
88.497.100-4	Clínica San Lorenzo Limitada	Chile	CLP	100.00	0.00	100.00	100.00
96.817.780-K	Inmobiliaria de Salud de Codelco SpA (Ex - SEHC Calama)	Chile	US$	100.00	0.00	100.00	100.00
76.354.490-7	Inmobiliaria Hospital del Cobre-Calama S.A.	Chile	CLP	-	100.00	100.00	100.00
96.819.040-7	Compañía Portuaria Mejillones S.A.	Chile	US$	99.99	0.01	100.00	100.00
96.991.180-9	Codelco Tec SpA	Chile	US$	99.91	0.09	100.00	100.00
99.569.520-0	Exploraciones Mineras Andinas S.A.	Chile	US$	99.90	0.10	100.00	100.00
99.573.600-4	Clínica Río Blanco S.A.	Chile	CLP	99.73	0.27	100.00	100.00
76.064.682-2	Centro de Especialidades Médicas Río Blanco Ltda.	Chile	CLP	-	100.00	100.00	100.00
77.773.260-9	Inversiones Copperfield SpA	Chile	US$	100.00		100.00	100.00
76.043.396-9	Innovaciones en Cobre S.A.	Chile	US$	0.05	99.95	100.00	100.00
76.148.338-2	Sociedad de Procesamiento de Molibdeno Ltda.	Chile	US$	99.95	0.05	100.00	100.00
76.173.357-5	Inversiones Gacrux SpA	Chile	US$	100.00	-	100.00	100.00
76.231.838-5	Inversiones Mineras Nueva Acrux SpA	Chile	US$	-	67.80	67.80	67.80
76.237.866-3	Inversiones Mineras Los Leones SpA	Chile	US$	-	-	-	100.00
76.173.783-K	Inversiones Mineras Becrux SpA	Chile	US$	-	67.80	67.80	67.80
76.124.156-7	Centro de Especialidades Médicas San Lorenzo Ltda.	Chile	US$	-	100.00	100.00	100.00
76.255.061-K	Central Eléctrica Luz Minera SpA	Chile	US$	100.00	-	100.00	100.00
70.905.700-6	Fusat	Chile	CLP	-	-	-	-
76.334.370-7	Isalud Isapre de Codelco Ltda.	Chile	CLP	99.90	0.10	100.00	100.00
78.394.040-K	Centro de Servicios Médicos Porvenir Ltda.	Chile	CLP	-	99.00	99.00	99.00
77.928.390-9	Inmobiliaria e Inversiones Rio Cipreces Ltda.	Chile	CLP	-	99.90	99.90	99.90
77.270.020-2	Prestaciones de Servicios de la Salud Intersalud Ltda.	Chile	CLP	-	99.00	99.00	99.00
76.754.301-8	Salar de Maricunga SpA	Chile	CLP	100.00	-	100.00	100.00

For the purposes of these interim consolidated financial statements, subsidiaries, associates, acquisitions and disposals are defined as follows:

- ***Subsidiaries:*** A subsidiary is an entity over which the Corporation has control. Control is exercised if, and only if, the following elements are present: (i) power to govern the operating and financial policies to obtain benefits from their activities; (ii) exposure or rights to the variable returns of these companies; and (iii) ability to use the power to influence the amount of returns.

  The Corporation reassesses whether it controls a subsidiary if facts and circumstances indicate that there are changes to one or more of the elements of control listed above.

  The consolidated financial statements include all assets, liabilities, revenues, expenses, and cash flows of Codelco and its subsidiaries, after eliminating all inter-company balances and transactions.

- ***Associates:*** An associate is an entity over which Codelco has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the associate but is not control or joint control over those policies.

  Codelco's interest ownership in associates is recognized in the consolidated financial statements under the equity method. Under this method, the initial investment is recognized at cost and adjusted thereafter to recognize changes in Codelco's share of the comprehensive income of the associate, less any impairment losses or other changes to the investment in net assets of the associate.

  The Corporation adjusts the proportional gains or losses obtained by the associate after acquisition to take into account the effects that may exist in the depreciation of the fair value of the assets considered at the date of acquisition.

- ***Acquisitions and disposals:*** the result of businesses acquired are incorporated in the consolidated financial statements from the date when control is obtained; the results of businesses sold during the period are included in the consolidated financial statements up to the effective date of disposal. Gains or losses on disposal is the difference between the sale proceeds (net of expenses) and the carrying amount of the net assets attributable to the ownership interest that has been sold (and, where applicable, the associated cumulative translation adjustment).

  If control is lost over a subsidiary, the retained ownership interest in the investment will be recognized at its fair value.

  At the acquisition date of an investment in a subsidiary, associate or joint venture, any excess of the cost of the investment (consideration transferred) plus the amount of the non-controlling interest in the acquiree plus the fair value of any previously held equity interest in the acquiree, where applicable, over Codelco's share of the net fair value of the identifiable assets and acquired liabilities is recognized as goodwill. Any excess of Codelco´s share of the net fair value of the identifiable assets and acquired liabilities over the consideration transferred, after reassessment, is recognized immediately in profit or loss in the period in which the investment is acquired.

e. **Foreign currency transactions and reporting currency conversion** - Transactions in currencies other than the Corporation's functional currency are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, foreign currency transactions denominated in foreign currencies are converted at the rates prevailing at that date. Gains and losses due to the effect of foreign currency transactions are included in the consolidated statement of income for the period within "Exchange gains (losses) in foreign currencies".

At the end of each reporting period, assets and liabilities denominated in Unidades de Fomento (UF or inflation index-linked units of account) are translated into U.S. dollars at the closing exchange rates of each period 9-30-2022: US$ 35.68; 12-31-2021: US$ 36.69; 9-30-2021: 37.06). Expenses and income in local currency have been expressed in dollars at the observed exchange rate, corresponding to the date of the accounting record of each transaction.

The translation of the financial statements of affiliated associates and jointly controlled entities, whose functional currency is different from Codelco's presentation currency, is performed as follows for consolidation purposes:

- Assets and liabilities are converted using the prevailing exchange rate on the reporting date.
- Income and expenses for each statement of income are translated at average exchange rates for the period.
- All resulting exchange differences are recognized in comprehensive income and accumulated in equity under the heading “Reserve on exchange differences on translation.”

The exchange rates used in each reporting period were as follows:

Relationship	**Closing exchange rates**		
	9-30-2022	**12-31-2021**	**9-30-2021**
US$ / CLP	0.00104	0.00118	0.00123
US$ / GBP	1.11359	1.34880	1.34608
US$ / BRL	0.18658	0.17957	0.18323
US$ / EURO	0.97876	1.13135	1.15714
US$ / AUD	0.64251	0.72480	0.72140
US$ / HKD	0.12739	0.12821	0.12845
US$ / RMB	0.14018	0.15680	0.15495

f. **Offsetting balances and transactions -** As a general standard, assets and liabilities, revenue, and expenses, are not offset in the financial statements, except for those cases in which offsetting is required or is allowed by a standard and the presentation reflects the substance of the transaction.

Income or expenses arising from transactions which, for contractual or legal reasons, permit the possibility of offsetting and which the Corporation intends to liquidate for their net value or realize the assets and settle the liabilities simultaneously, are stated net in the statement of income.

g. **Property, plant and equipment and depreciation -** Items of property, plant and equipment are initially recognized at cost. After initial recognition, they are measured at cost, less any accumulated depreciation and any accumulated impairment losses.

The cost of property, plant and equipment includes the costs of expansion, modernization or improvements that represent an increase in productivity, capacity or efficiency, or an increase in the useful life of the assets, and are capitalized as an increase in the cost of the related assets.

The assets included in property, plant and equipment are depreciated, as a general rule, using the units of production method, when the activity performed by the asset is directly attributable to the mine production process. In other cases, a straight-line depreciation criterion is used.

The assets included in property, plant and equipment and certain intangibles (software) are depreciated over their economic useful lives, as described below:

Category	Useful life
Land	Not depreciated
Land on mine site	Unit of production
Buildings	Straight-line over 20-50 years
Buildings in underground mine levels	Units of production level
Vehicles	Straight-line over 3-7 years
Plant and equipment	Unit of production
Smelters	Unit of production
Refineries	Unit of production
Mining rights	Unit of production
Support equipment	Unit of production
Intangibles - software	Straight-line over 8 years
Open pit and underground mine development	Unit of production

Estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and any change in estimates is recognized prospectively.

Additionally, depreciation methods and estimated useful lives of assets, especially plants, facilities and infrastructure may be revised at the end of each year or during the year according to changes in the structure of reserves of the Corporation and productive long-term plans updated as of that date.

This review may be made at any time if the conditions of ore reserves change significantly because of new known information, confirmed, and officially released by the Corporation.

The gain or loss resulting from the disposal or retirement of an asset is calculated as the difference between the price obtained on disposal and the value recorded in the books, recognizing the charge or credit to income for the period.

Construction in progress includes the amounts invested in the construction of property, plant and equipment and in mining development projects. Construction in progress is transferred to assets in operation once the testing period has ended and when they are ready for use; at that point, depreciation begins to be recognized.

Borrowing costs that are directly attributable to the acquisition or construction of assets that require a substantial period before they are ready for use or sale are capitalized as part of the cost of the corresponding items of property, plant, and equipment.

The ore deposits owned by the Corporation are recorded in the accounting records at US$1. Notwithstanding the above, those reserves and resources acquired as part of acquisition of entities accounted for as business combinations, are recognized at their fair value.

h. Intangible assets - The Corporation initially recognizes these assets at acquisition cost. The cost is amortized systematically over their useful lives, except in the case of assets with indefinite useful lives, which are not amortized, and are assessed for impairment at least once a year and, in any case, whenever there is an indication that impairment may have occurred. At the end of each reporting period, these assets are measured at their cost less any accumulated amortization (when applicable) and any accumulated impairment losses.

The main intangible assets are described as follows:

Research and Technological Development and Innovation Expenditures: The expenditures for the development of Technology and Innovation Projects are recognized as intangible assets at their cost and are considered to have indefinite useful lives.

Development expenses for technology and innovation projects are recognized as intangible assets at cost, if and only if, all the following have been demonstrated

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- The intention to complete the intangible asset is to use or sell it;
- The ability to use or sell the intangible asset;
- That the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial, and other resources to complete the development and to use or sell the intangible asset; and
- The disbursement attributable to the intangible asset during its development can be reliably appraised

Research expenses for technology and innovation projects are recognized in profit or loss when incurred.

i. Impairment of property, plant and equipment and intangible assets - Property, plant and equipment and intangible assets with finite useful lives are reviewed for impairment to verify whether there is any indication that the carrying amount may not be recoverable. If such an indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment to be recorded.

For intangible assets with indefinite useful lives, their recoverable amounts are annually estimated at the end of each reporting period.

When an asset does not generate cash flows that are independent from other assets, Codelco determines the recoverable amount of the CGU to which the asset belongs.

The Corporation has defined each of its divisions as a cash generating unit

Recoverable amount of an asset is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. On the other hand, the fair value less cost of disposal is usually determined for operational assets considering the Life of Mine ("LOM"), based on a model of discounted cash flows, while the assets not included in LOM as resources and potential resources to exploit are measured by using a market model of multiples for comparable transactions.

If the recoverable amount of an asset or CGU is estimated to be less than it is carrying amount, an impairment loss is recognized immediately in profit or loss, reducing the carrying amount to its recoverable amount. In the event of a subsequent reversal of the impairment, the carrying amount is increased to the revised estimate of the recoverable amount, but to the extent that it does not exceed the carrying amount that would have been determined had no impairment been previously recognized.

The estimates of future cash flow for a CGU are based on future production forecasts, future prices of basic products and future production costs. Under IAS 36 "Impairment of Assets", there are certain restrictions for future cash flows estimates related to future restructurings and future cost efficiencies. When calculating value in use, it is also necessary to base the calculations on the spot exchange rate at the date of calculation

j. **Expenditures for exploration and evaluation of mineral resources, mine development and mining operations -** The Corporation has defined an accounting policy for each of these expenditures.

Development expenses for deposits under exploitation whose purpose is to maintain production levels are recognized in profit or loss when incurred.

Exploration and evaluation costs such as: drillings of deposits, including expenses necessary to locate new mineralized areas and engineering studies to determine their potential for commercial exploitation are recognized in profit or loss, normally at the pre-feasibility stage.

Pre-operating and mine development expenses (normally after feasibility engineering is reached) incurred during the execution of a project and until its start-up are capitalized and amortized in relation to the future production of the mine. These costs include stripping of waste material, constructing the mine's infrastructure and other works carried out prior to the production phase.

Finally, costs for defining of new areas or deposit areas in exploitation and of mining operations (PP&E) are recognized in property, plant and equipment and are amortized through profit or loss over the period during which the benefits are obtained.

k. **Stripping costs -** Costs incurred in removing mine waste materials (overburden) in open pits that are in production, that provide access to mineral deposits, are recognized in property, plant, and equipment, when the following criteria set out in IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine are met:

- It is probable that the future economic benefits associated with the stripping activity will flow to the entity.
- It is possible to identify the components of an ore body for which access has been improved because of the stripping activity, and
- The costs relating to that stripping activity can be measured reliably.

The stripping costs are amortized based on the production units of production extracted from the ore body related to the specific stripping activity which generated this amount.

l. **Income taxes and deferred taxes -** Codelco and its Chilean subsidiaries recognize annually income taxes based on the net taxable income determined as per the standards established in the Income Tax Law and Article 2 of D.L. 2398, as well as the specific tax on mining referred to in Law No 20026 of 2005. Its foreign subsidiaries recognize income taxes according to the tax regulations in each country.

In addition, Codelco's taxable income in each period is subject to the tax regime established in Article 26 of D.L. No. 1350, which states that tax payments will be made on March, June, September, and December of each year, based on a provisional tax calculation.

The deferred taxes arising from temporary differences and other events that create differences between the accounting and tax bases of assets and liabilities, are recorded in accordance with the standards established in IAS 12 "Income tax".

Deferred taxes are also recognized for undistributed profits of subsidiaries and associates, originated by withholding tax rates on remittances of dividends paid out by such companies to the Corporation.

m. **Inventories -** Inventories are measured at cost when such does not exceed net realizable value. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale (i.e., marketing, sales, and distribution expenses). Costs of inventories are determined according to the following methods:

- **Finished products and products in process:** These inventories are measured at their average production cost determined using the absorption costing method, including labor, depreciation of fixed assets, amortization of intangibles and indirect costs of each period. Inventories of products in process are classified in current and non-current, according to the normal cycle of operation

- **Materials in warehouse:** These inventories are valued at acquisition cost and the Corporation determines an allowance for obsolescence considering that slow-moving materials in the warehouse remain in stock.

- **Materials in transit:** These inventories are measured at cost incurred at the end of reporting period. Any difference because of an estimate of net realizable value of the inventories lower than it carrying amount is recognized in profit or loss.

n. Dividends – In accordance with Article 6 of D.L. 1350, the Corporation has a mandatory obligation to distribute its net income as presented in the financial statements. The payment obligation is recognized on an accrual basis.

o. Employee benefits - Codelco recognizes a provision for employee benefits when there is a present obligation (legal or constructive) as a result of services rendered by its employees.

The employment contracts stipulate, subject to compliance with certain conditions, the payment of an employee severance indemnity when an employment contract ends. In general, this corresponds to one monthly salary per year of service and considers the components of the final remuneration which are contractually defined as the basis for the indemnity. This employee benefit has been classified as a defined benefit plan.

Codelco has also agreed to post-employment medical care benefits for certain retirees. This employee benefit has been classified as a defined benefit plan.

These plans continue to be unfunded as of September 30, 2022.

The employee severance indemnity and the post-employment medical plan obligations are determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. The defined benefit plan obligations recognized in the statement of financial position represent the present value of the accrued obligations. Actuarial gains and losses are recognized immediately in other comprehensive income and will not be reclassified to profit or loss.

The Corporation's management uses assumptions to determine the best estimate of these benefits. The assumptions include an annual discount rate, expected increases in salaries and turnover rate, among other factors.

In accordance with its operating optimization programs to reduce costs and increase labor productivity by incorporating new current technologies and/or better management practices, the Corporation has established employee retirement programs by amending certain employment contracts or collective union agreements to include benefits encouraging employees to early retire, for which the necessary provisions are made based on the accrued obligation at current value. In case of employee retirement programs which involve multi-year periods, the accrued obligations are updated using a discount rate determined based on financial instruments denominated in the same currency and similar maturities that will be used to pay the obligations.

p. **Provisions for decommissioning and site restoration costs** - The Corporation recognizes a provision for the estimated future costs of decommissioning and restoration of mining projects in development or production when a mining activity causes a disruption under a constructive or legal obligation. Costs are estimated on the basis of a formal closure plan and cost estimates are annually reviewed.

Costs arising from the obligation to dismantle a plant installation or other site preparation work, discounted to their present value, are provided for and capitalized at the beginning of each project or at the origin of the constructive or legal obligation as soon as the obligation to incur such costs arises.

These decommissioning and restoration costs are recorded in income through the depreciation of the asset that gave rise to such cost, and the use of the provision is made when the decommissioning materializes. Subsequent changes in estimates of decommissioning-related liabilities are added to or deducted from the costs of the related assets in the period in which the adjustment is made.

Other restoration costs, outside the scope of IAS 16, Property, Plant and Equipment, are provided for at their present value against operating results and the use of the provision is made in the period in which the restoration work is performed.

The accretion of the discount on a closure liability due to the passage of time is recognized as a finance expense in the statement of income.

q. **Leases** - The Corporation evaluates its contracts at initial application to determine whether they contain a lease The Corporation recognizes a right-of-use asset and a corresponding liability for lease with respect to all lease agreements in which Codelco is the lessee, except for short-term leases (defined as a lease with a lease term of 12 months or less) and leases of low-value assets. For these leases, the Corporation recognizes the lease payments as an operating cost on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which the economic benefits of the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that have not been paid at the commencement date, discounted using the interest rate implicit in the lease. If this rate cannot be easily determined, the Corporation uses the incremental borrowing rate.

The incremental rate for loans used by Codelco is determined by estimating the interest rate that the Corporation would have to pay for borrowing the necessary funds to obtain an asset of an equivalent nature similar in value to the right-of-use asset of the respective lease, in a similar economic environment over a similar term.

Lease payments included in the measurement of the lease liability mainly include fixed payments, variable payments that depend on an index or a rate and the exercise price of a purchase option. Variable payments that do not depend on an index or a rate are excluded.

The lease liability is subsequently measured as follows: the carrying amount increased to reflect the interest on the lease liability (using the effective rate method) and the carrying amount is reduced to reflect the lease payments made.

The Corporation revalues the lease liability as to the discount rate (and makes the corresponding adjustments to the asset for respective right of use) through a modified discount rate when:

- There is a change in the term of the lease, or
- There is a change in the assessment of an option to purchase the underlying asset, or
- There is a change in an index or rate which generates a change in cash flows.

Right-of-use assets comprise the amount of the present value of payments not made at the contract inception date, and lease payments made before or up to the inception date, less lease incentives received and any initial direct costs incurred plus other decommissioning and site restoration costs. The right-of-use assets are subsequently measured at cost less accumulated depreciation and accumulated losses due to impairment.

When the Corporation incurs a cost obligation to dismantle or remove a leased asset, restore the location in which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured in accordance with IAS 37. Costs are included in the corresponding right-of-use asset unless those costs are incurred to produce inventories.

The right-of-use assets are depreciated during the shorter period between the term of the lease and the useful life of the underlying asset. If a lease transfers the ownership of the underlying asset or the cost of the right-of-use asset reflects that the Corporation expects to exercise its option to purchase, the right-of-use asset is depreciated over the useful life of the underlying asset. Depreciation is made from the start date of the lease.

The Corporation applies IAS 36 to determine if a right-of-use asset is impaired and recognizes any impairment loss identified, as described in the accounting policy for “Property, plant and equipment”.

r. **Revenue from Contracts with Customers -** Revenue is recognized in an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to customers.

- **Sale of mineral goods and / or by-products:** Contracts with customers for the sale of mineral goods and / or by-products include the performance obligation for the delivery of the physical goods and the associated transportation service, at the place agreed with the customers. The Corporation recognizes revenue from the sale of goods when the performance obligation is satisfied according to the shipment or dispatch of the products, in accordance with the agreed conditions, such revenue being subject to variations related to the content and / or sale price at the date of its liquidation. Notwithstanding the foregoing, there are some contracts where the performance obligation is satisfied when there is receipt of the product instead of the buyer's corresponding destination, thus recognizing revenue at the time of said transfer. When services of transport of goods are provided, the Corporation recognizes revenue when the service obligation is satisfied.

  Sales that have discounts associated with volume subject to compliance with goals are recognized net, estimating the probability that the volume target will be reached.

  Sales contracts include a provisional price at the shipment date. The final price is generally based on the London Metals Exchange ("LME") price. Revenue from sales of copper is measured using estimates of the future spread of metal prices on the LME and/or the *spot* price at the date of shipment, with subsequent adjustments made upon final pricing recognized as revenue. The terms of sales contracts with customers contain provisional pricing arrangements whereby the selling price for metal concentrate is based on prevailing spot prices on a specified future date after shipment to the customer (the "quotation period"). Consequently, the final price is set at the dates indicated in the contracts. Adjustments to provisional sale prices occur based on movements in quoted market prices on the LME up to the date of final pricing. The period between provisional invoicing and final pricing is typically between one and nine months. Changes in fair value over the quotation period and until final pricing are estimated by reference to forward market prices for applicable metals.

  As indicated in the note related to hedging policies in the market of metal derivatives, the Corporation enters into operations in the market of metal derivatives. Gains and losses from those which are fair value hedges contracts are recognized as revenues.

- **Rendering of services:** Additionally, the Corporation recognizes revenue for rendering services, which are mainly related to the processing of minerals bought from third parties. Revenue from rendering of services is recognized when the amounts can be measured reliably and when the services have been provided.

s. **Derivatives contracts -** Codelco uses derivative financial instruments to reduce the risk of fluctuations in sales prices of its products and of exchange rates.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently measured to their fair value at the end of each reporting period.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income and accumulated in equity under the item "Cash flow hedge reserve." The gain or loss relating to the ineffective portion is immediately recognized in profit or loss and included in the "Finance cost" or "Finance income" line items, depending on the effect of such ineffectiveness. The amount recognized in comprehensive income is reclassified to income, in the same line in which the effects generated by the hedged item are recorded once the results of the hedged transactions are recorded in the same line or until the maturity date of such transactions.

A hedge is considered highly effective when it meets the requirements of IFRS 9. At the time of discontinuation of the hedge contract or the associated designated accounting and according to the circumstances of each case, the accumulated gain/loss on the derivative instrument remains in equity until the hedge transaction occurs, or if discontinuation is expected to occur, the amount in equity is reclassified to profit or loss.

The total fair value of hedging derivatives is classified as "non-current financial asset or liability", if the remaining maturity of the hedged item is greater than 12 months, and as "current financial asset or liability" if the remaining maturity of the hedged item is less than 12 months.

The derivative contracts held by the Corporation have been entered into to apply the risk hedging policies and are accounted for as indicated below:

- **Hedging policies for exchange rate risk:** The Corporation enters into exchange rate derivatives to hedge exchange rate variations between the U.S. dollar and the currencies of transactions the Corporation undertakes. In accordance with the policies established by the Board of Directors, these hedge transactions are only entered into when there are recognized assets or liabilities, forecasts of highly probable transactions or firm commitments. The Corporation does not enter into derivative transactions for non-hedging purposes.

- **Hedging policies for metal market prices risk:** In accordance with the policies established by the Board of Directors, the Corporation entered into derivative contracts to reduce the inherent risks in the fluctuations of metal prices.

  Hedging policies seek to protect expected cash flows from product sales operations by adjusting, when necessary, physical sales contracts to its commercial policy. When the sales commitments are fulfilled and the metal derivative contracts are settled, there is an offset between the results of the sales transactions and the results of hedging using metal derivatives.

Hedging transactions carried out by the Corporation in the metal derivatives market are not undertaken for speculative purposes.

- **Embedded derivatives:** The Corporation has established a procedure that allows for evaluation of the existence of embedded derivatives in financial and non-financial contracts. Where there is an embedded derivative, and the host contract is not a financial instrument and the characteristics and risks of the embedded derivative are not closely related to the host contract, the derivative is required to be recognized separately.

t. **Financial information by segment** – The Corporation has defined its Divisions as its operating segments in accordance with the requirements of IFRS 8, Operating Segments. The mining deposits in operation, where the Corporation conducts its extractive and processing activities are managed by the following Divisions: Chuquicamata, Radomiro Tomic, Ministro Hales, Gabriela Mistral, Salvador, Andina and El Teniente. In addition, the smelting and refining activities are managed at the Ventanas Division. All these Divisions have a separate operational management, which reports to the Chief Executive Officer, through the North and South-Central Vice-President of Operations, respectively. Income and expenses of the Head Office are allocated to the defined operating segments.

u. **Presentation of Financial Statements** - For purposes of IAS 1 Presentation of Financial Statements, the Corporation presents its statement of financial position classified as "current and non-current" and its statements of income "by function" and cash flows using the direct method.

v. **Current and non-current financial assets** - The Corporation determines the classification of its financial assets at the time of initial recognition and reviews it at each closing date. The classification depends on the business model in which the investments are managed and the contractual characteristics of their cash flows.

The Corporation's financial assets are classified into the following categories:

- **At fair value through profit or loss:**
  Initial recognition: This category includes those financial assets that do not qualify in the business model to collect contractual cash flows, nor do such cash flows come exclusively from capital and interest. These instruments are initially recognized at fair value.

  Subsequent recognition: Their subsequent recognition is at fair value, recording in the consolidated statement of comprehensive income, in the line "Other gains (losses)" any changes in fair value.

- **Amortized cost:**
  Initial recognition: This category includes those financial assets that qualify in the business model and that are held for the purpose of collecting contractual cash flows and that meet the "Solely Payment of Principal and Interest" (SPPI) criterion. This

category includes certain Trade and other current receivables, and the loans included in other non-current financial assets.

Subsequent recognition: These (debt) instruments are subsequently measured at amortized cost using the effective interest method. The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any impairment allowance.

Interest income is recognized in profit or loss and is calculated by applying the effective interest rate to the gross carrying amount of a financial asset. For financial assets measured at amortized cost that are not part of a designated hedging relationship, exchange differences are recognized in profit or loss in the “Foreign exchange difference” line item.

- **At fair value through other comprehensive income:**
  Initial measurement: Financial assets that meet the criteria "Solely payments of principal and interest" (SPPI) are classified in this category and must be maintained within a business model both to collect the cash flows and to sell the financial assets. These instruments are initially recognized at fair value.

  Subsequent recognition: Their subsequent valuation is at fair value. Interest income calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognized in income. Other net gains and losses are recognized in other comprehensive income. On derecognition, the gains and losses accumulated in other comprehensive income for debt instruments are reclassified to income. Codelco did not irrevocably choose to designate any equity financial instruments (assets) at fair value with effect on other comprehensive income.

w. Financial liabilities - Financial liabilities are initially recognized at fair value net of transaction costs. Subsequent to their initial recognition, the valuation of the financial liabilities will depend on their classification, within which the following categories are distinguished:

- **Financial liabilities at fair value through profit or loss:** This category includes financial liabilities defined as held for trading.

  Changes in fair value associated with own credit risk are recorded in other comprehensive income unless doing so creates an accounting mismatch.

- **Financial liabilities measured at amortized cost:** This category includes all financial liabilities other than those measured at fair value through profit or loss.

  The Corporation includes in this category bonds, obligations and other current payables.

These financial liabilities are measured using the effective interest rate method, recognizing interest expense based on the effective rate.

The method of the effective interest rate corresponds to the method of calculating the amortized cost of a financial liability and the allocation of interest expenses during the corresponding period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

Trade and other current payables are financial liabilities that do not explicitly accrue interest and are recognized at their nominal value, which approximates its fair value.

Financial liabilities are derecognized when the liabilities are paid or expire.

x. Impairment of financial assets - The Corporation measures the loss allowance at an amount equal to lifetime expected credit losses for certain of its trade receivables. For these, it uses the simplified approach as required under IFRS 9.

The provision matrix is based on the Corporation's historical credit loss experience over the expected life of such trade receivables and is adjusted for forward-looking estimates considering the most relevant macroeconomic factors that affect bad debts.

Other accounts receivable and other financial assets are reviewed using reasonable and sustainable information that is available without cost or disproportionate effort in accordance with IFRS 9 to determine the credit risk of the respective financial assets. A provision for impairment losses on trade receivables and other financial assets is established when there is objective evidence that the amounts due may not be fully recovered.

y. Cash and cash equivalents - The statement of cash flows reflects changes in cash that took place during the period, determined under the direct method. The Corporation has defined the following:

- **Cash flows:** Inflows and outflows of cash or cash equivalents, which are defined as highly liquid investments maturing in less than three months with a low risk of changes in value.

- **Operating activities:** Are the principal revenue-producing activities of the Corporation and other activities that are not investing or financing activities.

- **Investing activities:** These are the acquisition and disposal of long-term assets and other investments not included in cash and cash equivalents.

- **Financing activities:** These are activities that result in changes in the size and composition of net equity and borrowings of the Corporation.

Bank overdrafts are classified as external resources in current liabilities.

z. Law No. 13196 - Under this law, the return in foreign currency of sales abroad of the Corporation's actual income from its copper production, including by-products, is taxed at 10%. The amount recognized for this concept is presented in the statement of income within the line item “Other expenses by function.” (Note III.22 letter c)).

aa. Cost of sales - Cost of sales is determined according to the absorption costing method, including the direct and indirect costs, depreciation, amortization and any other expenses directly attributable to the production process.

ab. Classification of current and non-current balances - In the consolidated statement of financial position, the balances are classified according to their maturities, that is, as current for those with a maturity equal to or less than twelve months and as non-current for those with a greater maturity. Where there are obligations whose maturity is less than twelve months, but whose long-term refinancing is insured upon a decision by the Corporation whose intention is to refinance, through credit agreements available unconditionally with long-term maturity, these could be classified as non-current liabilities.

3. New standards and interpretations adopted by the Corporation

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those applied in the preparation of the Corporation's annual consolidated financial statements for the year ended December 31, 2021, except for the adoption of new standards, interpretations and amendments, effective from January 1, 2022, which are:

a) Reference to the Conceptual Framework - Amendments to IFRS 3:

Reference to Conceptual Framework 2018 instead of 1989. Additionally, for transactions within the scope of IAS 37 or IFRIC 21, an acquirer will apply IAS 37 or IFRIC 1 (instead of Conceptual Framework) to identify liabilities assumed in a business combination. Finally, a statement is added so that an acquirer does not recognize contingent assets acquired in a business combination.

b) Property, Plant and Equipment - Revenue before Intended Use (Amendments to IAS 16)

The income and costs from the sale of items produced while the asset is taken to the location and necessary condition of operation foreseen by the administration, are recognized in results. It is not allowed to affect the cost of the asset by revenues and costs of such sales.

c) Onerous Contracts – Costs of Fulfilling a Contract (Amendments to IAS 37)

It is specified that the cost of fulfilling a contract includes "costs that are directly related to the contract", which are those that either may be incremental costs of fulfilling that contract or an allocation of other costs that are directly related to fulfill the contracts.

d) Annual Improvements to IFRS Standards 2018-2020

a) IFRS 1 First-time Adoption of IFRS: Allows an affiliate to apply paragraph D16 (a) to measure cumulative translation differences using the amounts reported by its parent, based on the date of transition to IFRS of its parent.

b) IFRS 9 Financial Instruments: clarifies what fees are included when applying the “10 percent” test in paragraph B3.3.6.

c) IFRS 16 Leases: removes from Illustrative Example 13, the illustration of the reimbursement of improvements to the leased asset made by the lessor.

d) IAS 41 Agriculture: removes the requirement in paragraph 22 to exclude tax cash flows when measuring the fair value of a biological asset using the present value technique.

The application of these amendments had no impact on the Corporation's consolidated financial statements, but may affect the accounting for future transactions or arrangements.

4. New accounting pronouncements

The following new standards, amendments and interpretations had been issued by the IASB, but their application is not yet mandatory:

New IFRS	Date of mandatory application	Summary
IFRS 17, Insurance Contracts	Annual periods beginning on or after January 1, 2023	Establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts, reinsurance contracts and investment contracts with discretional participating features and supersedes IFRS 4 Insurance contracts.
Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)	Annual periods beginning on or after January 1, 2024	The amendments aim to promote coherence in applying its requirements by helping companies to determine whether, in the statement of financial position, debts and other liabilities with an uncertain settlement date must be classified as current (maturing or potentially maturing in one year or less) or not current. It is important to note that this amendment must be applied retrospectively and early application is permitted.
Disclosures on accounting policies (Amendments to IAS 1 and IFRS 2 Practice Statement)	Annual periods beginning on or after January 1, 2023	The amendments require an entity to disclose its material accounting policies. The additional amendments explain how an entity can identify a material accounting policy. Examples are added of when an accounting policy is likely to be material. To support the amendment, the Board has also developed guidance and examples to explain and demonstrate the application of the "four-step materiality process" described in the IFRS 2 Practice Statement

New IFRS	Date of mandatory application	Summary
Definition of accounting estimates (amendments to IAS 8)	Annual periods beginning on or after January 1, 2023	The amendments replace the definition of a change in accounting estimates. According to the new definition, accounting estimates are "monetary amounts in the financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require that financial statement items be measured in a manner that involves measurement uncertainty. The amendments clarify that a change in the accounting estimate resulting from new information or new developments is not a correction of an error.
IFRS 10 “Consolidated financial statements” and IAS 28 “Investments in Associates and Joint Ventures”	Not specified	Issued in September 2014. The amendment addresses an inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.
Deferred tax related to assets and liabilities arising from a single transaction. (amendments to IAS 12)	Annual periods beginning on or after January 1, 2023	The amendments clarify that the exemption from initial recognition does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition.

New IFRS	Date of mandatory application	Summary
Initial Application of IFRS 17 and IFRS 9 - Comparative Information (Amendment to IFRS 17)	An entity that chooses to apply the amendment shall apply it when it first applies IFRS 17 not yet approved for use in the EU.	The amendment permits entities applying IFRS 17 and IFRS 9 for the first time at the same time to present comparative information about a financial asset as if the classification and measurement requirements of IFRS 9 had been applied previously to that financial asset.

Management is currently evaluating the impact of the adoption of these new regulations and modifications. It is not expected to have a significant impact on the consolidated financial statements.

III. EXPLANATORY NOTES

1. Cash and cash equivalents

The detail of cash and cash equivalents as of September 30, 2022 and December 31, 2021, is as follows:

Item	9-30-2022 ThUS$	12-31-2021 ThUS$
Cash on hand	130	890
Bank balances	633,877	611,861
On time deposits	945,194	649,955
Mutual funds - Money market	32,180	19,142
Repurchase agreements	-	1,770
Total cash and cash equivalents	**1,611,381**	**1,283,618**

Interest on time deposits is recognized on an accrual basis using the contractual interest rate of each of these instruments.

The Corporation does not hold any significant amounts of cash and cash equivalents that have a restriction on use.

Cash and cash equivalents meet the low credit risk exemption under IFRS 9. The classification of time deposits complies with the requirements of 7.

2. Trade and other receivables

a) Accruals for open sales invoices

The Corporation adjusts its revenues and trade receivable balances, based on future copper prices through the recognition of an accrual for open sales invoices.

When future price of copper is lower than the provisional invoicing price, the accrual is presented in the statement of financial position as follows:

- For those customers that have due balances with the Corporation, the accrual is presented as a deduction from the line-item trade and other current receivables.

- For those customers that do not have due balances with the Corporation, the accrual is presented in the line-item trade and other current payables.

When the future copper price is higher than the provisional invoicing price, the accrual is added to the line-item trade and other current receivables.

Accordingly, as of September 30, 2022, a negative provision of ThUS$326,421 was recorded in the account Trade and other accounts receivable for provisions for unfinished sales invoices. As of December 31, 2021 it was a positive provision of ThUS$187,541

As of September 30, 2022, ThUS$9,293 of negative provision for unfinished invoices associated with customers who do not maintain balances due to Codelco was reclassified to Trade accounts payable of current liabilities, which added to the balance presented in Trade and other accounts receivable, totaled a net negative provision of ThUS$335,714.

b) Trade and other receivables

The following table sets forth trade and other receivables balances, with their corresponding allowances for doubtful accounts:

Item	Current		Non-current	
	9-30-2022 ThUS$	12-31-2021 ThUS$	9-30-2022 ThUS$	12-31-2021 ThUS$
Trade receivables (1)	1,689,530	3,752,997	-	-
Allowance for doubtful accounts (3)	(3,744)	(11,410)	-	-
Subtotal trade receivables, net	**1,685,786**	**3,741,587**	**-**	**-**
Other accounts receivable (2)	406,549	460,610	80,220	104,177
Allowance for doubtful accounts (3)	(15,868)	(7,847)	-	-
Other other accounts receivable, net	**390,681**	**452,763**	**80,220**	**104,177**
Total	**2,076,467**	**4,194,350**	**80,220**	**104,177**

(1) Trade receivables correspond to the sales of copper and its by-products, those that in general are sold in cash or through bank transfers.

(2) Other receivables mainly consist of the following items:

- Remaining tax credit susceptible to refund VAT and other taxes receivable, amounting to ThUS$176,932 and ThUS$132,674 as of September 30, 2022 and December 31, 2021, respectively.
- Corporation's employee short-term loans and mortgage loans, both monthly deducted from the employee's salaries. Mortgage loans granted to the Corporation's employees for ThUS$24,939 are secured with collateral.
- Reimbursement receivables from insurance companies.
- Accounts receivable for tolling services (Ventanas Smelter).

(3) The Corporation recognizes an allowance for doubtful accounts based on its expected credit loss model.

The reconciliation of changes in the allowance for doubtful accounts for the years ended September 30, 2022 and December 31, 2021, were as follows:

Item	9-30-2022 ThUS$	12-31-2021 ThUS$
Opening balance	**19,257**	**16,979**
Increases	355	2,278
Movement, subtotal	**355**	**2,278**
Closing balance	**19,612**	**19,257**

The balance of past due but not impaired balances is as follows:

Ageing	9-30-2022 ThUS$	12-31-2021 ThUS$
Less than 90 days	428	4,030
90 days - 1 year	1,729	1,304
Over 1 year	6,858	5,977
Total unprovisioned past-due debt	**9,015**	**11,311**

3. Balances and transactions with related parties

a) Transactions with related persons

In accordance with Law on New Corporate Governance, the members of Codelco's Board are, in terms of transactions with related persons, subject to the provisions of Title XVI of Law on Corporations, which sets the requirements regarding transactions with related parties in publicly traded companies and their subsidiaries.

Notwithstanding the foregoing, pursuant to the provisions of the final paragraph of Article 147 b) of Title XVI, which contains exceptions to the approval process for transactions with related parties, the Corporation has established a general policy over customary transactions (which was communicated through a significant event notice to the CMF), that defines customary transactions as those carried out with its related parties in the normal course of business, which contributes to the social interest and are necessary to the normal development of Codelco's activities.

Likewise, consistent with the referred to above standard, the Corporation has implemented as part of its internal regulatory framework, a specific policy dealing with business between related persons and companies with Codelco's executives. Codelco's Corporate Policy No.18 ("CCP No. 18"), the latest version currently in force, was approved by the Chief Executive Officer and the Board of Directors.

Accordingly, Codelco without the authorization required in CCP No. 18 and of the Board of Directors, as required by Law or by the Corporation by-laws, shall not enter into any contracts or agreements involving one or more Directors, its Chief Executive Officer, the members of Division's Managing Committees, Vice-presidents, Legal Counsel, General Auditor, Division Chief Executive Officers, Advisors of Senior Management, employees who must make recommendations and/or have the authority to award tenders, assignments of purchases and/or contracting goods and services, and employees in management positions (up to fourth hierarchical level in the organization), including their spouses, children and other relatives up to second degree of relation, with a direct interest, represented by third parties or on behalf of another person. Likewise, CCP No. 18 requires administrators of Corporation's contracts to declare all related persons and disqualify himself/herself if any related persons are involved within the field of his/her job responsibilities.

This prohibition also includes the companies in which such administrators are involved through ownership or management, either directly or through representation of other natural persons or legal entities, as well as those individuals who also have ownership or management in those companies.

The Board of Directors has been informed and approved certain transactions as defined in CCP No. 18.

These operations include those shown in the following table, for the total amounts mentioned, which must be executed within the time periods specified in each contract:

Company	Taxpayer ID No.	Country	Nature of relationship	Transaction description	1-1-2022 9-30-2022 Amount ThUS$	1-1-2021 9-30-2021 Amount ThUS$	7-1-2022 9-30-2022 Amount ThUS$	7-1-2021 9-30-2021 Amount ThUS$
Anglo American Sur S.A.	77.762.940-9	Chile	Associate	Supplies	-	22	-	-
Centro de Capacitación y Recreación Radomiro Tomic.	75.985.550-7	Chile	Other related parties	Services	-	1,589	-	-
Centro de Especialidades Médicas San Lorenzo Ltda.	76.124.156-7	Chile	Subsidiary	Services	447	387	447	-
Clínica San Lorenzo Ltda.	88.497.100-4	Chile	Subsidiary	Services	-	426	-	-
Ecometales Limited agencia en Chile.	59.087.530-9	Chile	Subsidiary	Services and Supplies	14,252	661	-	136
Empresa Nacional de Telecomunicaciones S.A.	92.580.000-7	Chile	Relative of employee	Services	415	-	-	-
Finning Chile S.A.	91.489.000-4	Chile	Relative of employee	Services and Supplies	39,903	-	39,840	-
Flsmidth S.A.	89.664.200-6	Chile	Relative of employee	Supplies	-	23,695	-	-
Fundación de salud El Teniente	70.905.700-6	Chile	Subsidiary	Services	-	6,583	-	-
Industrial y Comercial Artimatemb Ltda.	76.108.720-7	Chile	Relative of employee	Supplies	48	180	48	180
ISalud Isapre de Codelco Ltda.	76.334.370-7	Chile	Subsidiary	Services	-	15,122	-	-
Kairos Mining S.A.	76.781.030-K	Chile	Associate	Services	-	13,332	-	12,757
Linde Gas Chile S.A.	90.100.000-K	Chile	Relative of employee	Supplies	47	35	6	16
Marsol S.A.	91.443.000-3	Chile	Relative of employee	Supplies	272	-	212	-
Nueva Ancor Tecmin S.A.	76.411.929-0	Chile	Relative of employee	Supplies	424	-	177	-
Sociedad Contractual Minera El Abra.	96.701.340-4	Chile	Associate	Supplies	-	2	-	-
Sonda S.A.	83.628.100-4	Chile	Relative of employee	Services	-	1,333	-	-
Suez Medioambiente Chile S.A.	77.441.870-9	Chile	Relative of employee	Supplies	16,987	98	5,707	-
Manufacturas AC Ltda	77.439.350-1	Chile	Relative of employee	Supplies	80	109	11	32
MI Robotic Solutions S.A.	76.869.100-2	Chile	Relative of employee	Services and Supplies	609	375	605	246
Tecno Fast S.A.	76.320.186-4	Chile	Relative of employee	Services	44,041	19,351	44,041	-
Termoequipos SpA	78.123.830-9	Chile	Relative of employee	Supplies	40	4		2
Comercial e Import. Villanueva Ltda	77.000.200-1	Chile	Relative of employee	Supplies	833	600	221	177
Deloitte Advisory SpA	76.863.650-8	Chile	Relative of employee	Services	-	77	-	-
Fluor Chile Ingeniería y Construcción S.A.	85.555.900-5	Chile	Relative of employee	Services	4,173	-	-	-
Sitrans Servicios integrados de transporte Ltda.	96.500.950-7	Chile	Relative of Director	Services	-	2,800	-	-
Symnetics S.A.	77.812.640-0	Chile	Relative of employee	Services	1,008	1,019	1,008	-
Constructora Domingo Villanueva Arancibia S.A	96.846.150-8	Chile	Relative of employee	Services	6,468	195	-	-
Metso Outotec Chile SpA	93.077.000-0	Chile	Relative of employee	Services and Supplies	57,332	64,767	17,765	64,021
Ingeniería y Construcción Fenix Ltda	76.134.977-5	Chile	Relative of employee	Supplies	1,112	236	-	236
Janssen S.A.	81.198.100-1	Chile	Relative of Director	Supplies	109	6	13	6
Enaex Servicios S.A.	76.041.871-4	Chile	Relative of Director	Supplies	6,446	9	6,446	9
Costella Proyectos	76.282.588-0	Chile	Relative of employee	Services	3,423	-	3,423	-
Buses JM Pullman S.A.	78.502.770-1	Chile	Relative of employee	Services	11,631	-	-	-
Adelanta Asesorías y Servicios Ltda	76.425.905-K	Chile	Relative of employee	Services	135	-	-	-
Emin Ingeniería y Construcción S.A	79.527.230-5	Chile	Relative of employee	Supplies	56,547	-	56,547	-
JRI Ingeniería S.A	96.611.930-6	Chile	Relative of employee	Services	4,213	-	4,213	-
Georock S.A	77.842.840-7	Chile	Relative of employee	Services	8,959	-	8,959	-
CDZ Ingeniería Uno Ltda.	77.535.292-2	Chile	Relative of employee	Services	8,511	-	8,511	-

b) Key Management of the Corporation

In accordance with the policy established by the Board of Directors and its related regulations, the transactions with the Directors, the Chief Executive Officer, Vice Presidents, Corporate Auditor, the members of the Divisional Management Committees and Divisional General Managers shall be approved by the Board of Directors.

During the nine-month and three-month periods ended September 30, 2022 and 2021, the members of the Board of Directors have received the following amounts as per diems, salaries and fees:

Name	Taxpayer ID No.	Country	Nature of relationship	Transaction description	1-1-2022 9-30-2022 Amount ThUS$	1-1-2021 9-30-2021 Amount ThUS$	7-1-2022 9-30-2022 Amount ThUS$	7-1-2021 9-30-2021 Amount ThUS$
Blas Tomic Errázuriz	5.390.891-8	Chile	Director	Directors fee	-	38	-	-
Ghassan Dayoub Pseli	14.695.762-5	Chile	Director	Directors fee	-	23	-	-
Ghassan Dayoub Pseli	14.695.762-5	Chile	Director	Payroll	-	45	-	-
Hernán de Solminihac Tampier	6.263.304-2	Chile	Director	Directors fee	28	67	-	21
Isidoro Palma Penco	4.754.025-9	Chile	Director	Directors fee	76	76	24	27
Juan Benavides Feliú	5.633.221-9	Chile	Chairman of the Board of directors	Directors fee	42	100	-	31
Juan Morales Jaramillo	5.078.923-3	Chile	Director	Directors fee	61	67	19	21
Paul Schiodtz Obilinovich	7.170.719-9	Chile	Director	Directors fee	-	30	-	-
Rodrigo Cerda Norambuena	12.454.621-4	Chile	Director	Directors fee	-	7	-	-
Felipe Larraín Bascuñán	7.012.075-5	Chile	Director	Directors fee	28	44	-	21
Pedro Errázuriz Domínguez	7.051.188-6	Chile	Director	Directors fee	61	36	19	21
Patricia Núñez Figueroa	9.761.676-0	Chile	Director	Directors fee	61	36	19	21
Máximo Pacheco Matte	6.371.887-4	Chile	Chairman of the Board of directors	Directors fee	70	-	29	-
Josefina Montenegro Aravena	10.780.138-3	Chile	Director	Directors fee	33	-	20	-
Alejandra Wood Huidobro	7.204.368-5	Chile	Director	Directors fee	31	-	19	-
Nelson Cáceres Hernandez	14.379.277-3	Chile	Director	Directors fee	31	-	19	-
Nelson Cáceres Hernandez	14.379.277-3	Chile	Director	Payroll	27	-	17	-

The Ministry of Finance through Supreme Decree No. 233, dated February 09, 2022, established the compensation for the Corporation's Directors. The compensation to Board of Director members is as follows:

a. The Directors of Codelco will receive a fixed monthly compensation of Ch$4,413,071 (four million four hundred thirteen thousand seventy-one Chilean pesos) for meeting attendance. The payment of the monthly compensation requires at least one meeting attendance each month.

b. The Chairman of the Board will receive a fixed monthly compensation of Ch$8,826,140 (eight million eight hundred and twenty-six thousand one hundred and forty Chilean pesos).

c. Each member of the Directors' Committee, whether the one referred to in Article 50 bis) of Law No. 18046 or another established by the Corporation by-laws, will receive a fixed additional monthly compensation of Ch$1,471,022 (one million four hundred and seventy-one thousand and twenty-two Chilean pesos) for meeting attendance, regardless of the number of committees of which they are members. In addition, the Chairman of the Directors' Committee will receive a fixed monthly compensation of Ch$2,942,047 (two million nine hundred and forty-two thousand- and forty-seven-pesos Chilean pesos) for meeting attendance

d. The compensation established in the legal text is effective for a period of two years, as from March 1, 2022, and will not be adjusted during said period

On the other hand, the short-term benefits to key management of the Corporation expensed during the nine-month periods ended September 30, 2022 and 2021, were ThUS$ 11,253 and ThUS$ 10,741, respectively.

The methodology to determine the remuneration of key management was approved by the Board of Directors at a meeting held on January 29, 2003.

During the period from January to September 30, 2022 and 2021, there were payments to key management of Codelco for severance indemnities and other retirement-related payments equivalent to ThUS$ 1,494 and ThUS$ 231, respectively.

There were no payments for other non-current benefits during the nine-month periods ended September 30, 2022 and 2021, other than those mentioned in the preceding paragraph.

There are no share-based payment plans.

c) Transactions with companies in which Codelco has ownership interest

The Corporation undertakes commercial and financial transactions that are necessary for its activities with its subsidiaries, associates and joint ventures ("related parties"). The financial transactions correspond mainly to loans granted (mercantile current accounts).

Commercial transactions with related companies mainly consist of purchases/sales of products or rendering of services carried out under market conditions and prices, which do not bear any interest or indexation.

The Corporation does not make allowances for doubtful accounts on the main items receivable from its related companies since these have been subscribed with the relevant safeguards in the respective debt agreements.

The detail of accounts receivable and payable between the Corporation and its related parties as of September 30, 2022 and December 31, 2021 is as follows:

Accounts receivable from related entities:

Taxpayer ID No.	Name	Country of origin	Nature of relationship	Currency of readjustment	Current		Non-current	
					9-30-2022 ThUS$	12-31-2021 ThUS$	9-30-2022 ThUS$	12-31-2021 ThUS$
77.762.940-9	Anglo American Sur S.A.	Chile	Associate	US$	1,826	147,238	-	-
76.063.022-5	Inca de Oro S.A.	Chile	Associate	US$	872	505	-	-
76.255.054-7	Planta Recuperadora de Metales SpA	Chile	Associate	US$	-	1,319	-	-
96.701.340-4	Sociedad Contractual Minera El Abra	Chile	Associate	US$	10,738	1,869	-	-
96.801.450-1	Agua de la Falda S.A.	Chile	Associate	US$	5	5	224	224
76.028.880-2	Sociedad Contractual Minera Puren	Chile	Associate	US$	-	5,775	-	-
Total					**13,441**	**156,711**	**224**	**224**

Accounts payable to related entities:

Taxpayer ID No.	Name	Country of origin	Nature of relationship	Currency of readjustment	Current		Non-current	
					9-30-2022 ThUS$	12-31-2021 ThUS$	9-30-2022 ThUS$	12-31-2021 ThUS$
77.762.940-9	Anglo American Sur S.A.	Chile	Associate	US$	49,901	183,973	-	-
96.701.340-4	Sociedad Contractual Minera El Abra	Chile	Associate	US$	31,635	35,145	-	-
76.255.054-7	Planta Recuperadora de Metales SpA	Chile	Associate	US$	2,303	20	-	-
76.781.030-K	Kairos Mining S.A.	Chile	Associate	CLP	742	2,206	-	-
Total					**84,581**	**221,344**	**-**	**-**

The following table sets forth the transactions carried out between the Corporation and its related companies and their corresponding effects in profit or loss for the periods of nine-months and three-months ended September 30, 2022 and 2021:

Taxpayer ID No.	Company	Transaction description	Country	Currency	1-1-2022 9-30-2022		1-1-2021 9-30-2021		7-1-2022 9-30-2022		7-1-2021 9-30-2021	
					Amount ThUS$	Effect on income (charge)/credit ThUS$	Amount ThUS$	Effect on income (charge)/credit ThUS$	Amount ThUS$	Effect on income (charge)/credit ThUS$	Amount ThUS$	Effect on income (charge)/credit ThUS$
96.801.450-0	Agua de la Falda S.A.	Sale of services	Chile	CLP	1	1	1	1	1	1	1	1
96.801.450-1	Agua de la Falda S.A.	Contribution	Chile	US$	257	-	193	-	-	-	-	-
77.762.940-9	Anglo American Sur S.A.	Dividends received	Chile	US$	138,445	-	270,577	-	40,272	-	193,161	-
77.762.940-9	Anglo American Sur S.A.	Dividends receivable	Chile	US$	-	-	-	-	(40,272)	-	(193,161)	-
77.762.940-9	Anglo American Sur S.A.	Product sales	Chile	US$	36,924	36,924	105,085	105,085	17,435	17,435	62,031	62,031
77.762.940-9	Anglo American Sur S.A.	Other sales	Chile	CLP	2,824	2,824	12,432	12,432	1,192	1,192	3,047	3,047
77.762.940-9	Anglo American Sur S.A.	Product purchase	Chile	US$	513,222	(513,222)	739,512	(739,512)	118,448	(118,448)	239,435	(239,435)
76.063.022-5	Inca de Oro S.A.	Payments on account of the company	Chile	CLP	89	8	51	-	-	-	19	-
77.781.030-K	Kairos Mining	Services	Chile	CLP	8,281	(8,281)	8,092	(8,092)	3,468	(3,468)	4,029	(4,029)
77.781.030-K	Kairos Mining	Sale of services	Chile	CLP	1	1	1	1	-	-	-	-
77.781.030-K	Kairos Mining	Dividends received	Chile	US$	-	-	78	-	-	-	78	-
76.255.054-7	Planta Recuperadora de Metales SpA	Interest on loan	Chile	US$	-	-	133	133	-	-	-	-
76.255.054-7	Planta Recuperadora de Metales SpA	Services	Chile	US$	18,088	(18,088)	20,721	(20,721)	5,896	(5,896)	1,948	(1,948)
76.255.054-7	Planta Recuperadora de Metales SpA	Product sales	Chile	US$	2,466	2,466	4,049	4,049	71	71	1,510	1,510
76.255.054-7	Planta Recuperadora de Metales SpA	Loan recovery	Chile	US$	-	-	5,440	-	-	-	(100)	-
96.701.340-4	Soc. Contractual Minera El Abra	Dividends received	Chile	US$	25,174	-	-	-	-	-	-	-
96.701.340-4	Soc. Contractual Minera El Abra	Product purchases	Chile	US$	274,908	(274,908)	246,618	(246,618)	127,217	(127,217)	53,893	(53,893)
96.701.340-4	Soc. Contractual Minera El Abra	Product sales	Chile	US$	51,278	51,278	16,034	16,034	22,339	22,339	5,576	5,576
96.701.340-4	Soc. Contractual Minera El Abra	Other sales	Chile	US$	1,497	1,497	1,120	1,120	751	751	374	374
96.701.340-4	Soc. Contractual Minera El Abra	Commissions received	Chile	US$	79	79	66	66	32	32	22	22
96.701.340-4	Soc. Contractual Minera El Abra	Other purchases	Chile	US$	264	(264)	65	(65)	249	(249)	(76)	76

d) Additional information

The purchase/sales of products transactions with Anglo American Sur S.A., are regular business activity transactions to buy/sell copper and other products. On the other hand, there are certain transactions related to the contract entered into with the subsidiary Inversiones Mineras Nueva Acrux SpA (whose non-controlling shareholder is Mitsui) and Anglo American Sur S.A., under which the latter agreed to sell a portion of its annual copper output to said subsidiary.

4. Inventories

Inventories as of September 30, 2022 and December 31, 2021 are detailed as follows:

Item	Current		Non-current	
	9-30-2022	12-31-2021	9-30-2022	12-31-2021
	ThUS$	ThUS$	ThUS$	ThUS$
Finished products	215,708	111,516	-	-
Subtotal finished products, net	**215,708**	**111,516**	**-**	**-**
Products in process	1,612,278	1,109,373	604,502	610,558
Subtotal products in process, net	**1,612,278**	**1,109,373**	**604,502**	**610,558**
Materials in warehouse and others	916,467	755,157	-	-
Adjustment for obsolescence provision	(178,201)	(164,591)	-	-
Subtotal materials in warehouse and other, net	**738,266**	**590,566**	**-**	**-**
Total inventories	**2,566,252**	**1,811,455**	**604,502**	**610,558**

Inventories recognized in cost of sales during the nine-month periods ended September 30, 2022 and 2021, correspond to finished products and amount to ThUS$ 8,321,260 and ThUS$ 8,804,463, respectively.

For the period January to September 30, 2022 and 2021, the Corporation has not reclassified strategic inventories to Property, Plant and Equipment.

The reconciliation of changes in the allowance for obsolescence is detailed below:

Movement obsolescence provision	9-30-2022	12-31-2021
	ThUS$	ThUS$
Opening balance	**(164,591)**	**(171,947)**
(Decrease) Increase in provision	(13,610)	7,356
Closing balance	**(178,201)**	**(164,591)**

During the nine months ended September 30, 2022, inventory write-offs of ThUS$1,955 were recognized (ThUS$3,070 during January - September 2021).

At September 30, 2022 the provision for net realizable value of copper and its effect on income during the period January to September 2022 was ThUS$41,081 and a loss of ThUS$31,944 respectively (profit of ThUS$5,286 for the same period 2021). As of December 31, 2021, the net realizable value provision was ThUS$9,137.

As of September 30, 2022 and 2021, there are no unrealized gains or losses recognized for purchase and sale transactions of inventories with related parties.

As of September 30, 2022 and December 31, 2021, there are no inventories pledged as security for liabilities.

5. Income taxes and deferred taxes

a) Deferred tax assets and liabilities

Deferred taxes are presented in the Statement of Financial Position as follows:

Deferred taxes	9-30-2022 ThUS$	12-31-2021 ThUS$
Non-current assets	90,526	94,595
Non-current liabilities	7,978,169	7,004,523
Total deferred taxes, net	**7,887,643**	**6,909,928**

The following table shows the deferred tax opening, net, classified as assets or liabilities according to the nature of the temporary differences:

Deferred tax assets	9-30-2022 ThUS$	12-31-2021 ThUS$
Provisions	1,571,975	1,541,835
Tax loss	115,637	114,961
Contracts for the right to use assets	(9,298)	(5,153)
Other	(5,961)	(4,079)
Total deferred tax assets	**1,672,353**	**1,647,564**

Deferred tax liabilities	9-30-2022 ThUS$	12-31-2021 ThUS$
Accelerated depreciation	7,601,287	6,405,256
Change in property, plant and equipment	1,427,111	1,714,652
Tax on mining activity	330,285	342,926
Fair value of acquired mineral claims	169,000	70,178
Deferred income taxes of subsidiaries	18,732	10,770
Hedging derivatives	(5,905)	(7,454)
Valuation of severance indemnities	19,486	21,164
Total deferred tax liabilities	**9,559,996**	**8,557,492**

b) The effect of deferred taxes recognized in comprehensive income is detailed as follows:

Deferred taxes that affected comprehensive income	9-30-2022 ThUS$	9-30-2021 ThUS$
Cash flow hedge	(65,728)	48,046
Defined benefit plans	32,187	(54,358)
Total deferred taxes that affected comprehensive income	**(33,541)**	**(6,312)**

c) Composition of income tax (expense)

Composition	1-1-2022 9-30-2022 ThUS$	1-1-2021 9-30-2021 ThUS$	7-1-2022 9-30-2022 ThUS$	7-1-2021 9-30-2021 ThUS$
Deferred tax effect	(458,133)	(1,034,682)	(250,643)	(124,512)
Current tax expense	(748,555)	(1,659,276)	223,713	(685,486)
Adjustments previous periods	-	3,798	-	-
Total income tax (expense)	**(1,206,688)**	**(2,690,160)**	**(26,930)**	**(809,998)**

d) The following table sets forth the reconciliation of the effective tax rate:

Items	9-30-2022						
	Taxable base			Tax Rate			Total
	25% ThUS$	40% ThUS$	5.00% ThUS$	25% ThUS$	Addit. 40% ThUS$	5.00% ThUS$	ThUS$
Tax effect on income before income taxes	1,671,468	1,671,468	1,671,468	(417,867)	(668,587)	(83,573)	(1,170,027)
Tax effect on income before income tax subsidiaries	26,396	26,396	26,396	(6,599)	(10,558)	(1,320)	(18,477)
Tax effect on consolidated income before income tax	1,697,864	1,697,864	1,697,864	(424,466)	(679,145)	(84,893)	(1,188,504)
Permanent differences							
Corporate income tax (25%)	(169,915)			42,479			42,479
Specific tax on state-owned companies art. 2° D.L. 2.398 (40%)		125,431			(50,172)		(50,172)
Specific tax on mining activity			209,793			(10,491)	(10,491)
TOTAL INCOME TAX				**(381,987)**	**(729,317)**	**(95,384)**	**(1,206,688)**

Items	9-30-2021						
	Taxable base			Tax Rate			Total
	25% ThUS$	40% ThUS$	5.24% ThUS$	25% ThUS$	Addit. 40% ThUS$	5.24% ThUS$	ThUS$
Tax effect on income before income taxes	4,105,427	4,105,427	4,105,427	(1,026,357)	(1,642,171)	(215,124)	(2,883,652)
Tax effect on income before income tax subsidiaries	91,636	91,636	91,636	(22,909)	(36,654)	(4,802)	(64,365)
Tax effect on consolidated income before income tax	4,197,063	4,197,063	4,197,063	(1,049,266)	(1,678,825)	(219,926)	(2,948,017)
Permanent differences							
Corporate income tax (25%)	(513,392)			128,348			128,348
Specific tax on state-owned companies art. 2° D.L. 2.398 (40%)		(293,866)			117,546		117,546
Specific tax on mining activity			(155,819)			8,165	8,165
Differences from prior years' taxes							3,798
TOTAL INCOME TAX				**(920,918)**	**(1,561,279)**	**(211,761)**	**(2,690,160)**

The Corporation has applied a rate of 25% to calculate deferred income tax and first category income tax. As a state company, the Corporation is classified as those companies of article 14 letter G of the Income Tax Law, incorporated in the Tax Reform Law No. 21210 of February 24, 2020, maintaining the General Regime of Taxation. Meanwhile, the national subsidiaries and associates, by default, have applied the Partially Integrated taxation system with a rate of 27% for both years. Foreign subsidiaries and associates have applied the tax rates in force in their respective countries.

Article 2 of Decree Law No. 2398 establishes an additional 40% income tax rate on the Corporation's taxable income plus the share of retained earnings of companies not organized as corporations or joint stock companies and the dividends actually received from the latter.

For the Specific Tax on Mining Activities, in accordance with Law No. 20469, a rate of 5% has been estimated as of September 30, 2022.

On September 2, 2020, Law No. 21256 was published in the Official Journal, for the tax measures that are part of the emergency plan for economic reactivation. According to Article No. 3, added Article No. 23 bis of Law No. 21210, incorporating a temporary depreciation regime that allows full and instant depreciation of fixed assets and that is in force for acquisitions carried out between June 1, 2020, and December 31, 2022. As a state company, the Corporation as a taxpayer that pays taxes based on effective income and complete accounting, availed itself of the indicated benefit as of tax year 2022.

6. Current and non-current tax assets and liabilities

The current tax balance is presented net of monthly provisional payments as an asset or liability in Current Taxes determined as indicated in section II. Main accounting policies, 2.l):

Current tax assets	**9-30-2022** ThUS$	**12-31-2021** ThUS$
Recoverable taxes	161,380	11,438
Total current tax assets	**161,380**	**11,438**

Current tax liabilities	**9-30-2022** ThUS$	**12-31-2021** ThUS$
Provision for Monthly Advance Payments	12,477	14,742
Tax provision	2,022	293,634
Total current tax liabilities	**14,499**	**308,376**

Non-current tax assets	**9-30-2022** ThUS$	**12-31-2021** ThUS$
Non-current tax assets	4,699	4,333
Total non-current tax assets	**4,699**	**4,333**

7. Property, plant and equipment

a) The items of property, plant and equipment as of September 30, 2022 and December 31,2021, are as follows:

Property, plant and equipment, gross:	**9-30-2022** ThUS$	**12-31-2021** ThUS$
Works in progress	5,385,404	6,869,931
Land	224,993	369,484
Buildings	6,841,880	6,269,026
Plant and equipment	21,351,323	20,291,671
Fixtures and fittings	47,181	47,618
Motor vehicles	2,117,178	2,086,593
Lands improvement	8,876,814	7,549,671
Mining operations	10,427,823	10,026,052
Mine development	5,974,986	5,612,654
Other assets	977,028	976,656
Total property, plant and equipment, gross	**62,224,610**	**60,099,356**

Property, plant and equipment, accumulated depreciation	**9-30-2022** ThUS$	**12-31-2021** ThUS$
Works in progress	-	-
Land	19,755	17,949
Buildings	3,615,089	3,500,094
Plant and equipment	12,276,162	11,794,536
Fixtures and fittings	45,192	44,294
Motor vehicles	1,686,410	1,622,813
Improvements to land	4,261,150	4,034,574
Mining operations	7,434,189	6,966,153
Mine development	1,229,392	1,148,161
Other assets	556,027	520,889
Total property, plant and equipment, accumulated depreciation	**31,123,366**	**29,649,463**

Property, plant and equipment, net	**9-30-2022** ThUS$	**12-31-2021** ThUS$
Works in progress	5,385,404	6,869,931
Land	205,238	351,535
Buildings	3,226,791	2,768,932
Plant and equipment	9,075,161	8,497,135
Fixtures and fittings	1,989	3,324
Motor vehicles	430,768	463,780
Improvements to land	4,615,664	3,515,097
Mining operations	2,993,634	3,059,899
Mine development	4,745,594	4,464,493
Other assets	421,001	455,767
Total property, plant and equipment, net	**31,101,244**	**30,449,893**

b) Movements in property, plant and equipment

Movements (in thousands of US$)	Works in progress	Land	Buildings	Plant and equipment	Fixed installations & accessories	Motor vehicles	Land improvement	Mining operations	Mine development	Other assets	Total
Reconciliation of changes in property, plant and equipment											
Property, plant and equipment at beginning of period Opening balance 1-1-2022	6,869,931	351,535	2,768,932	8,497,135	3,324	463,780	3,515,097	3,059,899	4,464,493	455,767	30,449,893
Changes in property, plant and equipment											
Increases other than those resulting from business combinations, property, plant and equipment	2,227,119	-	-	2	7	-	-	274,208	-	25	2,501,361
Depreciation, property, plant and equipment	-	(1,806)	(116,732)	(515,655)	(1,148)	(74,594)	(231,069)	(480,610)	(72,862)	(35,454)	(1,529,930)
Impairment losses recognized in profit or loss for the period	-	-	-	-	-	-	-	-	-	-	-
Increase (decrease) through transfers and other changes, property, plant and equipment											
Increases (decreases) due to transfers from construction in progress, property, plant and equipment	(2,588,399)	-	335,775	1,120,257	-	43,791	873,509	181,688	32,609	770	-
Increases (decreases) due to other changes, property, plant and equipment	(1,123,247)	(144,491)	239,530	(23,263)	(194)	(3)	458,127	(41,551)	321,354	(107)	(313,845)
Increase (decrease) through transfers and other changes, property, plant and equipment	**(3,711,646)**	**(144,491)**	**575,305**	**1,096,994**	**(194)**	**43,788**	**1,331,636**	**140,137**	**353,963**	**663**	**(313,845)**
Disposals and retirements of service, property, plant and equipment											
Retirements, property, plant and equipment	-	-	(714)	(3,315)	-	(2,206)	-	-	-	-	(6,235)
Disposals and retirements of service, property, plant and equipment	**-**	**-**	**(714)**	**(3,315)**	**-**	**(2,206)**	**-**	**-**	**-**	**-**	**(6,235)**
Increase (decrease) in property, plant and equipment	**(1,484,527)**	**(146,297)**	**457,859**	**578,026**	**(1,335)**	**(33,012)**	**1,100,567**	**(66,265)**	**281,101**	**(34,766)**	**651,351**
Property, plant and equipment at end of period Closing balance 09-30-2022	**5,385,404**	**205,238**	**3,226,791**	**9,075,161**	**1,989**	**430,768**	**4,615,664**	**2,993,634**	**4,745,594**	**421,001**	**31,101,244**

Movements (in thousands of US$)	Works in progress	Land	Buildings	Plant and equipment	Fixed installations & accessories	Motor vehicles	Improvements to land	Mining operations	Mine development	Other assets	Total
Reconciliation of changes in property, plant and equipment											
Property, plant and equipment at beginning of period Opening balance 1-1-2021	6,391,278	370,368	2,877,686	8,597,454	5,202	529,737	3,094,164	3,050,266	3,991,916	643,834	29,551,905
Changes in property, plant and equipment											
Increases other than those resulting from business combinations, property, plant and equipment	2,888,970	-	613	3,143	216	28	482	318,795	1,874	621	3,214,742
Depreciation, property, plant and equipment	-	(4,815)	(175,128)	(645,816)	(2,018)	(100,083)	(310,779)	(703,986)	(118,571)	(46,569)	(2,107,765)
Impairment losses recognized in profit or loss for the period	5,684	-	(66,218)	(57,760)	(15)	-	(6,006)	-	-	-	(124,315)
Increase (decrease) through transfers and other changes, property, plant and equipment											
Increases (decreases) due to transfers from construction in progress, property, plant and equipment	(2,293,773)	-	108,383	569,413	-	38,496	716,474	867,234	(7,572)	1,345	-
Increases (decreases) due to other changes, property, plant and equipment	29,469	(14,018)	25,120	41,241	(41)	(224)	20,810	(472,410)	596,846	(1,458)	225,335
Increase (decrease) through transfers and other changes, property, plant and equipment	**(2,264,304)**	**(14,018)**	**133,503**	**610,654**	**(41)**	**38,272**	**737,284**	**394,824**	**589,274**	**(113)**	**225,335**
Disposals and retirements of service, property, plant and equipment											
Retirements, property, plant and equipment	(151,697)	-	(1,524)	(10,540)	(20)	(4,174)	(48)	-	-	(142,006)	(310,009)
Disposals and retirements of service, property, plant and equipment	**(151,697)**	**-**	**(1,524)**	**(10,540)**	**(20)**	**(4,174)**	**(48)**	**-**	**-**	**(142,006)**	**(310,009)**
Increase (decrease) in property, plant and equipment	**478,653**	**(18,833)**	**(108,754)**	**(100,319)**	**(1,878)**	**(65,957)**	**420,933**	**9,633**	**472,577**	**(188,067)**	**897,988**
Property, plant and equipment at end of period Closing balance 12-31-2021	**6,869,931**	**351,535**	**2,768,932**	**8,497,135**	**3,324**	**463,780**	**3,515,097**	**3,059,899**	**4,464,493**	**455,767**	**30,449,893**

c) The balance of construction in progress is directly associated with the operating activities of the Corporation and relates to the acquisition of equipment for projects in construction and associated costs for their completion.

d) The Corporation has signed insurance policies to cover the possible risks to which the various property, plant and equipment items are subject, as well as the possible claims that may arise for the period of its activities. Such policies sufficiently cover the risks to which they are subject in Management's opinion.

e) Borrowing costs capitalized for the nine-month periods ended September 30, 2022 and 2021, amounted to ThUS$209,224 y ThUS$171,980, respectively. The annual capitalization average rate as of September 30, 2022 and 2021 was 4.28% and 4.07%, respectively.

f) Expenses on exploration and drilling of deposits recognized in profit or loss and the cash outflows disbursed for the same concepts are presented in the following table:

Expenditure on exploration and drilling resorvoirs	**1-1-2022 9-30-2022**	**1-1-2021 9-30-2021**
	ThUS$	ThUS$
Net income for the period	59,449	28,621
Cash outflows disbursed	51,651	30,385

g) The detail of "Other assets" under "Property, plant and equipment" is as follows:

Other assets, net	**9-30-2022**	**12-31-2021**
	ThUS$	ThUS$
Mining properties from the purchase of Anglo American Sur S.A	260,000	260,000
Maintenances and other major repairs	127,312	153,132
Other Assets - Calama Plan	28,696	37,782
Other	4,993	4,853
Other assets, net	**421,001**	**455,767**

As of September 30, 2021, as a result of an update of the valuation of the mining properties acquired as part of the purchase of a stake in Anglo American in 2012, it was determined that the value of such asset is ThUS$260,000, which implied the recognition of a value adjustment of ThUS$142,000 in income before taxes.

h) The Corporation currently has no ownership restrictions relating to assets belonging to Property, plant and equipment, except for leased assets whose legal title corresponds to the lessor.

i) Codelco has not pledged property, plant and equipment as collateral for debt obligations.

j) In accordance with the provisions of section II. Significant accounting policies, 2 i), referred to impairment of property, plant and equipment and assets, the subsidiary Sociedad de Procesamiento de Molibdeno Ltda. recorded at December 31, 2021, an impairment of assets in the amount of ThUS$125,483 before taxes (see note 21).

8. Leases

8.1 Right-of-use assets

As of September 30, 2022 and December 31, 2021, the breakdown of the right of use asset category is:

Detail	**9-30-2022** ThUS$	**12-31-2021** ThUS$
Right-of-use assets, gross	944,650	858,083
Right-of-use assets, accumulated depreciation	541,335	496,544
Total right-of-use assets, net	**403,315**	**361,539**

Movements for the periods ended September 30, 2022 and December 31, 2021 are as follows:

Reconciliation of changes in Right-of-use Assets (in thousands of US$)	**9-30-2022** ThUS$	**12-31-2021** ThUS$
Opening balance	**361,539**	**461,040**
Increases	160,004	83,679
Depreciation	(110,163)	(149,317)
Impairment	-	(1,168)
Increase (decrease) due to other changes	(8,050)	(32,038)
Retirements, right-of-use assets	(15)	(657)
Total movements	**41,776**	**(99,501)**
Closing balance	**403,315**	**361,539**

The composition by asset class is as follows:

Right-of-use assets, net, by asset class	**9-30-2022** ThUS$	**12-31-2021** ThUS$
Buildings	7,156	8,124
Land	322	95
Plant and equipment	194,137	197,043
Fixtures and fittings	4,069	5,644
Motor vehicles	179,528	141,847
Right-of-use assets	18,103	8,786
Total	**403,315**	**361,539**

8.2 Liabilities for current and non-current leases

As of September 30, 2022 and December 31, 2021, the payment commitments for leasing operations are summarized in the following table:

Lease Current and Non-current	9-30-2022			12-31-2021		
	Gross ThUS$	Interest ThUS$	Equity ThUS$	Gross ThUS$	Interest ThUS$	Equity ThUS$
up to 90 days	36,995	(4,812)	32,183	35,744	(2,981)	32,763
more than 90 days up to 1 year	97,887	(13,680)	84,207	87,221	(7,880)	79,341
more than 1 year up to 2 years	98,375	(11,418)	86,957	97,429	(6,906)	90,523
over 2 years up to 3 years	80,455	(9,457)	70,998	62,310	(5,303)	57,007
over 3 years up to 4 years	51,977	(7,551)	44,426	54,482	(5,328)	49,154
over 4 years up to 5 years	25,327	(5,263)	20,064	24,910	(3,016)	21,894
more than 5 years	62,828	(25,932)	36,896	25,906	(4,461)	21,445
Total	453,844	(78,113)	375,731	388,002	(35,875)	352,127

Leasing operations are generated by service contracts, mainly for facilities, buildings, plants and equipment.

The expense related to short-term leases, low-value assets and variable leases not included in the measurement of lease liabilities, for the periods ended September 30, 2022 and 2021, is presented in the following table:

Lease expense	1-1-2022 9-30-2022 ThUS$	1-1-2021 9-30-2021 ThUS$
Short-term leases	1,412	6,250
Low value assets	566	5,498
Variable leases not included in the measurement of lease liabilities	452,981	809,533
TOTAL	**454,959**	**821,281**

9. Investments accounted for using the equity method

The value of the investment and the accrued results of investments accounted for using the equity method are presented below:

Associates	Taxpayer ID No.	Currency Functional	Equity		Investment value		Accrued profit (loss)		Accrued profit (loss)	
			9-30-2022	12-31-2021	9-30-2022	12-31-2021	1-1-2022 9-30-2022	1-1-2021 9-30-2021	7-1-2022 9-30-2022	7-1-2021 9-30-2021
			%	%	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Agua de la Falda S.A.	96.801.450-1	US$	42.26%	42.26%	5,245	4,988	-	-	-	-
Anglo American Sur S.A.	77.762.940-9	US$	29.50%	29.50%	2,844,992	2,829,329	56,002	244,265	(8,498)	70,798
Inca de Oro S.A.	73.063.022-5	US$	33.85%	33.85%	12,608	12,670	(60)	-	-	-
Kairos Mining S.A.	76.781.030-K	US$	40.00%	40.00%	44	44	-	-	-	-
Minera Purén SCM	76.028.880-2	US$	35.00%	35.00%	3,543	3,873	(330)	(293)	(79)	(218)
Planta Recuperadora de Metales SpA	76.255.054-7	US$	34.00%	34.00%	15,600	14,360	1,117	921	154	199
Sociedad Contractual Minera El Abra	96.701.340-4	US$	49.00%	49.00%	652,399	680,747	(3,338)	60,714	(15,007)	16,708
TOTAL					**3,534,431**	**3,546,011**	**53,391**	**305,607**	**(23,430)**	**87,487**

a) Associates

Agua de la Falda S.A.

As of September 30, 2022, Codelco holds a 42.26% ownership interest in Agua de la Falda S.A., with the remaining 57.74% owned by Minera Meridian Limitada.

The corporate purpose of this company is to exploit deposits of gold and other minerals, in the third region of Chile.

Sociedad Contractual Minera El Abra

Sociedad Contractual Minera El Abra was incorporated in 1994. As of September 30, 2022, Codelco holds a 49% ownership interest, with the remaining 51% owned by Cyprus El Abra Corporation, a subsidiary of Freeport-McMoRan Copper & Gold Inc.

The company business activities involve the extraction, production and selling of copper cathodes.

Sociedad Contractual Minera Purén

As of September 30, 2022, Codelco holds a 35% ownership interest, with the remaining 65% owned by Compañía Minera Mantos de Oro.

This company's corporate purpose is to explore, identify, survey, investigate, develop and exploit mining deposits in order to extract, produce and process minerals.

Inca de Oro S.A.

On June 1, 2009, Codelco's Board of Directors authorized the incorporation of a new company aimed to develop studies allowing the continuity of the Inca de Oro Project, which is a wholly-owned subsidiary of Codelco.

September 30, 2022, Codelco holds a 33.85% ownership interest in this company (PanAust IDO Ltda. has 66.15%).

Planta Recuperadora de Metales SpA

On December 3, 2012, Planta Recuperadora Metales SpA was incorporated by Codelco, which held a 100% ownership interest in this company.

On July 7, 2014, Codelco reduced its ownership interest in Planta Recuperadora de Metales SpA to 51%, with the remaining 49% ownership interest held by LS-Nikko Copper Inc.

On October 14, 2015, Codelco reduced its ownership interest in Planta Recuperadora de Metales SpA to 34%, with LS-Nikko Copper Inc, holding the remaining 66%.

September 30, 2022, LS-Nikko Copper Inc, is the controlling shareholder of this company based on the control elements set out in the shareholders' agreement.

The principal business activity of the company is the processing of intermediate products of the refining and processing of copper and other metals aiming to recover copper, other metals and other sub products, their transformation to commercial products and the selling and distribution of all classes of goods or inputs derived from such process.

Anglo American Sur S.A.

The principal activities of the Company are the exploration, extraction, exploitation, production, processing and trading of minerals, concentrates, precipitates, copper bars and all metallic and non-metallic minerals, all fossil substances and liquid and gaseous hydrocarbons. This includes the exploration, exploitation and use of all natural energy sources capable of industrial use and the products or by-products obtained, as well as any other related, connected or complementary activities on which the shareholders agree.

On August 24, 2012, Codelco recognized the acquisition of ownership interest in Anglo American Sur S.A. which resulted in the initial recognition of the cost of the investment for ThUS$ 6,490,000 that corresponded to the proportionate share (29.5%) of the net fair value of the identifiable assets and liabilities acquired.

In determining the share of the fair value of the identifiable assets and liabilities acquired, the Corporation considered the resources and mineral reserves that could be measured reliably. As part of this updating process, and applying the valuation criteria indicated above, the fair value of the assets acquired and liabilities assumed of Anglo American Sur S.A. as of that date amounted to US$ 22,646 million, which in the proportion acquired by Inversiones Mineras Becrux SpA (29.5%) results in an investment at fair value of US $ 6,681 million at the acquisition date.

The allocation of the purchase price at fair value between the identifiable assets and liabilities was prepared by management using its best estimate and considering all relevant and available information at the acquisition date of Anglo American Sur S.A.

The Corporation used a discounted cash flows model to estimate cash flow projections, based on the life of mine. These projections were based on estimated production and future prices of minerals, operating costs and capital costs, among other estimates made at the date of acquisition. Additionally, proven and probable resources to explore were not included in the mine plan, therefore, they were valued separately using a market model. Such resources are included in item "Mineral Resources."

As of December 31, 2015, the Corporation identified indicators of impairment in the operating units of Anglo American Sur S.A. Consequently, and with the purpose of making the corresponding adjustments to the investment in this associate, the Corporation estimated its recoverable amount, considering the additional value of the assets identified at the date of acquisition of the investment.

In determining the recoverable amount, the Corporation applied the methodology of fair value less costs of disposal. The recoverable amount of the operating units was determined based on the life of mine by using a discounted cash flow model whose main assumptions included ore reserves declared by the associate, copper price, supply costs, foreign exchange rates, discount rate and market information for the long-term asset valuation. The discount rate used was annual rate of 8% after taxes.

Furthermore, the resources not included in the mining plan (LOM) have been valued using a multiples market approach for comparable transactions.

Such methodology is consistent with the methodologies used at the acquisition date, which is described in the previous paragraph.

As of September 30, 2022, control on Anglo American Sur S.A. is held by Inversiones Anglo American Sur S.A. with 50.06%, while one of the companies that make up the non-controlling interest is Inversiones Mineras Becrux SpA., which is controlled by Codelco with 67.80% of the shares, and which exercises significant influence over Anglo American Sur S.A. with 29.5%.

As of June 30, 2022, the Corporation evaluated the value of its investment in the associate Anglo American Sur S.A., determining that the recoverable amount of this asset approximates its book value, which is ThUS$2,853,490. The determination of the recoverable amount is based on a valuation model that uses a discounted cash flow methodology (multiples) and is sensitive to some key assumptions and market variables, such as the copper price projection and the discount rate of projected cash flows, among others. A variation of approximately -5% in the copper price projections used by the Corporation could reduce the recoverable amount of the investment by 8%. Likewise, in the case of the discount rate, an increase of 100 bps could generate a decrease in the recoverable amount of the investment of 5%. In addition, changes in the tax and regulatory framework or in the operation of the asset could generate future decreases or increases in the recoverable amount of the investment. As of September 30, 2022, the Corporation has performed an analysis of the investment in Anglo American Sur S.A., the results of which indicate that the assumptions used in the evaluation performed at the end of the first half of 2022 have not changed significantly and therefore, the conclusions obtained as of June 30, 2022 remain unchanged.

Kairos S.A.

Until before November 26, 2012, the Corporation held a 40% stake in conjunction with Honeywell Chile S.A. who was the majority shareholder with 60% of the capital stock of Kairos Mining S.A.

On November 26, 2012, the Corporation sold part of its stake to Honeywell Chile SA, which implies that Codelco maintained a 5% interest as of December 31, 2012, while the remaining 95% was held Honeywell Chile S.A. The result of this pre-tax operation was ThUS$ 13.

On June 6, 2019, Codelco purchased 350 shares of Kairos Mining from Honeywell Chile S.A., increasing its participation from 5% to 40%.

September 30, 2022, the control of the company lies in Honeywell Chile S.A. which owns 60% of the shares while Codelco owns the remaining 40%.

The purpose of the company is to provide automation and control services for industrial and mining activities and to provide technology and software licenses.

The following tables present the assets and liabilities as of September 30, 2022 and December 31, 2021 of investments in associates, as well as the main movements and their respective results for the nine-month and three-month periods ended September 30, 2022 and 2021.

Assets and liabilities	9-30-2022 ThUS$	12-31-2021 ThUS$
Current assets	1,532,889	2,456,750
Non-current assets	5,800,640	5,507,333
Current liabilities	776,863	1,282,822
Non-current liabilities	1,801,663	1,927,360

Profit (loss)	1-1-2022 9-30-2022 ThUS$	1-1-2021 9-30-2021 ThUS$	7-1-2022 9-30-2022 ThUS$	7-1-2021 9-30-2021 ThUS$
Revenue	2,433,635	3,165,746	742,511	1,061,551
Ordinary expenses	(2,228,517)	(2,186,899)	(796,391)	(778,891)
Profit for the period	205,118	978,847	(53,880)	282,660

Movement Investment in Associates	1-1-2022 9-30-2022 ThUS$	1-1-2021 9-30-2021 ThUS$
Opening balance	**3,546,011**	**3,418,958**
Contribution	257	193
Dividends	(65,445)	(193,455)
Net income for the period	53,391	305,607
Comprehensive income	161	(336)
Other	56	-
Closing balance	**3,534,431**	**3,530,967**

The following tables detail the assets and liabilities of the significant associates as of September 30, 2022 and December 31, 2021, as well as the main movements and their respective results during the nine-month and three-month periods ended September 30, 2022 and 2021:

Anglo American Sur S.A.

Assets and liabilities	9-30-2022 ThUS$	12-31-2021 ThUS$
Current assets	720,000	1,511,000
Non-current assets	4,730,000	4,090,000
Current liabilities	632,166	865,000
Non-current liabilities	1,499,000	1,676,000

Profit (loss)	1-1-2022 9-30-2022 ThUS$	1-1-2021 9-30-2021 ThUS$	7-1-2022 9-30-2022 ThUS$	7-1-2021 9-30-2021 ThUS$
Revenue	1,848,000	2,637,000	524,000	897,000
Ordinary expenses and other	(1,638,235)	(1,783,929)	(546,043)	(648,399)
Profit for the period	209,765	853,071	(22,043)	248,601

Sociedad Contractual Minera El Abra

Assets and liabilities	9-30-2022 ThUS$	12-31-2021 ThUS$
Current assets	776,016	800,169
Non-current assets	940,066	1,048,549
Current liabilities	122,863	145,145
Non-current liabilities	261,796	314,292

Profit (loss)	1-1-2022 9-30-2022 ThUS$	1-1-2021 9-30-2021 ThUS$	7-1-2022 9-30-2022 ThUS$	7-1-2021 9-30-2021 ThUS$
Revenue	559,245	503,464	210,978	156,892
Ordinary expenses and other	(566,056)	(379,558)	241,604	(122,794)
Profit for the period	(6,811)	123,906	(30,626)	34,098

b) Additional information on unrealized profits (losses)

Codelco carries out copper purchase and sale operations with Sociedad Contractual Minera El Abra. As of September 30, 2022 and December 31, 2021, the value of finished products under the Inventories caption did not present balances for unrealized profit provision.

As of September 30, 2022 and December 31, 2021, the Corporation has a balance of ThUS$3,920 for unrealized gains on the purchase of LNG terminal use rights from Sociedad Contractual Minera El Abra.

c) Share of profit or loss for the period

The income before tax, corresponding to the proportion on the income of Anglo American Sur S.A. recognized for the period ended September 30, 2022, was a profit of ThUS$ 61,881 (September 30, 2021, profit of ThUS$ 251,656) while the adjustment to such income corresponding to the depreciation and write-offs of the fair values of the net assets of such company recognized at the acquisition date, resulted in a lower income before tax of ThUS$ 5,879 (September 30, 2021 loss of ThUS$ 7,391) and is being deducted from "Equity in income of associates and joint ventures accounted for using the equity method" in the consolidated statement of comprehensive income.

10. Subsidiaries

The following tables set forth a detail of assets, liabilities and profit (loss) of the Corporation's subsidiaries, prior to consolidation adjustments:

Assets and liabilities	9-30-2022 ThUS$	12-31-2021 ThUS$
Current assets	322,597	530,415
Non-current assets	3,457,105	3,458,789
Current liabilities	145,585	608,527
Non-current liabilities	551,576	478,228

Profit (loss)	1-1-2022 9-30-2022	1-1-2021 9-30-2021	7-1-2022 9-30-2022	7-1-2021 9-30-2021
	ThUS$	ThUS$	ThUS$	ThUS$
Income	1,055,383	1,536,634	245,210	493,739
Ordinary expenses and other	(985,846)	(1,280,939)	(246,747)	(419,968)
Profit (Loss)	69,537	255,695	(1,537)	73,771

11. Current and non-current financial assets

Current and non-current financial assets included in the statement of financial position are as follows:

	9-30-2022				
Classification in statement of financial position	At fair value through profit or loss ThUS$	Amortized cost ThUS$	Hedging derivatives: Metal futures contracts ThUS$	Hedging derivatives: Cross currency swap ThUS$	Total financial assets ThUS$
Cash and cash equivalents	32,180	1,579,201	-	-	**1,611,381**
Trade and other current receivable	1,452,579	623,888	-	-	**2,076,467**
Non - current receivable	-	80,220	-	-	**80,220**
Current receivable from relates entities	-	13,441	-	-	**13,441**
Non - current receivable from related entities	-	224	-	-	**224**
Other current financial assets	-	36,522	15,324	-	**51,846**
Other non - current financial assets	-	5,257	5,427	28,566	**39,250**
TOTAL	**1,484,759**	**2,338,753**	**20,751**	**28,566**	**3,872,829**

As of September 30, 2022, the balance of the caption "Other financial assets, current" includes ThUS$ 36,335 invested in term deposit instruments with a maturity of more than 90 days. As of December 31, 2021, the amount invested in this type of instrument was ThUS$ 320,275

	12-31-2021				
Classification in statement of financial position	At fair value through profit or loss	Amortized cost	Hedging derivatives		**Total financial assets**
			Metal futures contracts	Cross currency swap	
	ThUS$	ThUS$	ThUS$	ThUS$	**ThUS$**
Cash and cash equivalents	19,142	1,264,476	-	-	**1,283,618**
Trade and other current receivable	3,039,967	1,154,383	-	-	**4,194,350**
Non - current receivable	-	104,177	-	-	**104,177**
Current receivable from relates entities	-	156,711	-	-	**156,711**
Non - current receivable from related entities	-	224	-	-	**224**
Other current financial assets	-	320,279	61	-	**320,340**
Other non - current financial assets	-	5,109	-	33,174	**38,283**
TOTAL	**3,059,109**	**3,005,359**	**61**	**33,174**	**6,097,703**

- Fair value through profit or loss: As of September 30, 2022 and December 31, 2021, this category includes unfinished product sales invoices. Section II.2.r.

- Amortized cost: It corresponds to financial assets held within a business model whose objective is to hold financial assets to collect contractual cash flows that are solely payments of principal and interest on the principal outstanding. These assets are not quoted in an active market.

  The effects on profit or loss recognized for these assets are mainly from financial income and exchange differences from balances denominated in currencies other than the functional currency.

  No material impairments were recognized in trade and other receivables.

- Derivatives for Hedging: Corresponds to the balance for changes in the fair value of derivative contracts to cover existing transactions (cash flow hedges) and that affect profit or loss when transactions are settled or when, to the extent required by accounting standards, a compensation effect is charged (credited) to the income statement. The detail of derivative hedging transactions is included in the Note 28.

  As of September 30, 2022 and December 31, 2021 there were no reclassifications between the different categories of financial instruments.

12. Other financial liabilities

Other financial liabilities consist of loans with financial institutions and bond issuance obligations, which are recorded by the Corporation at amortized cost using the effective interest rate method.

The following tables set forth other current/non-current financial liabilities:

Items	9-30-2022					
	Current			Non-current		
	Amortized cost ThUS$	Hedging derivatives ThUS$	Total ThUS$	Amortized cost ThUS$	Hedging derivatives ThUS$	Total ThUS$
Loans from financial entities	6,885	-	6,885	970,033	-	970,033
Bond obligations	368,403	-	368,403	15,393,944	-	15,393,944
Hedging obligations	-	4,848	4,848	-	194,288	194,288
Other financial liabilities	-	-	-	62,383	-	62,383
Total	**375,288**	**4,848**	**380,136**	**16,426,360**	**194,288**	**16,620,648**

Items	12-31-2021					
	Current			Non-current		
	Amortized Cost ThUS$	Hedging derivatives ThUS$	Total ThUS$	Amortized Cost ThUS$	Hedging derivatives ThUS$	Total ThUS$
Loans from financial entities	18,003	-	18,003	969,416	-	969,416
Bond obligations	557,411	-	557,411	15,696,670	-	15,696,670
Hedging obligations	-	29,789	29,789	-	186,611	186,611
Other financial liabilities	-	-	-	50,943	-	50,943
Total	**575,414**	**29,789**	**605,203**	**16,717,029**	**186,611**	**16,903,640**

- ***Loans from financial institutions:***

The loans obtained by the Corporation aim to finance production operations.

In addition to the credits mentioned in the previous paragraph, Codelco, through the subsidiary company Inversiones Gacrux SpA., has a credit agreement with Oriente Copper Netherlands B.V. since 2012 (a subsidiary of Mitsui & Co. Ltd.), which was subscribed to with the aim of allocating this financing to the acquisition of the shareholding of Anglo American Sur SA, by the subsidiary company Inversiones Mineras Becrux SpA. (Subsidiary of Inversiones Gacrux SpA.). This loan has no associated personal guarantees and its rate is fixed at 3.25% per year and has a duration of 20 years, being payable in 40 semiannual installments of principal and interest on unpaid balances.

On May 20, 2021 the total amount owed to Oriente Copper Netherlands B.V. was paid in full.

- ***Bond obligations:***

On May 10, 2005, the Corporation issued and placed bonds in the domestic market for a nominal amount of UF 6,900,000 of a single series labeled “Series B”, which consists of 6,900 bonds for UF 1,000 each. These bonds are payable in a single installment on April 1, 2025, at an annual interest rate of 4% and semi-annual interest payments.

On September 21, 2005, the Corporation issued and placed bonds in the U.S. market under Rule 144-A and Regulation S, for a nominal amount of ThUS$500,000. These bonds are payable in a single installment on September 21, 2035, at an annual interest rate of 5.6250% and semi-annual interest payments.

On October 19, 2006, the Corporation issued and placed bonds in the U.S. market under Rule 144-A and Regulation S, for a nominal amount of ThUS$500,000. These bonds are payable in a single installment on October 24, 2036, at an annual interest rate of 6.15% and semi-annual interest payments.

On November 3, 2011, the Corporation issued and placed bonds in the U.S. market under Rule 144-A and Regulation S, for a nominal amount of ThUS$1,150,000. These bonds are payable in a single installment on November 4, 2021, at an annual interest rate of 3.875% and semi-annual interest payments. On August 3, 2017, February 6, 2019 and October 2, 2019, principal was paid for an amount of ThUS$665,226, ThUS$247,814 and ThUS$9,979 respectively. On December 16, 2020, principal was paid for an amount of ThUS$14,361.

On July 17, 2012, the Company issued and placed bonds in the U.S. market under Rule 144-A and Regulation S, for a nominal amount of ThUS$2,000,000. These bonds are payable in two installments (i) the first tranche on July 17, 2022 in the amount of US$1,250,000 at a 3% annual interest rate. On August 22, 2017, February 6, 2019 and October 8 and 22, 2019, principal was paid in the amounts of ThUS$412,514, ThUS$314,219, ThUS$106,972 and ThUS$3,820 respectively. On December 16, 2020, principal was paid for an amount of ThUS$83,852. And (ii) the other tranche matures on July 17, 2042 and is in the amount of ThUS$750,000 at an annual interest rate of 4.25%.

On August 13, 2013, the Corporation issued and placed bonds in the U.S. market, under Rule 144-A and Regulation S, for a nominal amount of ThUS$750,000, payable in a single installment on August 13, 2023, at an annual interest rate of 4.5% and semi-annual interest payments. On August 22, 2017, February 12 and February 26, 2019, principal in the amounts of ThUS$162,502, ThUS$228,674 and ThUS$270 respectively, was paid. On October 8 and 22, 2019, principal was paid for ThUS$23,128 and ThUS$555 respectively. On May 6, 2020, the remaining principal due was increased for a nominal amount of ThUS$131,000, reaching a total amount of ThUS$465,871 with an annual coupon of 4.50%. On December 16, 2020, principal was paid for an amount of ThUS$79,688. On October 22, 2021, principal was amortized in the amount of ThUS$157,965, reaching a total amount of ThUS$228,218.

On October 18, 2013, the Corporation issued and placed bonds in the U.S. market, under Rule 144-A and Regulation S, for a nominal amount of ThUS$950,000, payable in a single installment on October 18, 2043, at an annual interest rate of 5.625% and semi-annual interest payments.

On July 9, 2014, the Corporation issued and placed bonds in the international financial markets, under Rule 144-A and Regulation S, for a nominal amount of EUR$600,000,000, payable in a single installment on July 9, 2024, at an annual interest rate of 2.25% and annual interest payments. On October 22, 2021, capital was amortized in the amount of ThEUR$200,116, reaching a total amount of ThEUR$399,884.

On November 4, 2014, the Corporation issued and placed bonds in the U.S. market, under Rule 144-A and Regulation S, for a nominal amount of ThUS$980,000, payable in a single installment on November 4, 2044, at an annual interest rate of 4.875% and semi-annual interest payments.

On September 16, 2015, the Corporation issued and placed bonds in the U.S. market, under Rule 144-A and Regulation S, for a nominal amount of ThUS$2,000,000, payable in a single installment on September 16, 2025, at an annual interest rate of 4.5% and semi-annual interest payments. On August 22, 2017 and February 12, 2019, principal was paid for an amount of ThUS$378,655 and ThUS$552,754 respectively. On December 22, 2020, capital was amortized in the amount of ThUS$392,499. On January 7, 2021, capital was amortized in the amount of ThUS$5,000. On October 22, 2021, principal was amortized in the amount of ThUS$273,867, reaching a total amount of ThUS$397,235.

On August 24, 2016, the Corporation issued and placed bonds in the domestic market for a nominal amount of UF 10,000,000 of a single series labeled “Series C”, which consists of 20,000 bonds for UF 500 each. These bonds are payable in a single installment on August 24, 2026, at an annual interest rate of 2.5% and semi-annual interest payments.

On July 25, 2017, the Corporation made an offer in New York to buy its bonds issued in dollars with maturities between 2019 and 2025, repurchasing US$2,367 million.

Later, on August 1, 2017, the Corporation issued and placed bonds in the North American market, under standard 144-A and Regulation S, for a total nominal amount of ThUS$ 2,750,000. One portion corresponds to an amount of ThUS$ 1,500,000, maturing on August 1, 2027 with an annual coupon rate of interest of 3.625% and semi-annual interest. On December 22, 2020, principal was paid for an amount of ThUS$227,154. On January 7, 2021, principal was paid in the amount of ThUS$5,000. The other portion contemplates a maturity date of August 1, 2047, corresponding to an amount of ThUS$ 1,250,000 with an annual coupon of 4.5% and semi-annual interest payments.

As a result of these transactions, 86% of the funds from the new issue (US$2,367 million) were used to refinance old debt. The average interest rate of refinanced funds decreased from 4.36% to 4.02%.

On May 18, 2018, Codelco issued a bond for US$600 million with 30-year maturity in the market of Formosa, Taiwan. The bond issued is denominated in US dollars, had a yield of 4.85% and a prepayment option at the issue value that can be exercised from the fifth year onwards at its par value.

On January 28, 2019, the Corporation in New York made an offer to purchase its bonds issued in dollars with maturities between 2020 and 2025, repurchasing US$1,527 million.

Subsequently, on February 5, 2019, the Corporation issued and placed bonds in the North American market, under Rule 144-A and Regulation S, for a total nominal amount of ThUS$1,300,000, which maturity will be 5 February 2049 with a coupon of 4.375% per annum and interest payments on a semi-annual basis.

On July 22, 2019, the Corporation made a bond issue and placement, Regulation S, for a nominal amount of AUD $ 70,000,000, whose maturity will be in a single installment on July 22, 2039, with a coupon of 3.58% annual and interest payment annually.

On August 23, 2019, the Corporation made a bond issue and placement, Regulation S, for a nominal amount of ThUS$130,000, whose maturity will be in a single installment on August 23, 2029, with a coupon of 2.869% annual and interest payment semiannually.

On September 30, 2019, Codelco launched a tender offer for bonds maturing between 2020 and 2023, in which a repurchase amount of US$152 million was reached.

On September 30, 2019, the Corporation made an issue and placement of bonds in the North American market, under rule 144-A and Regulation S, for a total nominal amount of ThUS$2,000,000 whose maturity will be, under one tranche, on September 30, 2029 corresponding to an amount of ThUS$1,100,000 with a 3% annual coupon. The other tranche contemplates a maturity on January 30, 2050, corresponding to an amount of ThUS$900,000. On January 14, 2020 and October 22, 2021, a capital increase was made for a nominal amount of ThUS$1,000,000 and ThUS$780,000, respectively, reaching a total amount of ThUS$2,780,000 with a coupon of 3.70% per annum.

On October 22, 2021, together with the aforementioned capital increase of ThUS$ 780.000 of the international bond maturing in 2050, a process of repurchase of bonds maturing in 2023 and 2025 in the amount of ThUS$431,832 and the repurchase of a Euro bond in the amount of MEUR$200,116 maturing in 2024 was concluded.

The effect recognized in income associated with this refinancing was a charge of US$23 million in after-tax income for the year 2021.

On January 14, 2020, the Corporation issued and placed bonds in the North American market, under rule 144-A and Regulation S, for a nominal amount of ThUS $ 1,000,000, the maturity of which will be in a single installment on 14 January 2030, with a coupon of 3.15% per annum and payment of interest every six months.

On May 6, 2020, the Corporation issued and placed bonds in the North American market, under Rule 144-A and Regulation S, for a nominal amount of ThUS$800,000 whose maturity will be in a single installment on January 15, 2031, with a coupon of 3.75% per annum and interest paid every six months.

On December 7, 2020, the Corporation made in New York an offer to purchase its bonds issued in dollars with maturities between 2021 and 2027, repurchasing ThUS$797,554.

On December 14, 2020, the Corporation carried out an issuance and placement of bonds in the North American market, under standard 144-A and Regulation S, for a total nominal amount of ThUS$500,000 whose maturity will be in a single installment on January 15, 2051, with a coupon of 3.15% per annum and interest payment on a semi-annual basis.

As a result of these transactions, 100% of the funds from the new issuance (US$500 million) were used to refinance old debt. The average nominal rate of the refinanced funds decreased from 4.08% to 3.15%.

As of September 30, 2022 and 2021, the Corporation is not required to comply with any financial covenants related to borrowings from financial institutions and bond obligations.

- ***Financial debt commissions and expenses:***

  Transaction costs incurred in obtaining financial resources are deducted from the loan proceeds and are amortized using the effective interest rate.

As of September 30, 2022, the details of loans from financial institutions and bond obligations are as follows:

9-30-2022													
Taxpayer ID No.	Country	Loans from financial entities	Institution	Maturity	Interest rate	Currency	Amount contracted	Type of amortization	Payment of Interest	Nominal interest rate	Effective interest rate	Current balance ThUS$	Non-current balance ThUS$
Foreign	Panama	Bilateral Credit	Banco Latinoamericano de Comercio	12-18-2026	Variable	US$	75,000,000	At Maturity	Semi-annual	4.01%	4.20%	844	74,610
Foreign	USA	Bilateral Credit	Export Dev. Canada	08-12-2027	Variable	US$	300,000,000	At Maturity	Quarterly	4.07%	4.18%	1,698	299,346
Foreign	USA	Bilateral Credit	Export Dev. Canada	10-25-2028	Variable	US$	300,000,000	At Maturity	Quarterly	4.00%	4.13%	2,232	298,856
Foreign	USA	Bilateral Credit	Export Dev. Canada	07-25-2029	Variable	US$	300,000,000	At Maturity	Quarterly	4.02%	4.23%	2,111	297,221
TOTAL												**6,885**	**970,033**

Bond obligations	Country of Registration	Maturity	Interest rate	Currency	Amount contracted	Type of amortization	Payment of Interest	Nominal interest rate	Effective interest rate	Current balance ThUS$	Non-current balance ThUS$
144-A REG.S	Luxembourg	08-13-2023	Fixed	US$	750,000,000	At Maturity	Semi-annual	4.50%	4.37%	229,805	-
144-A REG.S	Luxembourg	07-09-2024	Fixed	EUR	600,000,000	At Maturity	Annual	2.25%	2.47%	1,982	389,565
BCODE-B	Chile	04-01-2025	Fixed	U.F.	6,900,000	At Maturity	Semi-annual	4.00%	3.24%	-	250,684
144-A REG.S	Luxembourg	09-16-2025	Fixed	US$	2,000,000,000	At Maturity	Semi-annual	4.50%	4.74%	695	394,598
BCODE-C	Chile	08-24-2026	Fixed	U.F.	10,000,000	At Maturity	Semi-annual	2.50%	2.47%	886	366,539
144-A REG.S	Luxembourg	08-01-2027	Fixed	US$	1,500,000,000	At Maturity	Semi-annual	3.63%	4.18%	7,532	1,237,208
REG.S	Luxembourg	08-23-2029	Fixed	US$	130,000,000	At Maturity	Semi-annual	2.87%	2.97%	383	129,154
144-A REG.S	Luxembourg	09-30-2029	Fixed	US$	1,100,000,000	At Maturity	Semi-annual	3.00%	3.14%	-	1,090,317
144-A REG.S	Luxembourg	01-14-2030	Fixed	US$	1,000,000,000	At Maturity	Semi-annual	3.15%	3.28%	6,650	991,412
144-A REG.S	Luxembourg	01-15-2031	Fixed	US$	800,000,000	At Maturity	Semi-annual	3.75%	3.79%	6,250	797,491
REG.S	Luxembourg	11-07-2034	Fixed	HKD	500,000,000	At Maturity	Annual	2.84%	2.92%	1,616	63,172
144-A REG.S	Luxembourg	09-21-2035	Fixed	US$	500,000,000	At Maturity	Semi-annual	5.63%	5.78%	703	493,036
144-A REG.S	Luxembourg	10-24-2036	Fixed	US$	500,000,000	At Maturity	Semi-annual	6.15%	6.22%	13,325	496,896
REG.S	Luxembourg	07-22-2039	Fixed	AUD	70,000,000	At Maturity	Annual	3.58%	3.65%	304	44,544
144-A REG.S	Luxembourg	07-17-2042	Fixed	US$	750,000,000	At Maturity	Semi-annual	4.25%	4.41%	6,464	734,711
144-A REG.S	Luxembourg	10-18-2043	Fixed	US$	950,000,000	At Maturity	Semi-annual	5.63%	5.76%	24,047	934,542
144-A REG.S	Luxembourg	11-04-2044	Fixed	US$	980,000,000	At Maturity	Semi-annual	4.88%	5.01%	19,375	962,539
144-A REG.S	Luxembourg	08-01-2047	Fixed	US$	1,250,000,000	At Maturity	Semi-annual	4.50%	4.73%	9,219	1,208,244
144 - REG.S	Taiwan	05-18-2048	Fixed	US$	600,000,000	At Maturity	Semi-annual	4.85%	4.91%	10,670	594,752
144-A REG.S	Luxembourg	02-05-2049	Fixed	US$	1,300,000,000	At Maturity	Semi-annual	4.38%	4.97%	8,689	1,187,659
144-A REG.S	Luxembourg	01-30-2050	Fixed	US$	2,680,000,000	At Maturity	Semi-annual	3.70%	3.93%	16,527	2,579,290
144-A REG.S	Luxembourg	01-15-2051	Fixed	US$	500,000,000	At Maturity	Semi-annual	3.15%	3.75%	3,281	447,591
TOTAL										**368,403**	**15,393,944**

Nominal and effective interest rates presented above correspond to annual rates.

As of December 31, 2021, the details of loans from financial institutions and bond obligations are as follows:

12-31-2021													
Taxpayer ID No.	Country	Loans from financial entities	Institution	Maturity	Interest rate	Currency	Amount contracted	Type of amortization	Payment of Interest	Nominal interest rate	Effective interest rate	Current balance ThUS$	Non-current balance ThUS$
Foreign	Japan	Bilateral Credit	Japan Bank International Cooperation	05-24-2022	Variable	US$	224,000,000	Half-yearly principal payments from 2015 to the maturity of	Semi-annual	0.69%	0.85%	16,001	-
Foreign	Panama	Bilateral Credit	Banco Latinoamericano de Comercio	12-18-2026	Variable	US$	75,000,000	At Maturity	Semi-annual	1.52%	1.66%	28	74,547
Foreign	USA	Bilateral Credit	Export Dev. Canada	08-12-2027	Variable	US$	300,000,000	At Maturity	Quarterly	1.27%	1.34%	520	299,230
Foreign	USA	Bilateral Credit	Export Dev. Canada	10-25-2028	Variable	US$	300,000,000	At Maturity	Quarterly	1.34%	1.43%	748	298,723
Foreign	USA	Bilateral Credit	Export Dev. Canada	07-25-2029	Variable	US$	300,000,000	At Maturity	Quarterly	1.34%	1.50%	706	296,916
TOTAL												**18,003**	**969,416**

Bond obligations	Country of Registration	Maturity	Interest rate	Currency	Amount contracted	Type of amortization	Payment of Interest	Nominal interest rate	Effective interest rate	Current balance ThUS$	Non-current balance ThUS$
144-A REG.S	Luxembourg	07-17-2022	Fixed	US$	1,250,000,000	At Maturity	Semi-annual	3.00%	3.13%	332,870	-
144-A REG.S	Luxembourg	08-13-2023	Fixed	US$	750,000,000	At Maturity	Semi-annual	4.50%	4.36%	5,693	228,670
144-A REG.S	Luxembourg	07-09-2024	Fixed	EUR	600,000,000	At Maturity	Annual	2.25%	2.47%	4,880	449,817
BCODE-B	Chile	04-01-2025	Fixed	U.F.	6,900,000	At Maturity	Semi-annual	4.00%	3.24%	2,574	259,036
144-A REG.S	Luxembourg	09-16-2025	Fixed	US$	2,000,000,000	At Maturity	Semi-annual	4.50%	4.75%	5,263	393,990
BCODE-C	Chile	08-24-2026	Fixed	U.F.	10,000,000	At Maturity	Semi-annual	2.50%	2.47%	3,196	378,561
144-A REG.S	Luxembourg	08-01-2027	Fixed	US$	1,500,000,000	At Maturity	Semi-annual	3.63%	4.18%	19,108	1,232,979
REG.S	Luxembourg	08-23-2029	Fixed	US$	130,000,000	At Maturity	Semi-annual	2.87%	2.97%	1,318	129,072
144-A REG.S	Luxembourg	09-30-2029	Fixed	US$	1,100,000,000	At Maturity	Semi-annual	3.00%	3.14%	8,387	1,089,401
144-A REG.S	Luxembourg	01-14-2030	Fixed	US$	1,000,000,000	At Maturity	Semi-annual	3.15%	3.28%	14,295	990,643
144-A REG.S	Luxembourg	01-15-2031	Fixed	US$	800,000,000	At Maturity	Semi-annual	3.75%	3.79%	13,859	797,301
REG.S	Luxembourg	11-07-2034	Fixed	HKD	500,000,000	At Maturity	Annual	2.84%	2.92%	274	63,549
144-A REG.S	Luxembourg	09-21-2035	Fixed	US$	500,000,000	At Maturity	Semi-annual	5.63%	5.78%	7,847	492,772
144-A REG.S	Luxembourg	10-24-2036	Fixed	US$	500,000,000	At Maturity	Semi-annual	6.15%	6.22%	5,745	496,794
REG.S	Luxembourg	07-22-2039	Fixed	AUD	70,000,000	At Maturity	Annual	3.58%	3.65%	806	50,284
144-A REG.S	Luxembourg	07-17-2042	Fixed	US$	750,000,000	At Maturity	Semi-annual	4.25%	4.41%	14,465	734,351
144-A REG.S	Luxembourg	10-18-2043	Fixed	US$	950,000,000	At Maturity	Semi-annual	5.63%	5.76%	10,864	934,264
144-A REG.S	Luxembourg	11-04-2044	Fixed	US$	980,000,000	At Maturity	Semi-annual	4.88%	5.01%	7,523	962,219
144-A REG.S	Luxembourg	08-01-2047	Fixed	US$	1,250,000,000	At Maturity	Semi-annual	4.50%	4.73%	23,387	1,207,588
144 - REG.S	Taiwan	05-18-2048	Fixed	US$	600,000,000	At Maturity	Semi-annual	4.85%	4.91%	3,457	594,676
144-A REG.S	Luxembourg	02-05-2049	Fixed	US$	1,300,000,000	At Maturity	Semi-annual	4.38%	4.97%	22,873	1,186,122
144-A REG.S	Luxembourg	01-30-2050	Fixed	US$	2,680,000,000	At Maturity	Semi-annual	3.70%	3.93%	41,495	2,577,759
144-A REG.S	Luxembourg	01-15-2051	Fixed	US$	500,000,000	At Maturity	Semi-annual	3.15%	3.75%	7,232	446,822
TOTAL										**557,411**	**15,696,670**

Nominal and effective interest rates presented above correspond to annual rates.

The undiscounted amounts that the Corporation will have to disburse to settle the obligations with financial institutions, are as follows:

9-30-2022					CURRENT			NON-CURRENT			
Name creditor	Type of currency	Interest rate effective	Interest rate nominal	Type of amortization	Less than: 90 days	Over 90 days	Total current	One to three years	Three to five years	Over five years	Total non-current
Banco Latinoamericano de Comercio	US$	4.20%	4.01%	Semi-annual	1,530	1,522	3,052	6,111	79,556	-	85,667
Export Dev. Canada	US$	4.18%	4.07%	Quarterly	3,122	9,265	12,387	24,810	324,776	-	349,586
Export Dev Canada	US$	4.13%	4.00%	Quarterly	3,065	9,095	12,160	24,354	24,321	315,226	363,901
Export Dev Canada	US$	4.23%	4.02%	Quarterly	-	9,181	9,181	24,494	24,460	327,409	376,363
BONO 144-A REG.S 2023	US$	4.37%	4.50%	Semi-annual	-	238,488	238,488	-	-	-	-
BONO 144-A REG.S 2025	US$	4.74%	4.50%	Semi-annual	-	17,876	17,876	432,986	-	-	432,986
BONO 144-A REG.S 2027	US$	4.18%	3.63%	Semi-annual	-	45,959	45,959	91,919	1,359,765	-	1,451,684
BONO REG.S 2029	US$	2.97%	2.87%	Semi-annual	-	3,730	3,730	7,459	7,459	137,459	152,377
BONO 144-A REG.S 2029	US$	3.14%	3.00%	Semi-annual	-	33,000	33,000	49,500	66,000	1,182,500	1,298,000
BONO 144-A REG.S 2030	US$	3.28%	3.15%	Semi-annual	-	31,500	31,500	63,000	63,000	1,078,750	1,204,750
BONO 144-A REG.S 2031	US$	3.79%	3.75%	Semi-annual	-	30,000	30,000	60,000	60,000	905,000	1,025,000
BONO 144-A REG.S 2035	US$	5.78%	5.63%	Semi-annual	-	28,125	28,125	56,250	42,188	739,063	837,501
BONO 144-A REG.S 2036	US$	6.22%	6.15%	Semi-annual	15,375	15,375	30,750	61,500	61,500	792,125	915,125
BONO 144-A REG.S 2042	US$	4.41%	4.25%	Semi-annual	-	31,875	31,875	63,750	63,750	1,228,125	1,355,625
BONO 144-A REG.S 2043	US$	5.76%	5.63%	Semi-annual	26,719	26,719	53,438	106,875	106,875	1,831,719	2,045,469
BONO 144-A REG.S 2044	US$	5.01%	4.88%	Semi-annual	23,888	23,888	47,776	95,550	95,550	1,816,063	2,007,163
BONO 144-A REG.S 2047	US$	4.73%	4.50%	Semi-annual	-	56,250	56,250	112,500	112,500	2,375,000	2,600,000
BONO 144 REG.S 2048	US$	4.91%	4.85%	Semi-annual	14,550	14,550	29,100	58,200	58,200	1,211,100	1,327,500
BONO 144-A REG.S 2049	US$	4.97%	4.38%	Semi-annual	-	56,875	56,875	113,750	113,750	2,522,813	2,750,313
BONO 144-A REG.S 2050	US$	3.93%	3.70%	Semi-annual	-	99,160	99,160	198,320	198,320	4,911,100	5,307,740
BONO 144-A REG.S 2051	US$	3.75%	3.15%	Semi-annual	-	15,750	15,750	31,500	31,500	870,125	933,125
							- 0				
				Total ThUS$	**88,249**	**798,183**	**886,432**	**1,682,828**	**2,893,470**	**22,243,577**	**26,819,875**

BONO BCODE-B 2025	U.F.	3.24%	4.00%	Semestral	-	276,000	276,000	7,314,000	-	-	7,314,000
BONO BCODE-C 2026	U.F.	2.47%	2.50%	Semestral	-	248,457	248,457	496,913	10,248,457	-	10,745,370
				Total U.F.	-	524,457	524,457	7,810,913	10,248,457	-	18,059,370
				Subtotal ThUS$	**-**	**18,711**	**18,711**	**278,668**	**365,632**	**-**	**644,300**
BONO 144-A REG.S 2024	EUR	2.47%	2.25%	Annual	-	8,997,390	8,997,390	8,997,390	399,884,000	-	408,881,390
				Subtotal ThUS$	**-**	**8,806**	**8,806**	**8,806**	**391,391**	**-**	**400,197**
BONO REG.S 2039	AUD	3.66%	3.58%	Annual	-	2,506,000	2,506,000	5,012,000	5,012,000	100,072,000	110,096,000
				Subtotal ThUS$	**-**	**1,610**	**1,610**	**3,220**	**3,220**	**64,298**	**70,738**
BONO REG.S 2034	HKD	2.92%	2.84%	Annual	14,200,000	-	14,200,000	28,438,904	28,400,000	613,677,808	670,516,712
				Subtotal ThUS$	**1,809**	**-**	**1,809**	**3,623**	**3,618**	**78,178**	**85,419**
				Total ThUS$	**90,058**	**827,310**	**917,368**	**1,977,145**	**3,657,331**	**22,386,053**	**28,020,529**

Nominal and effective interest rates presented above correspond to annual rates.

12-31-2021					CURRENT			NON-CURRENT			
Creditor name	Type of currency	Interest rate effective	Interest rate nominal	Type of amortization	Less than: 90 days	Over 90 days	Total current	One to three years	Three to five years	Over five years	Total non-current
Japan Bank International Cooperation	US$	0.85%	0.69%	Semi-annual	-	16,056	16,056	-	-	-	-
Banco Latinoamericano de Comercio	US$	1.66%	1.52%	Semi-annual	-	1,153	1,153	2,310	77,297	-	79,607
Export Dev. Canada	US$	1.34%	1.27%	Quarterly	976	2,896	3,872	7,753	7,743	302,896	318,392
Export Dev Canada	US$	1.43%	1.34%	Quarterly	1,030	3,057	4,087	8,185	8,174	308,174	324,533
Export Dev Canada	US$	1.50%	1.34%	Quarterly	-	1,030	1,030	-	8,185	314,242	322,427
BOND 144-A REG.S 2022	US$	3.13%	3.00%	Semi-annual	4,929	333,552	338,481	-	-	-	-
BOND 144-A REG.S 2023	US$	4.36%	4.50%	Semi-annual	5,135	5,135	10,270	238,488	-	-	238,488
BOND 144-A REG.S 2025	US$	4.75%	4.50%	Semi-annual	8,938	17,876	26,814	-	415,111	-	415,111
BOND 144-A REG.S 2027	US$	4.18%	3.63%	Semi-annual	22,980	22,980	45,960	-	91,919	1,313,805	1,405,724
BONDS REG.S 2029	US$	2.97%	2.87%	Semi-annual	1,865	1,865	3,730	7,459	7,459	141,189	156,107
BOND 144-A REG.S 2029	US$	3.14%	3.00%	Semi-annual	16,500	16,500	33,000	66,000	66,000	1,199,000	1,331,000
BOND 144-A REG.S 2030	US$	3.28%	3.15%	Semi-annual	15,750	15,750	31,500	63,000	63,000	1,110,250	1,236,250
BOND 144-A REG.S 2031	US$	3.79%	3.75%	Semi-annual	15,000	15,000	30,000	60,000	60,000	935,000	1,055,000
BOND 144-A REG.S 2035	US$	5.78%	5.63%	Semi-annual	14,063	14,063	28,126	56,250	56,250	753,125	865,625
BOND 144-A REG.S 2036	US$	6.22%	6.15%	Semi-annual	-	30,750	30,750	61,500	61,500	807,500	930,500
BOND 144-A REG.S 2042	US$	4.41%	4.25%	Semi-annual	15,938	15,938	31,876	63,750	63,750	1,260,000	1,387,500
BOND 144-A REG.S 2043	US$	5.76%	5.63%	Semi-annual	-	53,438	53,438	106,875	106,875	1,858,438	2,072,188
BOND 144-A REG.S 2044	US$	5.01%	4.88%	Semi-annual	-	47,775	47,775	95,550	95,550	1,839,950	2,031,050
BOND 144-A REG.S 2047	US$	4.73%	4.50%	Semi-annual	28,125	28,125	56,250	112,500	112,500	2,431,250	2,656,250
BOND 144 REG.S 2048	US$	4.91%	4.85%	Semi-annual	-	29,100	29,100	58,200	58,200	1,225,650	1,342,050
BOND 144-A REG.S 2049	US$	4.97%	4.38%	Semi-annual	28,438	28,438	56,876	113,750	113,750	2,579,688	2,807,188
BOND 144-A REG.S 2050	US$	3.93%	3.70%	Semi-annual	49,580	49,580	99,160	198,320	198,320	5,010,260	5,406,900
BOND 144-A REG.S 2051	US$	3.75%	3.15%	Semi-annual	7,875	7,875	15,750	31,500	31,500	885,875	948,875
				Total ThUS$	**237,122**	**757,932**	**995,054**	**1,351,390**	**1,703,083**	**24,276,292**	**27,330,765**
BONDS BCODE-B 2025	U.F.	3.24%	4.00%	Semi-annual	138,000	138,000	276,000	552,000	7,038,000	-	7,590,000
BONDS BCODE-C 2026	U.F.	2.47%	2.50%	Semi-annual	124,228	124,229	248,457	496,913	10,496,914	-	10,993,827
				Total U.F.	262,228	262,229	524,457	1,048,913	17,534,914	-	18,583,827
				Subtotal ThUS$	**9,621**	**9,621**	**19,242**	**38,485**	**643,357**	**-**	**681,842**
BOND 144-A REG.S 2024	EUR	2.47%	2.25%	Annual	-	8,997,390	8,997,390	17,994,780	399,884,000	-	417,878,780
				Subtotal ThUS$	**-**	**10,179**	**10,179**	**20,358**	**452,409**	**-**	**472,767**
BONDS REG.S 2039	AUD	3.65%	3.58%	Annual	-	2,506,000	2,506,000	5,012,000	5,012,000	102,578,000	112,602,000
				Subtotal ThUS$	**-**	**1,816**	**1,816**	**3,633**	**3,633**	**74,349**	**81,615**
BONDS REG.S 2034	HKD	2.92%	2.84%	Annual	-	14,200,000	14,200,000	28,438,904	28,400,000	613,677,808	670,516,712
				Subtotal ThUS$	**-**	**1,821**	**1,821**	**3,646**	**3,641**	**78,680**	**85,967**
				Total ThUS$	**246,743**	**781,369**	**1,028,112**	**1,417,512**	**2,806,123**	**24,429,321**	**28,652,956**

Nominal and effective interest rates presented above correspond to annual rates.

The table below details changes in CODELCO's financing activities in the statement of cash flow, including both cash and non-cash changes for the three-month period ended September, 2022, and for the year ended December 31, 2021:

Liabilities for financing activities	Opening balance at 1-1-2022	Cash flows of financing activities			Changes that do not represent cash flow				Other	Closing balance at 09-30-2022
		From	Used	Total	Financial costs (1)	Exchange difference	Fair value adjustment	Debt expense deferred in amortized cost		
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Loans from financial entities	987,419	-	(28,927)	(28,927)	17,573	-	-	627	226	976,918
Bond obligations	16,254,081	-	(905,415)	(905,415)	492,382	(84,315)	-	-	5,614	15,762,347
Hedging obligations	186,320	-	(35,214)	(35,214)	13,543	77,323	(48,014)	-	5,130	199,088
Dividends paid	-	-	(259,900)	(259,900)	-	-	-	-	-	-
Financial assets for hedge derivatives	(33,174)	-	-	-	-	6,992	(2,384)	-	-	(28,566)
Leases	352,127	-	(102,286)	(102,286)	16,407	(17,622)	-	-	127,105	375,731
Other	50,943	-	(49,747)	(49,747)	-	-	-	-	61,187	62,383
Total liabilities on financing activities	**17,797,716**	**-**	**(1,381,489)**	**(1,381,489)**	**539,905**	**(17,622)**	**(50,398)**	**627**	**199,262**	**17,347,901**

Liabilities for financing activities	Opening balance at 1-1-2022	Cash flows of financing activities			Changes that do not represent cash flow				Other	Closing balance at 12-31-2021
		From	Used	Total	Financial costs (1)	Exchange difference	Fair value adjustment	Debt expense deferred in amortized cost		
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Loans from financial entities	1,570,442	-	(588,253)	(588,253)	24,074	-	-	1,494	(20,338)	987,419
Bond obligations	16,506,214	780,000	(1,558,758)	(778,758)	670,017	(113,143)	-	-	(30,249)	16,254,081
Hedging obligations	129,208	-	(62,960)	(62,960)	25,316	84,188	8,828	-	1,740	186,320
Dividends paid		-	(2,033,206)	(2,033,206)	-	-	-	-	-	
Financial assets for hedge derivatives	(127,502)	-	-	-	-	28,975	58,189	-	7,164	(33,174)
Leases	485,008	-	(138,668)	(138,668)	18,206	(38,535)	-	-	26,116	352,127
Other	56,469	-	(177,292)	(177,292)	-	-	-	-	171,766	50,943
Total liabilities on financing activities	**18,619,839**	**780,000**	**(4,559,137)**	**(3,779,137)**	**737,613**	**(38,515)**	**67,017**	**1,494**	**156,199**	**17,797,716**

(1) The finance costs consider the capitalization of interest, which, as of September 30, 2022 and 2021, amounted to ThUS$ 209,224 and ThUS$ 171,980 respectively.

13. Fair Value of financial assets and liabilities

The carrying amount of financial assets is a reasonable approximation to their fair value, therefore, no additional disclosures are required in accordance with IFRS 7.

Regarding financial liabilities, the following table shows a comparison as of September 30, 2022 between the carrying amount and the fair value of financial liabilities other than those whose carrying amount is a reasonable approximation of fair value:

Comparison book value vs fair value As of September 30, 2022	Accounting treatment for valuation	Book value ThUS$	Fair value ThUS$
Financial liabilities:			
Bond obligations	Amortized cost	15,762,347	13,257,608

14. Market value hierarchy for items at market value

Each of the market values calculated for the Corporation's portfolio of financial instruments is supported by a calculation methodology and data inputs. An analysis of each of these methodologies has been carried out to determine to which of the following levels they can be assigned:

- Level 1 corresponds to fair value measurement methodologies using market shares (unadjusted) in active markets to which the Corporation has access at the measurement date and considering identical Assets and Liabilities.

- Level 2 corresponds to fair value measurement methodologies using quoted market price data, not included in Level 1, that are observable for the Assets and Liabilities measured, either directly (prices) or indirectly (derived from prices).

- Level 3 corresponds to fair value measurement methodologies using valuation techniques that include data on the Assets and Liabilities valued, which are not based on significant observable market data.

Based on the methodologies, inputs, and definitions described above, the following market levels have been determined for the Corporation's portfolio of financial instruments held as of September 30, 2022:

Financial assets and liabilities at fair value classified by hierarchy	**9-30-2022**			
	Level 1 ThUS$	**Level 2 ThUS$**	**Level 3 ThUS$**	**Total ThUS$**
Financial assets:				
Hybrid contracts with non-finalized price	-	1,452,579	-	1,452,579
Cross currency swap	-	28,566	-	28,566
Mutual funds shares	32,180	-	-	32,180
Metal futures contracts	20,751	-	-	20,751
Financial liabilities:				
Metal futures contracts	48	-	-	48
Cross currency swap	-	199,088	-	199,088

There were no transfers between the different levels of market hierarchy for the reporting period.

15. Trade and other accounts payable

a) Details of trade accounts payable, sundry accounts payable and other current accounts payable are shown in the following table:

Item	Current Liabilities	
	9-30-2022 ThUS$	12-31-2021 ThUS$
Trade creditors	985,504	1,262,221
Payables to employees	18,143	19,691
Withholdings	89,434	97,252
Withholding taxes	15,549	48,139
Other accounts payable	72,786	70,126
Total	**1,181,416**	**1,497,429**

Trade creditors mainly include operating accounts payable, and obligations associated with investment projects.

b) The following is a schedule of maturities of payments to trade creditors as of September 30, 2022, and December 31, 2021:

As of September 30, 2022	Amounts according to payment terms							
Creditors with current due date	Up to 30 days	31 - 60	61 - 90	91 - 120	121 - 365	366 and over	**Total**	Average payment period
Goods	381,431	228	91	-	24	-	**381,774**	15.8
Services	489,326	5,906	157	-	35	-	**495,424**	19.6
Other	87,100	540	-	-	-	-	**87,640**	8.4
Total	**957,857**	**6,674**	**248**	**-**	**59**	**-**	**964,838**	16.5

As of September 30, 2022	Amounts according to payment terms							
Suppliers with overdue payments	Up to 30 days	31 - 60	61 - 90	91 - 120	121 - 365	366 and over	**Total**	Average payment period
Goods	1,894	908	1,329	458	680	1,792	**7,061**	333.3
Services	3,497	2,210	498	1,761	228	415	**8,609**	240.1
Other	241	266	255	307	257	3,670	**4,996**	380.9
Total	**5,632**	**3,384**	**2,082**	**2,526**	**1,165**	**5,877**	**20,666**	351.2

As of December 31, 2021	Amounts according to payment terms							
Creditors with current due date	Up to 30 days	31 - 60	61 - 90	91 - 120	121 - 365	366 and over	**Total**	Average payment period
Goods	523,424	150	49	30	24	-	**523,677**	15.0
Services	566,639	6,443	195	118	95	-	**573,490**	15.6
Other	137,003	1,158	-	71	-	-	**138,232**	13.2
Total	**1,227,066**	**7,751**	**244**	**219**	**119**	**-**	**1,235,399**	15.1

As of December 31, 2021	Amounts according to payment terms							
Suppliers with overdue payments	Up to 30 days	31 - 60	61 - 90	91 - 120	121 - 365	366 and over	**Total**	Average payment period
Goods	4,276	795	166	126	504	2,404	**8,271**	301.5
Services	6,513	2,182	651	115	2,432	1,436	**13,329**	338.4
Other	246	147	288	347	303	3,891	**5,222**	266.8
Total	**11,035**	**3,124**	**1,105**	**588**	**3,239**	**7,731**	**26,822**	285.3

16. Other provisions

The detail of other current and non-current provisions at the dates mentioned is as follows:

Other provisions	Current		Non-current	
	9-30-2022 ThUS$	12-31-2021 ThUS$	9-30-2022 ThUS$	12-31-2021 ThUS$
Sales-related provisions (1)	10,750	8,627	-	-
Operating (2)	376,948	523,177	-	-
Law No. 13196	81,158	151,509	-	-
Other provisions	45,854	58,714	870	496
Closure, decommissioning and restoration (3)	-	-	2,098,033	2,407,814
Legal proceedings	-	-	60,475	49,275
Total	**514,710**	**742,027**	**2,159,378**	**2,457,585**

(1) Corresponds to sales-related accruals, which includes charges for freight, loading, and unloading that were not invoiced at the end of the year.
(2) Corresponds to provisions made for customs duties, freight for acquisitions and electricity, among others.
(3) Corresponds to provisions for future closure costs related mainly to tailings dams, mine site closures and other assets. This cost value is calculated at discounted present value, using flows associated with plans with an evaluation horizon ranging from 10 to 60 years. The rates used to discount future cash flows are calculated based on the Life of Mine "LOM" of each of the operations, distinguishing rates in UF for those obligations in Chilean pesos and rates in U.S. dollars for those obligations in U.S. dollars. These discount rates include the risks associated with the liability being determined, except those included in the cash flows.

Below is a table with the discount rates used:

Division	9-30-2022		12-31-2021	
	Local Currency Rate	Dollar Currency Rate	Local Currency Rate	Dollar Currency Rate
Gabriela Mistral	2.00%	2.29%	2.28%	0.51%
Andina	2.24%	2.57%	2.64%	1.10%
Ministro Hales	2.24%	2.57%	2.64%	1.10%
Chuquicamata	2.33%	2.97%	2.73%	1.37%
Radomiro Tomic	2.36%	3.05%	2.83%	1.56%
Salvador	2.36%	3.05%	2.83%	1.56%
Teniente	2.47%	3.31%	2.93%	1.78%
Fundición Ventanas	2.47%	3.31%	2.93%	1.78%

The Corporation determines and recognizes this liability in accordance with the accounting policy described in Note 2, letter p) on Significant Accounting Policies.

Changes in Other provisions, were as follows:

Movements	1-1-2022 9-30-2022			
	Other Provisions, non-current ThUS$	Provision for site closure ThUS$	Contingencies ThUS$	Total ThUS$
Opening balance	496	2,407,814	49,275	2,457,585
Closing provision adjustment	-	(311,906)	-	(311,906)
Financial expenses	-	35,958	(1)	35,957
Payment of liabilities	-	-	(5,837)	(5,837)
Exchange rate difference	(14)	(30,944)	13,166	(17,792)
Other increases (decreases)	388	(2,889)	3,872	1,371
Closing balance	**870**	**2,098,033**	**60,475**	**2,159,378**

17. Employee benefits

a) Provisions for post-employment benefits and other long-term benefits

Provision for post-employment benefits mainly corresponds to employee severance indemnities and medical care plans. The provision for severance indemnities recognizes the contractual obligation that the Corporation has with its employees/retirees. The provision for medical care plans recognizes the contractual obligation that the Corporation has with its retirees to cover their medical care costs. Both benefits operate within the regulatory framework set forth in the collective bargaining or other agreements between the Corporation and its employees.

These provisions are recorded in the statement of financial position at the present value of the estimated future obligations. The discount rate used is determined based on the rate of financial instruments corresponding to the same currency in which the obligations will be paid and with similar maturities.

The defined benefit obligations are denominated in Chilean pesos; therefore the Corporation is exposed to foreign exchange rate risk.

The results arising from adjustments and changes in actuarial variables are charged or credited to the statement of comprehensive income for the period in which they occur.

During the nine-month period ended September 30, 2022, there were no relevant modifications to the post-employment benefit plans.

The following actuarial assumptions were used in the actuarial calculation of the defined benefit plans:

Assumptions	9-30-2022		12-31-2021	
	Severance indemnities provision	Health plan	Retirement plan	Health plan
Annual nominal discount rate	5.70%	5.18%	5.89%	5.89%
Voluntary Annual Turnover Rate for Retirement (Men)	5.50%	5.50%	5.50%	5.50%
Voluntary Annual Turnover Rate for Retirement (Women)	6.20%	6.20%	6.20%	6.20%
Salary Increase (real annual average)	4.64%	-	3.98%	-
Future rate of long-term inflation	3.60%	3.10%	3.10%	3.10%
Expected inflation health care rate	-	5.88%	-	5.88%
Mortality tables used for projections	CB14-RV14	CB14-RV14	CB14-RV14	CB14-RV14
Average duration of future cash flows (years)	9.88	16.76	10.03	16.55
Expected Retirement Age (Men)	60	60	60	60
Expected Retirement Age (Women)	58	58	58	58

The discount rates correspond to the rates in the secondary market of government bonds issued in Chile. The projected annual inflation corresponds to an awareness above the long-term target publicly declared by the Central Bank of Chile and is derived from the market expectation as of September 30, 2022. The rotation rates have been determined after reviewing the Corporation's own experience by studying the cumulative behavior of outflows over the last three years with respect to the current allocations. The expected rate of salary increases has been estimated using the long-term behavior of historical salaries paid by the Corporation. The mortality tables used were those issued by the CMF, which are considered an appropriate representation of the Chilean market given the lack of comparable statistical series to develop independent studies. The financial duration of the liabilities corresponds to the average maturity of the payment flows of the respective defined benefits.

b) The detail of current and non-current provisions for employment benefits as of the dates mentioned is as follows:

Employee benefits provisions	**Current**		**Non-current**	
	9-30-2022 ThUS$	**12-31-2021** ThUS$	**9-30-2022** ThUS$	**12-31-2021** ThUS$
Employees' collective bargaining agreements	130,268	185,708	-	-
Severance indemnities	16,997	19,447	529,156	532,044
Bonus	42,929	52,288	-	-
Vacation	141,694	141,683	-	-
Medical care programs (1)	347	358	400,915	388,697
Retirement plans (2)	1,256	4,346	6,794	7,518
Other	12,830	15,493	6,588	6,283
Total	346,321	419,323	943,453	934,542

(1) Corresponds to a provision recognized for the obligations with health care institutions as agreed with current and former employees.
(2) Corresponds to the provision made for those employees who have agreed, or are expected to agree, to retire in accordance with current employee termination plans.

The reconciliation of the balances of the provisions for post-employment benefits is presented below:

Movements	1-1-2022 9-30-2022		1-1-2021 12-31-2021	
	Retirement plan ThUS$	Health plan ThUS$	Retirement plan ThUS$	Health plan ThUS$
Opening balance	551,491	389,055	649,780	607,994
Service cost	80,053	13,083	76,572	15,402
Finance cost	10,283	7,306	6,219	5,773
Property taxes paid	(27,712)	(33,615)	(55,747)	(41,112)
Actuarial (gains) losses	1,346	44,848	(20,341)	(132,625)
Subtotal	**615,461**	**420,677**	**656,483**	**455,432**
(Gains) Losses on foreign exchange rate	(69,308)	(19,415)	(104,992)	(66,377)
Closing balance	**546,153**	**401,262**	**551,491**	**389,055**

The balance of the defined benefit liability as of September 30, 2022, comprises a portion of ThUS$ 16,997 and ThUS$ 347 for the severance indemnity and the medical care plan, respectively. As of September 30, 2023, a balance of ThUS$ 537,380 has been projected for the provision for severance indemnities and ThUS$ 401,261 for health benefits The flows of compensation payments during the next twelve months reach an expected monthly average of ThUS$ 1,416 for severance indemnities and ThUS$ 29 for health benefit plans.

Actuarial results are composed of the following items

	9-30-2022		12-31-2021	
Technical remeasurements	**Retirement plan ThUS$**	**Health plan ThUS$**	**Retirement plan ThUS$**	**Health plan ThUS$**
Revaluation of demographic assumptions	-	-	(1,173)	(18,658)
Revaluation of financial assumptions	894	38,068	(19,156)	(94,747)
Revaluation by experience	452	6,780	(12)	(19,220)
Total net effect	**1,346**	**44,848**	**(20,341)**	**(132,625)**

The following is a review of the sensitivities of the provisions, when going from a medium scenario to a low or high scenario with unitary percentage variations, respectively, and both effects of reduction or increase on the book balance of these provisions:

Severance Benefits for Years of Service	Low	Medium	High	Reduction	Increase
Financial effect on interest rates	5.453%	5.703%	5.953%	1.29%	-1.25%
Financial effect on the real increase in income	4.386%	4.636%	4.886%	-1.12%	1.15%
Demographic effect of job rotations	5.070%	5.570%	6.070%	0.11%	-0.10%
Demographic effect on mortality tables	-25.00%	CB14-RV14, Chile	25.00%	0.04%	-0.04%
Health Benefits and Other	Low	Medium	High	Reduction	Increase
Financial effect on interest rates	4.933%	5.183%	5.433%	3.24%	-3.06%
Financial effect on health inflation	5.384%	5.884%	6.384%	-3.06%	3.21%
Demographic effect, planned retirement age	58 / 56	60 / 58	62 / 60	5.16%	-5.07%
Demographic effect on mortality tables	-25.00%	CB14-RV14, Chile	25.00%	14.64%	-8.83%

c) Provisions for early retirement plans and termination bonuses

In accordance with its operating optimization programs to reduce costs and increase labor productivity by incorporating new current technologies and/or better management practices, the Corporation has established employee retirement programs by amending certain employment contracts or collective union agreements to include benefits encouraging employees to early retire, for which the necessary provisions are made based on the accrued obligation at current value.

As of September 30, 2022 and December 31, 2021, there is a current balance of ThUS$ 1,256 and ThUS$ 4,346 for obligations for early retirement plans and conflict termination bonds, respectively, while the non-current balance corresponds to ThUS$ 6,794 and ThUS$ 7,518, respectively. These amounts have been determined using a discount rate equivalent to that used for calculating employee benefits provisions and whose outstanding balances are part of the balances as of September 30, 2022 and December 31, 2021.

d) Employee benefits expenses

The employee benefit expenses recognized classified by nature are as follows:

Expense by Nature of Employee Benefits	1-1-2022 9-30-2022 ThUS$	1-1-2021 9-30-2021 ThUS$	7-1-2022 9-30-2022 ThUS$	7-1-2022 9-30-2021 ThUS$
Benefits - Short term	1,059,052	1,048,008	346,648	345,787
Benefits - Post employment	13,083	11,548	6,562	2,479
Early retirement plans and conflict termination bonuses	7,211	10,480	1,260	4,913
Benefits for years of service	80,053	52,415	25,014	16,302
Total	**1,159,399**	**1,122,451**	**379,484**	**369,481**

18. Equity

The Corporation's total equity as of September 30, 2022 is ThUS$ 11,774,774 (ThUS$ 11,574,901 as of December 31, 2021 and ThUS$ 11,776,564 as of September 30, 2021).

In accordance with article 6 of Decree Law No. 1350 of 1976, it is established that, before March 30 of each year, the Board must approve the Corporation's Business and Development Plan for the next three-year period. Taking that plan as a reference and keeping in mind the Corporation's balance sheet for the immediately preceding year and aiming to ensure its competitiveness before June 30 of each year the amounts that the Corporation shall allocate to the formation of capitalization funds and reserves shall be determined by decree from the Ministries of Mining and Treasury.

Net income shown in the Statement of Financial Position, after deducting the amounts referred to in the previous paragraph, shall belong to the State and become part of the Nation's general income.

On June 22, 2022, the Ministry of Finance agreed with the Corporation to a four-year average reinvestment plan of 30% of profits between 2021 and 2024, which will significantly contribute to the financing of Codelco's investment plan, while considerably reducing its debt requirements. Consistent with the above, on the same date the Ministry of Finance issued exempt decree No. 194 authorizing the Corporation to allocate up to ThUS$582,750 of the net income from the balance sheet for the year 2021 and its final amount will be determined and recorded once the accounting year 2022 is closed and the final profit for the year is known.

During the year ended December 31, 2021, payments were made to the Treasury for a total of ThUS$ 2,033,206 for advance dividends charged to the profits of the period, which discounted from the dividends paid in excess in 2020, reflect a balance in favor of ThUS$249,943 as of December 31, 2021 for such concept.

In the months of May and June 2022, dividends totaling ThUS$ 259,900 have been paid. As of September 30, 2022, no dividends payable are recognized in respect of earnings for the period from January to September 2022.

The Consolidated Statement of Changes in Equity discloses the changes in the Corporation's equity.

The movement and composition of other equity reserves is presented in the Consolidated Statement of Changes in Equity.

Reclassification adjustments from other comprehensive income to income for the years meant a loss of ThUS$ 1,659 and a loss of ThUS$ 6,367 for the nine-month periods ended September 30, 2022 and 2021, respectively.

a) Other reserves

Details of other equity reserves are shown in the following table, according to the dates indicated for each case.

Other reserves	**9-30-2022** ThUS$	**12-31-2021** ThUS$
Reserve on exchange differences on translation	(10,698)	(6,221)
Reserve of cash flow hedges	4,138	(31,254)
Capitalization fund and reserves	4,962,393	4,962,393
Actuarial results reserve in defined benefit plans	(273,580)	(259,573)
Fixed asset revaluation reserve Law 18110 year 1982	624,567	624,567
Other reserves	(4,244)	(3,506)
Total other reserves	**5,302,576**	**5,286,406**

b) Non-controlling interests

The detail of non-controlling interests, included in total equity and total profit or loss, as of the dates mentioned, is as follows:

Companies	Non-controlling interests		Equity		Profit			
	9-30-2022	12-31-2021	9-30-2022	12-31-2021	1-1-2022 9-30-2022	1-1-2021 9-30-2021	7-1-2022 9-30-2022	7-1-2021 9-30-2021
	%	%	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Inversiones Gacrux SpA	32.20%	32.20%	919,211	946,389	19,531	80,957	(2,454)	23,570
Other	-	-	11	23	(15)	12	(4)	7
Total			**919,222**	**946,412**	**19,516**	**80,969**	**(2,458)**	**23,577**

The percentage of non-controlling interest in Inversiones Mineras Becrux SpA (previously Inversiones Mineras Acrux SpA) generates a non-controlling interest in the subsidiary Inversiones Gacrux SpA, which presents the following figures relating to its statement of financial position, statement of income and cash flows:

Assets and liabilities	9-30-2022 ThUS$	12-31-2021 ThUS$
Current assets	68,035	304,053
Non-current assets	2,844,992	2,829,329
Current liabilities	50,418	186,350
Non-current liabilities	219,467	313,750

Profit (loss)	1-1-2022 9-30-2022 ThUS$	1-1-2021 9-30-2021 ThUS$	7-1-2022 9-30-2022 ThUS$	7-1-2021 9-30-2021 ThUS$
Income	578,852	1,005,690	111,922	314,282
Ordinary expenses and other	(522,235)	(753,783)	(120,972)	(243,707)
Profit for the period	56,617	251,907	(9,050)	70,575

Cash flows	1-1-2022 9-30-2022 ThUS$	1-1-2021 9-30-2021 ThUS$
Net cash flows from (used in) operating activities	138,590	295,890
Net cash flows from (used in) investing activities	(930)	141
Net cash flows from (used in) financing activities	(146,688)	(322,810)

19. Revenue

Revenues from ordinary activities for the nine and three-month periods ended September 30, 2022 and 2021 were as follows:

Item	1-1-2022 9-30-2022 ThUS$	1-1-2021 9-30-2021 ThUS$	7-1-2022 9-30-2022 ThUS$	7-1-2021 9-30-2021 ThUS$
Revenue from sales of own copper	9,712,414	12,470,592	2,574,749	3,999,740
Revenue from sales of third-party copper	1,054,622	1,344,512	276,120	461,134
Revenue from sales of molybdenum	587,532	531,741	184,941	229,797
Revenue from sales of other products	526,071	537,030	152,639	170,484
Profit (loss) in futures market	(855)	(15,696)	395	(7,895)
Total	**11,879,784**	**14,868,179**	**3,188,844**	**4,853,260**

The Corporation's revenue is recognized at a point in time.
The breakdown of revenue is presented in explanatory note No.24 Operating Segments.

20. Expenses by nature

Expenses by nature for the nine and three-month periods ended September 30, 2022 and 2021 were as follows:

Item	1-1-2022 9-30-2022	1-1-2021 9-30-2021	7-1-2022 9-30-2022	7-1-2021 9-30-2021
	ThUS$	ThUS$	ThUS$	ThUS$
Short-term benefits to employees	1,059,052	1,048,008	346,648	345,787
Depreciation (1)	1,640,093	1,635,567	525,230	521,197
Amortization intangible assets	246	1,217	78	95
Total	**2,699,391**	**2,684,792**	**871,956**	**867,079**

(1) Depreciation includes the expense of Property, plant and equipment and right-of-use assets (see note 7b and note 8.1).

21. Asset impairment

As of December 31, 2021, the Corporation's subsidiary "Sociedad de Procesamiento de Molibdeno" calculated the recoverable amount of its assets in order to test for impairment of the associated assets. As the Company's projected cash flows are highly dependent on rhenium price projections, this variable was adjusted downward in 2021, based on actual market prices. This recoverable amount amounted to US$237 million, which when compared to the carrying amount of the cash generating unit's assets of US$362 million, an impairment of ThUS$125,483 (before tax) was determined, which was recorded by reducing the Property, Plant and Equipment caption by ThUS$124,315 and in the right-of-use assets caption by ThUS$1,168 as of December 31, 2021. The recoverable amount determined corresponds to the value in use using a discount rate of 7.24% per year before taxes. The main variables used to determine the recoverable amount of this asset correspond to the price of rhenium, exchange rates and discount rates.

As of September 30, 2022 and December 31, 2021, there are no indications of additional impairments or reversals of impairment recognized in previous years, for the rest of the cash-generating units, as well as for their associates.

22. Other income and expenses by function

Other income and expenses by function for the nine and three-month periods ended September 30, 2022 and 2021 are detailed below:

a) Other income

Item	1-1-2022 9-30-2022 ThUS$	1-1-2021 9-30-2021 ThUS$	7-1-2022 9-30-2022 ThUS$	7-1-2021 9-30-2021 ThUS$
Penalties to suppliers	4,480	2,276	1,347	1,373
Delegated Administration	2,997	3,178	932	971
Miscellaneous sales (net)	14,354	13,982	1,750	12,106
Insurance claims indemnities	-	21	-	21
Material Return	610	13,669	610	12,183
Gacrux debt prepayment result	-	21,342	-	1
Other miscellaneous income	17,035	28,869	3,894	(2,050)
Total	39,476	83,337	8,533	24,605

b) Other expenses

Item	1-1-2022 9-30-2022 ThUS$	1-1-2021 9-30-2021 ThUS$	7-1-2022 9-30-2022 ThUS$	7-1-2021 9-30-2021 ThUS$
Law No. 13196	(934,555)	(1,143,789)	(229,872)	(379,986)
Study expenses (1)	(80,243)	(42,135)	(35,417)	(12,497)
Bonus for the end of collective bargaining	(23,576)	(115,247)	1,300	(84,938)
Expense plan	(7,211)	(10,480)	(1,260)	(4,913)
Mining property value adjustment	-	(142,000)	-	(142,000)
Write-off of investment projects	(110)	(83,100)	-	(83,100)
Loss on disposal of fixed assets	(6,235)	(3,321)	(866)	(1,034)
Health plans	(13,083)	(11,548)	(6,562)	(2,479)
Adjustment of inventory	(1,955)	(3,070)	(537)	(743)
Material obsolescence	(23,612)	(18,424)	(8,180)	(11,843)
Bad debts customers	-	(48)	658	(48)
Extraordinary bonus	(25,722)	-	(5,682)	3,294
Contingency expenses	(122,612)	(118,992)	(78,430)	(60,972)
Fixed indirect costs, low production level	-	(20,151)	-	(20,151)
Adjustment severance indemnities	(39,310)	-	(8,334)	13,356
Other expenses	(27,486)	(35,945)	(6,582)	(20,308)
Total	(1,305,710)	(1,748,250)	(379,764)	(808,362)

(1) Study expenses include exploration expenses (see note 7 letter f), pre-investment studies and research and technological innovation expenses.

c) Law No. 13196

Law No. 13196 - Under this law, the return in foreign currency of sales abroad of the Corporation's actual income from its copper production, including by-products, is taxed at 10%.

On January 27, 2017, Law No. 20989, article 3, establishes changes in the application of Law No. 13196 as of January 1, 2018, through which the Corporation will deposit annually, no later than December 15 of each year, the funds established in article 1 in that law.

On September 26, 2019, Law No. 21174 was published, which repeals Law No. 13196 and establishes that the 10% tax to the tax benefit provided by the Corporation will subsist for a period of nine years, decreasing from the tenth year 2.5% per year until reaching 0% at the beginning of the thirteenth year. The validity of this law is as of January 1, 2020, maintaining the payment annually at a date no later than December 15 of each year

On March 23, 2020, the Ministry of Finance issued Ordinary Letter No. 843, which modifies the payment method of the funds related to Law No. 13196, in order to address funds to meet national needs generated by the COVID-19 crisis. Said Official Letter establishes the payment of funds owed to the Treasury for the application of Law No. 13196, equivalent to ThUS$240,168 (contribution for December 2019, January and February 2020), before March 31, 2020. Subsequently and from the month of April 2020, the Corporation should carry out the monthly transfer of the corresponding resources according to their recordkeeping, within a period not exceeding the last day of the month following its booking.

23. Finance costs

Finance costs for the nine and three-month periods ended September 30, 2022 and 2021 are detailed in the following table:

Item	1-1-2022 9-30-2022 ThUS$	1-1-2021 9-30-2021 ThUS$	7-1-2022 9-30-2022 ThUS$	7-1-2021 9-30-2021 ThUS$
Bond interest	(314,022)	(366,385)	(101,234)	(118,400)
Bank loan interest	(6,717)	(11,243)	(1,072)	99
Restatement of severance indemnity provision	(10,283)	(2,921)	(2,785)	(1,594)
Restatement of other non-current provisions	(41,479)	(23,877)	(13,219)	(8,765)
Other	(51,958)	(44,363)	(20,690)	(15,622)
Total	**(424,459)**	**(448,789)**	**(139,000)**	**(144,282)**

24. Operating segments

In section II "Significant Accounting Policies", it has been indicated that, for the purposes of IFRS 8, "Operating Segments", these are determined according to the Divisions that comprise Codelco. In addition, the Parent Company's revenues and expenses are distributed among the defined segments.

The mining deposits in operation, where the Corporation conducts its extractive and processing activities are managed by the following Divisions: Chuquicamata, Radomiro Tomic, Ministro Hales, Gabriela Mistral, Salvador, Andina and El Teniente. In addition, the smelting and refining activities are managed at the Ventanas Division. All these Divisions have a separate operational management, which reports to the Chief Executive Officer, through the North and South-Central Vice-President of Operations, respectively. The information on each Division and their corresponding mining deposits is as follows:

Chuquicamata
Types of mine sites: Open pit mines and underground mines
Operating: since 1915
Location: Calama, II Region de Antofagasta. Chile
Products: electro refined and electrowon cathodes and copper concentrate

Radomiro Tomic
Types of mine sites: Open pit mines
Operating: since 1997
Location: Calama, II Region de Antofagasta. Chile
Products: electrowon copper cathodes and copper concentrate

Ministro Hales
Types of mine sites: Open pit mines
Operating: since 2014
Location: Calama, II Region de Antofagasta. Chile.
Products: Calcined copper, copper concentrates

Gabriela Mistral
Types of mine sites: Open pit mines
Operating: since 2008
Location: Calama, II Region de Antofagasta. Chile
Products: Electrolytic (electro-obtained) cathodes

Salvador
Type of mines: Underground and open pit mines
Operating: since 1926
Location: Salvador, III Region de Atacama. Chile.
Products: Electro refined and electrolytic (electro-obtained) copper cathodes and copper concentrate.

Andina
Type of mines: Underground and open pit mines
Operating: since 1970
Location: Los Andes, V Region de Valparaíso. Chile.
Product: Copper concentrate

El Teniente
Type of mines: Underground mine
Operating: since 1905.
Location: Rancagua, VI Region del Libertador General Bernardo O'Higgins. Chile.
Products: copper concentrate and copper anodes.

a) Allocation of Head Office revenue and expenses

Revenue and expenses controlled by the Head Office are allocated to the Divisions based on following criteria.

The main items are assigned based on the following criteria:

Revenue and Cost of Sales of Head Office commercial transactions

- The allocation to the Divisions is made in proportion to the ordinary income of each of them.

Other income by function

- Other income by function, associated and identified with each Division, is directly allocated.
- Recognition of realized profits and other income by way of subsidiaries are allocated in proportion to the revenues of each Division.
- The remaining other income is allocated in proportion to the aggregate of balances of “other income” and “finance income” of each Division.

Distribution costs

- Expenses associated and identified with each Division are directly allocated.
- Distribution costs of subsidiaries are allocated in proportion to the revenues of each Division.

Administrative expenses

- Expenses associated and identified with each Division are directly allocated.
- Administrative expenses recorded in cost centers associated with the sales function and administrative expenses of subsidiaries are allocated in proportion to the revenues of each Division.
- Administrative expenses recorded in cost centers associated with the supply function are allocated in proportion to inventory balances in warehouse in each Division.
- The remaining administrative expenses are allocated in proportion to operating cash outflows of each Division.

Other expenses, by function

- Other expenses associated and identified with each Division are directly allocated.
- Expenses for pre-investment studies and other expenses by function of subsidiaries are allocated in proportion to the revenues of each Division.

Other Gains

- Other gains associated and identified with each Division are directly allocated.
- Other gains of subsidiaries are allocated in proportion to the revenues of each Division

Finance Income

- Finance income associated and identified with each Division is directly allocated.
- Finance income of subsidiaries is allocated in proportion to the revenues of each Division.
- The remaining finance income is allocated in relation to the operating cash outflows of each Division.

Finance Costs

- Finance costs associated and identified with each Division are directly allocated.
- Finance costs of subsidiaries are allocated in proportion to the revenues of each Division

Share in profit (loss) of associates and joint ventures accounted for using the equity method

- The share in the profits or losses of associates and joint ventures identified with each particular Division is allocated on a straight-line basis.

Foreign exchange differences

- Foreign exchange differences identifiable with each Division are directly allocated.
- Foreign exchange difference of subsidiaries is allocated in proportion to the revenues of each Division.
- The remaining foreign exchange differences are allocated in relation to operating cash outflows of each Division

Contribution to the Chilean Treasury under Law No. 13196

- The amount of the contribution is allocated and accounted for in proportion to the invoiced and recorded amounts for copper and sub-product exports of each Division, that are subject to the surcharge.

Tax income benefit (expense)

- Income tax benefit (expense) Corporate income tax under D.L. 2398 and specific mining tax are allocated based on the income before income taxes of each Division, considering for this purpose the income and expenses allocation criteria of the Head Office and subsidiaries mentioned above.
- Other tax expenses are allocated in proportion to the corporate income tax, specific mining tax and tax under D.L. 2398 of each Division

b) Transactions between segments

Transactions between segments mainly related to products processing services (or tolling services), are recognized as revenue for the segment rendering the tolling services and as the cost of sales for the segment that receives the service. Such recognition is made in the period in which these services are rendered, as well as its elimination in the consolidated corporate financial statements.

Additionally, the reallocation of the profit and loss assumed by Ventanas Division, associated with the corporate mineral processing contract between Codelco and Enami, in which a distribution is applied based on the revenue of each division is included as a transaction between segments.

c) Cash flows by segments

The operating segments defined by the Corporation, maintains a cash management function which refers mainly to operational activities that need to be covered periodically with funds constituted in each of these segments and whose amounts are not significant in relation to corporate balances of cash and cash equivalents.

Conversely, activities such as obtaining financing, investment and payment of relevant financial obligations are mainly based at the Head Office.

from 1-1-2022 to 9-30-2022											
Segments	**Chuquicamata**	**Radomiro Tomic**	**Salvador**	**Andina**	**El Teniente**	**Ventanas**	**G. Mistral**	**M. Hales**	**Total segments**	**Other**	**Total Consolidated**
	ThUS$	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**
Revenue from sales of own copper	2,789,120	1,667,626	437,540	949,234	2,411,961	7,560	712,570	736,802	9,712,413	1	9,712,414
Revenue from sales of third-party copper	2,091	-	15,042	-	-	24,883	-	-	42,016	1,012,606	1,054,622
Revenue from sales of molybdenum	310,836	36,254	11,212	53,884	154,955	-	-	-	567,141	20,391	587,532
Revenue from sales of other products	143,882	-	64,350	4,798	117,168	152,597	3,764	37,847	524,406	1,665	526,071
Revenue from future market	456	1,143	762	281	(5,419)	437	1,059	412	(869)	14	(855)
Revenue between segments	43,593	-	8,064	899	-	77,089	-	-	129,645	(129,645)	-
Revenue	**3,289,978**	**1,705,023**	**536,970**	**1,009,096**	**2,678,665**	**262,566**	**717,393**	**775,061**	**10,974,752**	**905,032**	**11,879,784**
Cost of sales of own copper	(2,250,293)	(1,165,135)	(522,936)	(643,684)	(1,148,566)	(8,544)	(590,295)	(436,928)	(6,766,381)	7,390	(6,758,991)
Cost of sales of third-party copper	(2,933)	-	(21,379)	-	-	(27,567)	-	-	(51,879)	(1,005,899)	(1,057,778)
Cost of sales of molybdenum	(60,462)	(16,745)	(4,041)	(23,262)	(29,528)	-	-	-	(134,038)	(2,954)	(136,992)
Cost of sales of other products	(138,878)	-	(49,485)	(614)	(46,223)	(142,675)	(4,008)	(3,091)	(384,974)	(1,457)	(386,431)
Cost of sales between segments	(64,399)	386	(12,244)	7,195	6,421	(81,117)	(1,318)	15,431	(129,645)	129,645	-
Cost of sales	**(2,516,965)**	**(1,181,494)**	**(610,085)**	**(660,365)**	**(1,217,896)**	**(259,903)**	**(595,621)**	**(424,588)**	**(7,466,917)**	**(873,275)**	**(8,340,192)**
Gross profit (loss)	**773,013**	**523,529**	**(73,115)**	**348,731**	**1,460,769**	**2,663**	**121,772**	**350,473**	**3,507,835**	**31,757**	**3,539,592**
Other income, by function	5,836	574	3,298	4,252	5,398	3,507	965	737	24,567	14,909	39,476
Distribution costs	(3,841)	-	(736)	(252)	(1,208)	-	-	(1,316)	(7,353)	(3,000)	(10,353)
Administrative expenses	(31,489)	(32,284)	(13,410)	(18,796)	(64,664)	(7,792)	(21,127)	(18,252)	(207,814)	(166,820)	(374,634)
Other expenses, by function	(116,111)	(15,747)	(49,176)	(17,094)	(32,714)	(25,726)	(5,184)	(12,083)	(273,835)	(97,320)	(371,155)
Law No. 13196	(295,368)	(142,806)	(47,524)	(103,192)	(205,112)	(11,543)	(70,975)	(58,035)	(934,555)	-	(934,555)
Other gains (losses)	-	-	-	-	-	-	-	-	-	22,415	22,415
Finance income	170	116	85	(162)	782	71	14	(109)	967	28,633	29,600
Financial costs	(172,989)	(25,204)	(6,787)	(57,318)	(110,092)	(4,776)	(12,871)	(28,194)	(418,231)	(6,228)	(424,459)
Impairment loss under IFRS 9	-	-	-	-	-	-	-	-	-	(1,182)	(1,182)
Share in the profit (loss) of associates and joint ventures accounted for using the equity method	-	-	470	715	(53)	-	-	-	1,132	52,259	53,391
Exchange gains (losses) in foreign currencies	33,351	10,844	5,500	32,070	27,578	9,280	(906)	7,739	125,456	4,272	129,728
Profit (loss) before tax	**192,572**	**319,022**	**(181,395)**	**188,954**	**1,080,684**	**(34,316)**	**11,688**	**240,960**	**1,818,169**	**(120,305)**	**1,697,864**
Income tax expense	**(126,435)**	**(213,332)**	**124,367**	**(125,923)**	**(724,280)**	**24,776**	**(7,344)**	**(161,103)**	**(1,209,274)**	**2,586**	**(1,206,688)**
Profit (loss)	**66,137**	**105,690**	**(57,028)**	**63,031**	**356,404**	**(9,540)**	**4,344**	**79,857**	**608,895**	**(117,719)**	**491,176**

from 1-1-2021 to 9-30-2021											
Segments	Chuquicamata ThUS$	R. Tomic ThUS$	Salvador ThUS$	Andina ThUS$	El Teniente ThUS$	Ventanas ThUS$	G. Mistral ThUS$	M. Hales ThUS$	Total segments ThUS$	Other ThUS$	Total Consolidated ThUS$
Revenue from sales of own copper	3,532,726	2,029,920	779,115	1,147,710	2,937,528	67,660	660,431	1,315,502	12,470,592	-	12,470,592
Revenue from sales of third-party copper	2,565	-	-	-	-	37,312	-	-	39,877	1,304,635	1,344,512
Revenue from sales of molybdenum	270,603	34,325	9,392	41,431	166,282	-	-	-	522,033	9,708	531,741
Revenue from sales of other products	173,901	-	75,986	3,069	90,602	139,921	-	51,660	535,139	1,891	537,030
Revenue from future market	(4,008)	(5,452)	(202)	(516)	(2,687)	356	(2,344)	(843)	(15,696)	-	(15,696)
Revenue between segments	33,478	-	36,332	1,294	-	76,012	-	-	147,116	(147,116)	-
Revenue	**4,009,265**	**2,058,793**	**900,623**	**1,192,988**	**3,191,725**	**321,261**	**658,087**	**1,366,319**	**13,699,061**	**1,169,118**	**14,868,179**
Cost of sales of own copper	(2,441,494)	(931,174)	(696,252)	(612,716)	(1,272,434)	(69,967)	(390,723)	(525,177)	(6,939,937)	10,155	(6,929,782)
Cost of sales of third-party copper	(1,953)	-	-	-	-	(34,607)	-	-	(36,560)	(1,299,961)	(1,336,521)
Cost of sales of molybdenum	(67,680)	(14,351)	(3,824)	(20,120)	(31,527)	-	-	-	(137,502)	(10,419)	(147,921)
Cost of sales of other products	(122,011)	-	(87,631)	(500)	(39,806)	(148,904)	-	(7,949)	(406,801)	(1,596)	(408,397)
Cost of sales between segments	(82,991)	13,375	(40,817)	5,100	19,460	(89,884)	(721)	29,362	(147,116)	147,116	-
Cost of sales	**(2,716,129)**	**(932,150)**	**(828,524)**	**(628,236)**	**(1,324,307)**	**(343,362)**	**(391,444)**	**(503,764)**	**(7,667,916)**	**(1,154,705)**	**(8,822,621)**
Gross profit (loss)	**1,293,136**	**1,126,643**	**72,099**	**564,752**	**1,867,418**	**(22,101)**	**266,643**	**862,555**	**6,031,145**	**14,413**	**6,045,558**
Other income, by function	8,673	743	4,664	5,635	10,557	(236)	3,129	403	33,568	49,769	83,337
Distribution costs	(2,427)	(53)	(418)	(155)	(715)	-	-	(988)	(4,756)	(2,673)	(7,429)
Administrative expenses	(19,964)	(20,474)	(14,169)	(15,722)	(58,280)	(5,744)	(18,018)	(14,706)	(167,077)	(154,935)	(322,012)
Other expenses, by function	(97,689)	(44,595)	(23,914)	(153,000)	(67,100)	(2,382)	(12,382)	(9,001)	(410,063)	(194,398)	(604,461)
Law No. 13196	(352,387)	(180,374)	(79,893)	(119,582)	(241,165)	(17,958)	(65,504)	(86,926)	(1,143,789)	-	(1,143,789)
Other gains (losses)	-	-	-	-	-	-	-	-	-	24,032	24,032
Finance income	24	(1)	63	39	719	94	11	(85)	864	9,222	10,086
Financial costs	(173,088)	(26,088)	(12,227)	(43,478)	(131,740)	(4,975)	(10,676)	(30,596)	(432,868)	(15,921)	(448,789)
Impairment loss under IFRS 9	-	-	-	-	-	-	-	-	-	(9)	(9)
Share in the profit (loss) of associates and joint ventures accounted for using the equity method	-	-	594	(82)	6,392	-	-	-	6,904	298,703	305,607
Exchange gains (losses) in foreign currencies	69,150	24,436	17,073	34,927	84,827	13,368	15,237	18,169	277,187	(22,255)	254,932
Profit (loss) before tax	**725,428**	**880,237**	**(36,128)**	**273,334**	**1,470,913**	**(39,934)**	**178,440**	**738,825**	**4,191,115**	**5,948**	**4,197,063**
Income tax expenses	**(482,771)**	**(589,984)**	**27,537**	**(180,348)**	**(980,754)**	**29,379**	**(119,506)**	**(497,422)**	**(2,793,869)**	**103,709**	**(2,690,160)**
Profit (loss)	**242,657**	**290,253**	**(8,591)**	**92,986**	**490,159**	**(10,555)**	**58,934**	**241,403**	**1,397,246**	**109,657**	**1,506,903**

The assets and liabilities related to each operating segment, including the Corporation's corporate center (Head Office) as of September 30, 2022 and December 31, 2021, are detailed in the following tables:

9-30-2022										
Category	Chuquicamata ThUS$	Radomiro Tomic ThUS$	Salvador ThUS$	Andina ThUS$	El Teniente ThUS$	Ventanas ThUS$	G. Mistral ThUS$	M. Hales ThUS$	Other ThUS$	Total Consolidated ThUS$
Current assets	1,293,909	782,069	464,521	290,855	804,644	47,040	340,344	340,885	2,144,935	6,509,202
Non-current assets	9,410,981	2,060,590	1,591,979	5,407,553	8,432,380	194,492	996,467	3,308,204	4,501,256	35,903,902
Current liabilities	485,077	230,426	156,680	192,354	426,990	71,354	123,971	128,406	858,817	2,674,075
Non-current liabilities	529,294	298,407	313,973	1,001,605	745,388	67,958	127,061	139,672	24,740,897	27,964,255

12-31-2021										
Category	Chuquicamata ThUS$	Radomiro Tomic ThUS$	Salvador ThUS$	Andina ThUS$	El Teniente ThUS$	Ventanas ThUS$	G. Mistral ThUS$	M. Hales ThUS$	Other ThUS$	Total Consolidated ThUS$
Current assets	1,657,948	1,009,317	510,147	392,996	1,219,506	66,487	386,309	482,934	2,076,265	7,801,909
Non-current assets	9,251,627	2,085,913	1,317,660	5,404,441	8,112,876	214,228	1,040,031	3,285,526	4,543,224	35,255,526
Current liabilities	962,071	230,440	204,120	232,538	538,455	95,733	110,090	146,358	1,689,072	3,938,877
Non-current liabilities	574,123	295,922	345,003	1,048,434	839,281	88,088	147,495	153,782	24,051,529	27,543,657

Revenues segregated by geographic area are as follows:

Revenue per geographical areas	1-1-2022 9-30-2022 ThUS$	1-1-2021 9-30-2021 ThUS$	7-1-2022 9-30-2022 ThUS$	7-1-2021 9-30-2021 ThUS$
Total revenue from domestic customers	1,824,216	2,314,749	447,791	821,230
Total revenue from foreign customers	10,055,568	12,553,430	2,741,053	4,032,030
Total	**11,879,784**	**14,868,179**	**3,188,844**	**4,853,260**

Revenue per geographical areas	1-1-2022 9-30-2022 ThUS$	1-1-2021 9-30-2021 ThUS$	7-1-2022 9-30-2022 ThUS$	7-1-2021 9-30-2021 ThUS$
China	2,266,492	2,968,317	617,531	898,447
Rest of Asia	2,462,072	2,495,172	699,900	883,247
Europe	3,636,583	4,583,295	996,109	1,423,167
America	2,848,644	3,933,033	729,663	1,352,542
Other	665,993	888,362	145,641	295,857
Total	**11,879,784**	**14,868,179**	**3,188,844**	**4,853,260**

During the nine and three-month periods ended September 30, 2022 and 2021, there is no revenue from ordinary activities from transactions with a single customer representing 10 percent or more of the Corporation's revenue from ordinary activities.

25. Exchange difference

Exchange differences for the nine and three-month periods ended September 30, 2022 and 2021 are as follows:

Profit (loss) from foreign exchange differences recognized in income	1-1-2022 9-30-2022 ThUS$	1-1-2021 9-30-2021 ThUS$	7-1-2022 9-30-2022 ThUS$	7-1-2021 9-30-2021 ThUS$
Profit from foreign exchange differences	207,054	420,845	(12,533)	338,293
Loss from foreign exchange differences	(77,326)	(165,913)	17,270	(118,747)
Total exchange differences	**129,728**	**254,932**	**4,737**	**219,546**

26. Statement of cash flows

The following table shows the items that comprise other collections and payments from operating activities in the Statement of Cash Flows:

Other collections from operating activities	1-1-2022 9-30-2022 ThUS$	1-1-2021 9-30-2021 ThUS$
VAT Refund	1,112,199	957,744
Sales hedge	5,316	17,856
VAT and Othe	606,616	562,533
Total	**1,724,131**	**1,538,133**

Other payments from operating activities	1-1-2022 9-30-2022 ThUS$	1-1-2021 9-30-2021 ThUS$
Contribution to Chilean treasury Law N°13.196	(1,004,907)	(1,154,575)
VAT and other similar taxes paid	(1,252,564)	(1,168,460)
Total	**(2,257,471)**	**(2,323,035)**

No capital contributions were received during the nine-month period ended September 30, 2022 and 2021.

27. Risk management

Corporación Nacional del Cobre de Chile has created instances within its organization that seek to generate strategies to minimize the financial risks to which it may be exposed.

The risks to which Codelco is exposed and a brief description of the management procedures that are carried out in each case, are described below.

a. Financial risks

• Exchange rate risk:

According to IFRS 7, exchange rate risk is understood to be the risk that arises from financial instruments that are denominated in foreign currencies, that is, a currency other than the Corporation's functional currency (US dollar).

Codelco's activities that generate this exposure correspond to funding in UF, accounts payable and receivable and provisions in Chilean pesos, other foreign currencies used in its business operations and obligations with employees.

Most transactions in currencies other than US$ are denominated in Chilean pesos. Also, there is another portion in Euro, which corresponds mainly to a long-term loan issued through the international market, which exchange rate risk is mitigated with hedging instruments (Swap).

Taking into consideration the financial assets and liabilities as of September 30, 2022 as the base, a fluctuation (positive or negative) of 10 Chilean pesos against the U.S. dollar (keeping the other variables constant), could affect profits before taxes by US$ 27 million in profit or loss, respectively. This result is obtained by identifying the main items (including assets and financial liabilities) denominated in foreign currencies in order to measure the impact on profit or loss that a variation of +/- 10 Chilean pesos would have in terms of US$, with respect to the closing exchange rate at the end of the reporting period.

• Interest rate risk

This risk arises from interest rate fluctuations in Codelco's investment and financing activities. This movement can affect future cash flows or the market value of fixed rate financial instruments.

These rate variations refer to U.S. dollar variations, mostly with respect to the LIBOR rate. To manage this risk, Codelco maintains an adequate combination of fixed and variable rate debt, which is complemented by the possibility of using interest-rate derivatives to meet the strategic guidelines defined by Codelco's Vice-Presidency of Administration and Finance

It is estimated that, based on net debt at September 30, 2022, a one percentage point change in the interest rates of credit financial liabilities subject to variable interest rates would result in a change in annual interest expense of approximately US$ 7 million, before taxes. This estimation is made by identifying the liabilities assigned variable interest, accrued at the end of the financial statements, which may vary with a change of one percentage point in variable interest rates

The concentration of obligations that Codelco maintains at fixed and variable rates at September 30, 2022, corresponds to a total of ThUS$ 15,762,347 and ThUS$ 976,918, respectively.

b. Market risk.

• Commodity price risk:

As a result of its commercial operations and activities, the Corporation's income is mainly exposed to the volatility of copper prices and certain sub-products such as gold and silver.

Copper and molybdenum sales contracts generally establish provisional sales prices at the time of shipment of such products, while the final price will be considered based on a monthly average price determined by the market for future periods. At the reporting date, sales of provisionally priced products are adjusted to fair value and the effect is recorded in the results of operations for the period. Forward prices at the period-end are used for copper sales, while period-end average prices are used for molybdenum concentrate sales due to the absence of an assets futures market. (See Note 2.r) "Income from Activities Ordinary Procedures from Contracts with Customers" of section II "Main Accounting Policies").

As of September 30, 2022, if the future price of copper fluctuates by + / - 5% (with the other variables constant), the result would be US$241 million before taxes as a result of setting the mark to market of sales revenue to provisional prices in effect as of September 30, 2022 (MTMF 598). For the estimate indicated, all of those physical sales contracts were valued according to the monthly average immediately following the close of the financial statements, and proceeds to be estimated regarding what the final settlement price would be if there is a difference of + / - 5% with respect to the future price known to date for this period

In order to protect cash flow and adjust, where necessary, its sales contracts to its trade policy, the Corporation holds operations in futures markets. At the end of the reporting period, these contracts are adjusted to fair value, recording this effect, at the settlement date of the hedging transactions as part of net product sales.

The Corporation has not entered into any hedging transactions with the specific purpose of hedging the price risk caused by fluctuations in prices of production inputs.

c. Liquidity risk

The Corporation ensures that it has sufficient resources, such as pre-approved credit lines (including refinancing), in order to meet short-term requirements, after considering the necessary working capital for its operations and any other commitments it has.

In this sense, the Corporation maintains resources at its disposal sufficient to meet its obligations, whether in cash, liquid financial instruments or credit facilities.

In addition, the Finance Department constantly monitors the Corporation's cash flow projections based on short- and long-term projections and available financing alternatives. In addition, the Corporation estimates that it has enough headroom to increase the level of borrowing for the normal requirements of its operations and investments established in its development plan.

In this context, according to current existing commitments with creditors, the cash requirements to cover financial liabilities classified by maturity and presented in the statement of financial position are detailed as follows:

Maturity of financial liabilities as of 9-30-2022	Less than 1 year ThUS$	Between one five years ThUS$	Over years ThUS$
Loans from financial entities	6,885	373,956	596,077
Bonds	368,403	2,638,595	12,755,349
Derivatives	4,848	184,509	9,779
Other financial liabilities	-	62,383	-
Total	**380,136**	**3,259,443**	**13,361,205**

d. Credit risk

This risk comprises the possibility that a third party does not fulfill its contractual obligations, thereby causing a loss for the Corporation.

Given the Corporation’s sales policy, principally with cash and advance payments and bank letters of credit, the uncollectible of client debt balances is minimal. This is complemented by the familiarity the Corporation has with its clients and the length of time it has operated with them. Therefore, the credit risk of these transactions is not significant.

The indications with respect to the payment conditions to the Corporation are detailed in every sales contract and the negotiation management is under the charge of the Commercial Vice-Presidency.

In general, the Corporation’s other accounts receivable have a high credit quality according to the Corporation’s evaluations, based on each debtor's solvency analysis and payment history.

The maximum exposure to credit risk as of September 30, 2022 is represented by the financial asset items presented in the Corporation’s Statement of Financial Position.

The Corporation’s accounts receivable does not include customers with balances that could be classified as a significant concentration of debt and would represent a material exposure for Codelco. This exposure is distributed among many clients and other counterparties.

In the customer items, the provisions, which are not significant, are included based on the review of the outstanding balances and characteristics of the clients, destined to cover eventual insolvencies.

Explanatory note 2 "Trade and other receivables" shows past due and not provisioned balances.

The Corporation estimates that unimpaired amounts overdue over 30 days are recoverable based on clients’ historical payment behavior and their existing credit ratings.

As of September 30, 2021, and 2021, there are no receivable balances that have been renegotiated.

Codelco works with major banks, which have high national and international ratings, and continually assesses them; therefore, the risk that could affect the availability of the Corporation's funds and financial instruments is not significant.

Also, in some cases, to minimize credit risk, the Corporation has contracted credit insurance policies through which it transfers to third parties the commercial risk associated with some aspects of its business.

During the nine-month periods ended September 30, 2022 and 2021, no guarantees have been executed to ensure the collection of third-party debt.

Personnel loans mainly relate to mortgage loans, according to programs included in union agreements, which are paid for through payroll discounts.

The Corporation is also subject to other risks, such as supply chain risk.

28. Derivatives contracts.

The Corporation has entered transactions to hedge cash flows, to minimize the risk of foreign exchange rate variations and sales price variations, detailed as follows:

a. Exchange rate hedge

The Corporation maintains an exposure associated with its foreign exchange hedging operations, the balance of which corresponds to a net deferred tax loss recognized in equity amounting to ThUS$3,108 as of September 30, 2022.

The following table shows details of the fair value and other information of the financial hedges contracted by the Corporation:

September 30, 2022

Hedged item	Bank	Type of derivative contract	Maturity	Currency	Hedged item ThUS$	Financial obligation Hedging instrument ThUS$	Fair value hedged item ThUS$	Asset ThUS$	Amortized cost ThUS$
Bono UF Vcto. 2025	Credit Suisse (USA)	Swap	04-01-2025	US$	246,170	208,519	28,566	249,874	(221,308)
Bono EUR Vcto. 2024	Santander (Chile)	Swap	07-09-2024	US$	293,628	409,650	(112,331)	294,630	(406,961)
Bono EUR Vcto. 2024	BNP Paribas (USA)	Swap	07-09-2024	US$	97,762	136,402	(37,359)	98,096	(135,455)
Bono UF Vcto. 2026	JP Morgan London Branch (England)	Swap	08-24-2026	US$	356,767	406,212	(48,819)	347,785	(396,604)
Bono AUD Vcto. 2039	Santander (Chile)	Swap	07-22-2039	US$	44,976	49,266	(7,805)	39,874	(47,679)
Bono HKD Vcto. 2034	HSBC Bank PLC (England)	Swap	11-07-2034	US$	63,695	63,792	(1,974)	60,179	(62,153)
Total					**1,102,998**	**1,273,841**	**(179,722)**	**1,090,438**	**(1,270,160)**

December 31, 2021

Hedged item	Bank	Type of derivative contract	Maturity	Currency	Hedged item ThUS$	Financial obligation Hedging instrument ThUS$	Fair value hedged item ThUS$	Asset ThUS$	Amortized cost ThUS$
Bond UF Mat. 2025	Credit Suisse (USA)	Swap	04-01-2025	US$	253,162	208,519	33,174	275,382	(242,208)
Bond EUR Mat. 2024	Santander (Chile)	Swap	07-09-2024	US$	339,405	409,650	(77,620)	367,024	(444,644)
Bond EUR Mat. 2024	BNP Paribas (USA)	Swap	07-09-2024	US$	113,004	409,680	(25,774)	122,199	(147,973)
Bond UF Mat. 2026	JP Morgan London Branch (England)	Swap	08-24-2026	US$	366,901	406,212	(68,670)	381,758	(450,428)
Bond AUD Mat. 2039	Santander (Chile)	Swap	07-22-2039	US$	50,736	49,266	(4,539)	59,373	(63,912)
Bond HKD Mat. 2034	HSBC Bank PLC (England)	Swap	11-07-2034	US$	64,105	63,792	(2,375)	73,709	(76,084)
Total					**1,187,313**	**1,547,119**	**(145,804)**	**1,279,445**	**(1,425,249)**

As of September 30, 2022, the Corporation has cash collateral balances amounting to ThUS$ 14,000.

The current methodology for valuing currency swaps uses the bootstrapping technique based on mid-swap rates to construct (zero) curves in functional currencies other than the functional currency and USD, respectively, based on market information.

The notional amounts held by the Corporation for financial derivatives are detailed below:

September 30, 2022	**Notional amount of contracts with final maturity**							
	Currency	Less than 90 days ThUS$	Over 90 days ThUS$	Total current ThUS$	1 to 3 years ThUS$	3 to 5 years ThUS$	Over 5 years ThUS$	Total non-current ThUS$
Currency derivatives	US$	8,138	48,857	56,995	829,643	428,148	151,007	1,408,798

December 31, 2021	**Notional amount of contracts with final maturity**							
	Currency	Less than 90 days ThUS$	Over 90 days ThUS$	Total current ThUS$	1 to 3 years ThUS$	3 to 5 years ThUS$	Over 5 years ThUS$	Total non-current ThUS$
Currency derivatives	US$	13,156	48,151	61,307	941,941	656,931	152,775	1,751,647

b. Cash flows hedging contracts and commercial policy adjustment

The Corporation trades in the copper, gold and silver derivative markets and records its results upon termination. These results are added to or deducted from sales revenues. As of September 30, 2022, these operations generated a lower net realized result of ThUS$ 85.

b.1. Commercial flexibility operations of copper contracts

Its objective is to adjust the price of sales to the Corporation's sales policy, which is defined according to the London Metal Exchange. As of September 30, 2022, the Corporation has copper derivative transactions associated with 264.250 metric tons of fine copper. These hedging transactions are performed as part of the Corporation's commercial policy.

The current contracts as of September 30, 2022, present a positive balance of ThUS$ 20,592 and their final result will only be known at their maturity, offsetting the hedging transactions with revenue from the sale of the hedged products.

Operations completed between January 1 and September 30, 2022, generated a net negative effect in results of ThUS$ 459, corresponding to values for physical sales contracts for a negative amount of ThUS$ 1,228 and values for physical purchase contracts for a positive amount of ThUS$ 769.

b.2. Trade operations of current gold and silver contracts.

As of September 30, 2022, the Corporation has derivative contracts for gold at MOZT 8,262.

The contracts in force as of September 30, 2022, present a positive exposure of ThUS$111, the final result of which can only be known at the expiration of these operations, after the compensation between the hedging operations and the income from the sale of the protected products. These hedging operations expire up to December, 2022.

The operations completed between January 1 and September 30, 2022, generated a positive effect on results of ThUS$ 374, corresponding to values per physical sales contracts.

b.3. Cash flow hedging operations backed by future production

The Corporation has no outstanding transactions as of September 30, 2022, arising from these operations, which protect future cash flows by locking in price levels for the sale of part of its production

The following tables set forth the maturities of metal hedging activities, as referred to in point b above:

September 30, 2022			Maturity date				
ThUS$	2022	2023	2024	2025	2026	Upcoming	Total
Flex com cobre (asset)	9,581	13,004	2,219	-	-	-	24,804
Flex com cobre (liability)	-	(4,212)	-	-	-	-	(4,212)
Flex com Gold/Silver	111	-	-	-	-	-	111
Price setting	-	-	-	-	-	-	-
Metal options	-	-	-	-	-	-	-
Total	9,692	8,792	2,219	-	-	-	20,703

December 31, 2021			Maturity date				
ThUS$	2022	2023	2024	2025	2026	Upcoming	Total
Flex com cobre (asset)	61	-	-	-	-	-	61
Flex com cobre (liability)	(22,056)	(7,268)	(363)	-	-	-	(29,687)
Flex com Gold/Silver	(393)	-	-	-	-	-	(393)
Price setting	-	-	-	-	-	-	-
Metal options	-	-	-	-	-	-	-
Total	(22,388)	(7,268)	(363)	-	-	-	(30,019)

September 30, 2022			Maturity date				
All figures in thousands of metric tons/ounces	2022	2023	2024	2025	2026	Upcoming	Total
Copper Futures [MT]	62.025	180.225	22.000	-	-	-	264.250
Gold/Silver Futures [ThOZ]	8.260	-	-	-	-	-	8.260
Copper price setting [MT]	-	-	-	-	-	-	-
Copper options [MT]	-	-	-	-	-	-	-

December 31, 2021			Maturity date				
All figures in thousands of metric tons/ounces	2022	2023	2024	2025	2026	Upcoming	Total
Copper Futures [MT]	268.43	72.90	4.50	-	-	-	345.83
Gold/Silver Futures [ThOZ]	15.98	-	-	-	-	-	15.98
Copper price setting [MT]	-	-	-	-	-	-	-
Copper options [MT]	-	-	-	-	-	-	-

29. Contingencies and restrictions

a) Lawsuits and contingencies

There are various lawsuits and legal actions initiated by or against the Corporation, which derive from its operations and the industry in which it operates. In general, these are civil, tax, labor and mining litigations, all related to the Corporation’s activities.

In the opinion of Management and its legal advisors, the lawsuits where the Corporation is being sued and could have negative results do not represent significant loss contingencies or cash flows. Codelco defends its rights and makes use of all the corresponding legal and procedural instances and resources.

The most relevant lawsuits filed by Codelco relate to the following matters:

- Tax Proceedings: There is a tax proceeding for liquidation No.141 of tax year 2015 and Exempt Resolution No. 89 of 2016 issued by the Internal Revenue Service (SII), for which the Corporation presented the corresponding appeals, which were received and resolved in favor of the Tax and Customs Courts, a resolution that was appealed by the SII.

- Labor lawsuits: Labor proceedings brought by the workers against the Corporation, regard to occupational diseases, labor accidents and other matters.

- Mining proceedings and others arising from the operation: The Corporation has been participating, and will probably continue to participate, as plaintiff and defendant in given court proceedings involving its mining operation and activities, through which it seeks to exercise certain actions or set up certain defenses in relation to given mining concessions that have been established or are in the process of being established, as well as also with regard to its other activities. These proceedings currently do not involve any given amount and do not have any essential effect on Codelco’s development.

Some other procedures pending final judgment are the simultaneous claim for arbitration between Codelco, Santa Elvira S.A., Mining Services Group S.A. and Sociedad de Servicios para la Minería Limitada (collectively "Santa Elvira").

At the date of issuance of these financial statements, the Codelco faces various lawsuits and legal actions against it for a total of approximately US$94,162 million corresponding to 981 cases. According to the estimate made by the legal advisors of the Corporation, 798 causes, which represent 81.35% of the universe, have associated probable loss results amounting to ThUS$60,428 (additionally, with the same probable outcome, there are 7 causes for ThUS$47 from subsidiaries). There are also 151 cases, representing 15.39% for an amount of ThUS$33,715, for which it is less likely than not, that the ruling will be against the Corporation. For the remaining 32 cases, representing 3.26% for an amount of ThUS$ 19, the Corporation's legal advisors consider an unfavorable result remote.

- Lawsuit under administrative law: On August 2, 2017, a Nullity in Public Law claim was filed in the 25th Civil Court of Santiago against Audit Report No. 900 of 2016, issued by the General Comptrollership of the Republic on May 10, 2017.

Once the discussion and evidence stage concluded, the Santiago Civil Court, on September 11, 2020, delivered its judgment in which it dismissed the annulment action filed by the Corporation, condemning it to the respective costs of said lawsuit.

On October 27, 2020, the Corporation filed appeals and cassation in the form of the sentence of the 25th Civil Court of Santiago, which dismissed the Public Law nullity action filed by the Codelco against Report No. 900 of 2016 of the Comptroller General of the Republic.

For litigation with a probable unfavorable outcome for the Corporation, the necessary provisions have been recognized as “provisions for legal proceedings.”

b) Other commitments.

i. On May 31, 2005, Codelco, through its subsidiary Codelco International Ltd. signed an agreement with Minmetals to form a company, CuPIC, in which both companies have an equal equity interest. In addition, the terms of a 15-year sales contract for cathodes to the associated company were agreed, as well as a purchase contract from Minmetals to the latter for the same term and equal monthly shipments until completing the total amount of 836,250 metric tons. Each shipment shall be paid for by the buyer at a price formed by a fixed re-adjustable component plus a variable component, which depends on current copper prices at the time of shipment.

During the first quarter of 2006 and on the basis of the negotiated financial terms, financing contracts were formalized with the China Development Bank allowing CuPIC to make the US$550 million advance payment to Codelco in March 2006.

With regard to financial obligations incurred by the associate CuPIC with the China Development Bank, Codelco Chile and Codelco International Ltd, must meet certain commitments, mainly relating to the delivery of financial information. In addition, Codelco Chile must maintain 51% ownership of Codelco International Limited.

According to the Sponsor Agreement, dated March 8, 2006, the Codelco International Ltd. subsidiary gave its participation in CuPIC as a guarantee to the China Development Bank.

Subsequently, on March 14, 2012, CuPIC paid off its debt to the abovementioned bank. As of December 31, 2017 Codelco, does not hold any indirect guarantee regarding its participation in this associated company.

On December 17, 2015, the Company´s management presented a restructuring for the Supply Contract, which implies the removal of its share in CUPIC.

- On April 7, 2016, the Corporation formalized the removal of its share in CUPIC, of which Codelco retained 50% ownership through the subsidiary Codelco International. Until that date, Codelco shared the ownership of the Company in the same proportion with the company Album Enterprises Limited (a subsidiary of Minmetals).

In order to realize the above-mentioned term of the shareholding, Codelco signed a set of agreements which formalized primarily the following issues:

- Copper sales contract modifications from Codelco to CUPIC signed in 2006, which establishes the reduction of half of the outstanding tonnage to deliver to this company and in which Codelco pays to CUPIC the amount of ThUS$99,330.

- Reduction of share capital in CuPIC, equivalent to the 50% of the Codelco International shares in said company and by which CuPIC repays to Codelco the amount of ThUS$99,330.

- Waiver of Codelco to any dividends associated with the profits generated by CuPIC from January 1, 2016 and the date of signing the agreement.

- Additionally, the cessation of dividends reception as a consequence of the removal of the Codelco share in the ownership of CuPIC since 2016, led to a reduction of the net profit estimated by Codelco until the end of the contract signed with that company.

At the close of the first semester of 2021, the Corporation delivered the last shipment associated with this sales contract.

ii. Regarding the financing agreement signed on August 23, 2012, between the subsidiary, Gacrux Inversiones SpA and Mitsui & Co. Ltd. for the acquisition of the 24.5% stake in Anglo American Sur S.A. which was subsequently amended on October 31, 2012, a pledge is included over the shares that the subsidiary has on Acrux Inversiones SpA (shared participation with Mitsui and minority shareholder in Anglo American Sur S.A.), in order to ensure compliance with the obligations that the financial agreement contemplates.

This pledge extends to the right to collect and receive from Acrux dividends which have been agreed in the corresponding meetings of shareholders of the company and any other distributions paid or payable to Gacrux respect of the pledged shares.

On December 22, 2017 according to archive No. 12326 / 2017, it was established that, Gacrux, the Creditor and the Guarantee Agent, the latter representing the Guaranteed Parties, modified, by virtue of the Merger, the Contract of Pledge and the Modified Pledge Agreement as to the pledge on transferable securities and the commercial pledge, as well as the restrictions and prohibitions established in the Pledge Contract and in the Modified Pledge Contract, making it subject to , by virtue of the Merger, two thousand thirteen million two hundred and forty-five thousand four hundred and seventy-three shares pledge issued by Becrux, owned by Gacrux, hereinafter the "Pledged Becrux Shares."

On May 20, 2021, as a result of the prepayment of the obligations indicated above (see note 12), the pledges indicated in the preceding paragraph were raised.

iii. Law No. 19993 dated December 17, 2004, authorized the purchase of the Refinery and Smelter Las Ventanas assets from ENAMI, establishing that the Corporation must ensure that the smelting and refining capacity required is maintained, without any restriction and limitation, for treating the products of the small and medium mining sector sent by ENAMI, under the form of toll production or another form agreed upon by the parties.

iv. Obligations with the public for bond issues means that the Corporation must meet certain restrictions related to limits on pledges and leaseback transactions on its principal assets and on its ownership interest in subsidiaries.

The Corporation has complied with these conditions as of September 30, 2022 and 2021.

v. On January 20, 2010, the Corporation signed two energy supply contracts with Colbún S.A., which includes energy and power sales and purchases for a total of 510 MW of power. The contract provides a discount for that unconsumed energy from Codelco's SIC divisions with respect to the amount of contracted power. The discount is equivalent to the value of the sale of that energy on the spot market.

The contracted power for supplying these Divisions is comprised by two contracts:
- Contract No.1 for 176 MW, current until December 2029.
- Contract No.2 for 334 MW, current until December 2044. This contract is based on energy production from Colbún's Santa María thermal power station, which is currently in operation. This plant is coal-fired, and therefore the electric energy tariff rate applied for the energy supplied to Codelco is linked to the price of coal.

Both of these contracts comply with Codelco's long-term energy and power requirements from the SIC of approximately 510 MW.

Through these contracts, which operate through take or pay, the Corporation agrees to pay for the contracted energy and Colbún undertakes to reimburse at market price the energy not consumed by Codelco

These contracts have maturity dates in 2029 and 2044.

vi. On November 6, 2009, Codelco signed the following long-term electric energy supply contracts with ELECTROANDINA S.A. (associate until January 2011), which matured in August 2017.

For the electric power supply of the Chuquicamata's work center, there are three contracts:

Engie for a 15-year term from January 2010, that is maturing in December 2024, for 200 MW capacity, and another contract for a 200 MW capacity which was signed in January 2018 and will be effective as of January 2025 with maturity in December 2035.

CTA effective from 2012 for 80 MW capacity, maturity in 2032.

vii. On August 26, 2011, Codelco signed two energy supply contracts with AESGener. The first one for the Minister Hales division for a 99 MW capacity and the second contract for the Radomiro Tomic work center, for a maximum capacity of 145 MW. Both contracts will mature in 2028.

viii. On November 11, 2011, Law No. 20551 was published in the Official Journal, which regulates the tasks and closure of mining facilities. Additionally, on November 22, 2012, the Supreme Decree No. 41 of the Minister of Mining, which approves the Regulations of this Law, was published in the Official Gazette.

This law requires the Corporation, among other requirements, to provide financial guarantees to the State to ensure the implementation of closure plans. It also establishes the obligation to make contributions to a fund which aims to cover the costs of post-closure activities.

The Corporation, in accordance with the regulations, delivered in 2014 to the National Geology and Mining Service (SERNAGEOMIN) the mine closure plans for each of the eight divisions of Codelco. These closure plans were developed under the transitional regime of the Law, specified for mining companies affected by the general application procedure, which are those with extraction capacity > 10,000 tons/month, and that at the date of entry into force of the Law were in operation, and with a closure plan previously approved under the Mining Safety Regulation D.S. No. 132.

All these transitional closure plans were approved in 2015 in accordance with the provisions established in the Law.

The law also established the obligation to update these closure plans, under the conditions of the general regime of the law, which incorporates new and greater requirements for the closure plans, five years after its entry into force, i.e. in 2020 in the case of Codelco. This calendar was brought forward to 2019 due to operational particularities for the Chuquicamata and Ventanas Divisions, and postponed to 2021 by SERNAGEOMIN, due to the COVID19 pandemic for the entire industry, and therefore for all other divisions.

In compliance with this new schedule, Codelco approved in 2021 the updated closure plans for the El Teniente, Radomiro Tomic, Ministro Hales and Gabriela Mistral Divisions, and as of December 31, 2021, the approval of the updated plans for the Salvador and Andina Divisions is in process. The Corporation has provided the corresponding guarantees committed in all the approved closure plans, in accordance with the latest updates in force.

As of September 30, 2022, the Corporation has agreed guarantees for an annual amount of U.F. 57,858,407 to comply with the aforementioned Law No. 20551. The following table details the main given guarantees:

Transmitter	Mine site	Amount	Currency	Date of issuance	Maturity date	Rate of issuance	ThUS$
Liberty	Radomiro Tomic	5,730,481	UF	11-12-2021	11-12-2022	0.15	204,445
Liberty	Ministro Hales	3,866,697	UF	11-15-2021	11-15-2022	0.15	137,951
Banco de Chile	Chuquicamata	149,405	UF	11-27-2021	11-27-2022	0.27	5,330
HDI	Chuquicamata	2,000,000	UF	11-26-2021	11-27-2022	0.25	71,353
Liberty	Chuquicamata	3,550,000	UF	11-27-2021	11-27-2022	0.20	126,652
Banco de Chile	Teniente	1,352,992	UF	12-02-2021	12-02-2022	0.27	48,270
Mapfre	Teniente	2,550,000	UF	12-02-2021	12-02-2022	0.17	90,976
Banco Itau	Teniente	730,000	UF	12-03-2021	12-02-2022	0.20	26,044
Banco Santander	Teniente	5,000,000	UF	12-02-2021	12-02-2022	0.20	178,384
Banco Santander	Teniente	250,000	UF	12-02-2021	12-02-2022	0.20	8,919
Banco Estado	Teniente	3,169,500	UF	12-02-2021	12-02-2022	0.21	113,077
AVLA	Teniente	1,000,000	UF	12-02-2021	12-02-2022	0.25	35,677
Banco Bci	Teniente	2,619,000	UF	12-02-2021	12-02-2022	0.25	93,437
Aspor	Gabriela Mistral	2,200,000	UF	12-15-2021	12-15-2022	0.15	78,489
Mapfre	Gabriela Mistral	763,837	UF	12-15-2021	12-15-2022	0.17	27,251
Banco Itau	Salvador	1,300,000	UF	02-10-2022	02-18-2023	0.15	46,380
Mapfre	Salvador	3,937,232	UF	02-18-2022	02-18-2023	0.17	140,468
Banco BCI	Andina	2,000,000	UF	03-15-2022	05-03-2023	0.25	71,353
Banco de Chile	Andina	2,380,000	UF	03-15-2022	05-03-2023	0.25	84,911
Banco Estado	Andina	2,774,997	UF	03-16-2022	05-03-2023	0.30	99,003
Banco Scotiabank	Andina	1,800,000	UF	03-17-2022	05-03-2023	0.19	64,218
Mapfre	Andina	750,000	UF	03-17-2022	05-03-2023	0.20	26,758
Chubb	Andina	2,675,000	UF	05-03-2022	05-03-2023	0.20	95,435
Banco Estado	Andina	1,557,094	UF	05-03-2022	05-03-2023	0.21	55,552
Banco Santander	Andina	2,600,000	UF	05-02-2022	05-03-2023	0.20	92,760
Banco Estado	Ventanas	1,152,172	UF	10-07-2021	10-07-2022	0.14	41,106
Total		**57,858,407**					**2,064,199**

ix. On August 24, 2012, Codelco through its subsidiary Inversiones Mineras Nueva Acrux SpA (Nueva Acrux) (whose minority shareholder is Mitsui), signed a contract with Anglo American Sur S.A. Under this contract, Codelco agreed to sell a portion of its annual copper production to the mentioned subsidiary, who in turn agrees to purchase such production.

Such annual portion is determined by the share of Codelco's indirect subsidiary, Inversiones Mineras Becrux SpA (also shared ownership with Mitsui), maintained for the shares of Anglo-American Sur S.A.

In turn, the subsidiary Nueva Acrux agrees to sell to Mitsui, the products purchased under the agreement described in the preceding paragraphs.

The contract expiration will occur when the shareholders agreement of Anglo-American Sur S.A. ends or other events related to the completion of mining activities of the company take place.

On June 11, 2019, Codelco and Anglo American Sur S.A. signed an agreement that ensures and optimizes the operation of their respective copper mines, Andina and Los Bronces, respectively. This agreement is similar to others that the same parties have signed during the last 40 years and that favor the independent, safe and sustainable operation of these neighboring mines.

x. On June 17, 2022, Codelco's Board of Directors agreed to move forward with preparations to cease operation of the Ventanas Smelter, subject to parliament amending Law No. 19993 within a limited period of time, a decision that applies exclusively to the smelter and not to the refinery or other operations of the Ventanas Division. This measure will require the amendment and approval by the Executive and the Legislature of Law No. 19993, which obliges the Corporation to smelt the minerals of Empresa Nacional de Minería (ENAMI) at the Ventanas Smelter.

As of September 30, the bill to amend the aforementioned law is advancing in the National Congress in its various legislative stages.

In the event that Law No. 19993 is modified, Codelco will be able to prepare and submit to Sernageomin a new closure plan for the Ventanas Smelter and move forward:

a) Initiate proceedings before Sernageomin to obtain a permit for the temporary stoppage of the smelter.

b) Obtain environmental and sectoral permits from the relevant authorities for the definitive closure of the smelter.

c) Proceed with the dismantling of the plant, reuse of infrastructure, remediation, reclamation of areas and post-closure monitoring.

The interim consolidated financial statements do not include the accounting effects that could arise from an eventual early termination of the Ventanas Smelter's operations.

Notwithstanding the fact that once the Law is modified, Codelco will move forward with a new closure plan, it is estimated that bringing forward to 2028 the start of the smelter closure activities included in the current plan (which currently considers an execution date of 2083), would increase the liability for mine closure by US$37 million that would be charged to profit or loss. In addition, Codelco should evaluate the recoverable amount of the Ventanas smelter assets in accordance with International Accounting Standard No. 36, in order to determine whether such amount is lower than the asset’s carrying value. As of September 30, 2022, the book value of the smelter's assets totals US$30 million.

30. Guarantees

The Corporation as a result of its activities has received and given guarantees.
The following tables list the main guarantees given to financial institutions:

Direct Guarantees provided to Financial Institutions and other						
Creditor of the guarantee	Type of guarantee	9-30-2022				12-31-2021
		Currency	Maturity	Quantity	ThUS$	ThUS$
Road management	Construction project	UF	08-Apr-24	1	4	4
Road management	Construction project	UF	21-Jan-22	1	-	28
Road management	Project of exploitation	UF	01-Aug-22	1	4	-
Road management	Project of exploitation	UF	13-May-22	1	-	-
General Directorate of Maritime Territory and Merchant Marine	Maritime concession	CLP	01-Mar-22	1	1,099	1,249
General Directorate of Maritime Territory and Merchant Marine	Maritime concession	CLP	01-Mar-23	1	213	-
General Directorate of Maritime Territory and Merchant Marine	Maritime concession	CLP	24-Mar-24	2	-	-
Ministry of National Assets	Project of exploitation	CLP	25-Feb-22	22	132	154
Ministry of National Assets	Project of exploitation	CLP	25-Feb-23	22	-	-
Ministry of National Assets	Project of exploitation	UF	31-Mar-22	1	7	2
Ministry of National Assets	Project of exploitation	UF	13-May-23	1	35	7
Ministry of National Assets	Project of exploitation	UF	09-Jun-22	5	-	35
Ministry of Public Works	Construction project	UF	31-Dec-21	1	-	161
Ministry of Public Works	Construction project	UF	29-Jul-22	1	711	38
Ministry of Public Works	Construction project	UF	31-Dec-23	1	487	732
Ministry of Public Works	Construction project	UF	02-Oct-23	1	21,102	501
Ministry of Public Works	Construction project	UF	31-Dec-22	1	3,019	21,702
Ministry of Public Works	Construction project	UF	03-Feb-23	1	37	-
Sernageomin	Environment	UF	18-Feb-22	2	-	168,240
Sernageomin	Environment	UF	13-May-22	1	-	170,909
Sernageomin	Environment	UF	12-Nov-22	1	204,445	210,252
Sernageomin	Environment	UF	15-Nov-22	1	137,951	141,869
Sernageomin	Environment	UF	27-Nov-22	3	203,335	209,112
Sernageomin	Environment	UF	02-Dec-22	8	594,784	611,678
Sernageomin	Environment	UF	15-Dec-22	2	105,740	108,743
Sernageomin	Environment	UF	07-Oct-22	1	41,106	42,273
Sernageomin	Environment	UF	18-Feb-23	2	186,848	-
Sernageomin	Environment	UF	03-May-23	8	589,990	-
Abogado Procurador Fiscal Carlos Felix	Judicial agreement and settlement	CLP	15-Mar-22	1	-	19,309
Abogado Procurador Fiscal Carlos Felix	Judicial agreement and settlement	CLP	15-Mar-23	1	16,986	-
Abogado Procurador Fiscal Carlos Felix	Judicial agreement and settlement	UF	15-Mar-22	1	-	1,101
Abogado Procurador Fiscal Carlos Felix	Judicial agreement and settlement	UF	15-Mar-23	1	1,070	-
Consorcio Aeropuerto Calama	Parking	UF	31-Mar-22	1	-	3
Consorcio Aeropuerto Calama	Parking	UF	30-Sep-22	1	3	-
Engie Energia Chile S.A.	Water Supply Project	CLP	31-Ago-23	1	209	237
Engie Energia Chile S.A.	Water Supply Project	CLP	31-Oct-23	1	204	232
General Treasury of the Republic	Maritime concession	CLP	21-Oct-22	1	43	49
Overall total					**2,109,564**	**1,708,620**

As for the documents received as collateral, they cover mainly obligations of suppliers and contractors related to the various development projects. Below are given the amounts received as collateral, grouped according to the Operating Divisions that have received these amounts:

Guarantees received from third parties		
Division	**9-30-2022**	**12-31-2021**
	ThUS$	ThUS$
Andina	60	135
Chuquicamata	7	7
Casa Matriz	991,038	914,399
El Teniente	-	427
Total	**991,105**	**914,968**

31. Balance in foreign currency

a) Assets by Currency

Assets national and foreign currency	9-30-2022 US Dollars	Euros	Other currencies	Non-indexed Ch$	U.F.	TOTAL
Current assets						
Cash and cash equivalents	1,555,867	7,797	5,319	42,398	-	1,611,381
Other financial assets, current	51,817	-	-	29	-	51,846
Other non-financial assets, current	3,723	346	14	24,349	3	28,435
Trade and other receivable, current	1,542,518	155,862	261	377,826	-	2,076,467
Accounts receivable from related entities, current	13,441	-	-	-	-	13,441
Inventories, current	2,566,252	-	-	-	-	2,566,252
Current tax assets	159,424	83	-	1,873	-	161,380
Total current assets	**5,893,042**	**164,088**	**5,594**	**446,475**	**3**	**6,509,202**
Non-current assets						
Investments accounted for using equity method	3,534,431	-	-	-	-	3,534,431
Property, plant and equipment	31,097,787	-	5	3,452	-	31,101,244
Deferred tax assets	78,560	-	-	11,966	-	90,526
Other assets	798,206	-	1,466	326,848	51,181	1,177,701
Total non-current assets	**35,508,984**	**-**	**1,471**	**342,266**	**51,181**	**35,903,902**
Total assets	**41,402,026**	**164,088**	**7,065**	**788,741**	**51,184**	**42,413,104**

Assets national and foreign currency	12-31-2021 US Dollars	Euros	Other currencies	Non-indexed Ch$	U.F.	TOTAL
Current assets						
Cash and cash equivalents	1,175,963	6,218	11,399	90,038	-	1,283,618
Other financial assets, current	320,339	-	-	1	-	320,340
Other non-financial assets, current	21,619	395	113	1,866	4	23,997
Trade and other receivable, current	3,580,436	185,429	788	427,697	-	4,194,350
Accounts receivable from related entities, current	156,711	-	-	-	-	156,711
Inventories, current	1,811,455	-	-	-	-	1,811,455
Current tax assets	6,646	98	-	4,694	-	11,438
Total current assets	**7,073,169**	**192,140**	**12,300**	**524,296**	**4**	**7,801,909**
Non-current assets						
Investments accounted for using equity method	3,546,011	-	-	-	-	3,546,011
Property, plant and equipment	30,444,722	-	578	4,593	-	30,449,893
Deferred tax assets	78,667	-	2,455	13,473	-	94,595
Other assets	770,365	-	5,859	332,345	56,458	1,165,027
Total non-current assets	**34,839,765**	**-**	**8,892**	**350,411**	**56,458**	**35,255,526**
Total assets	**41,912,934**	**192,140**	**21,192**	**874,707**	**56,462**	**43,057,435**

b) Liability by type of currency:

National and foreign currency liabilities	9-30-2022 US Dollars	Euros	Other currencies	Non-indexed Ch$	U.F.	TOTAL
Current liabilities						
Other financial liabilities, current	384,976	(22)	79	-	(4,897)	**380,136**
Lease liabilities, current	53,704	-	685	53,869	8,132	**116,390**
Trade and other payables, current	789,203	11,564	1,931	378,589	129	**1,181,416**
Accounts payable to related entities, current	83,839	-	-	742	-	**84,581**
Other short-term provisions	506,175	89	-	8,428	18	**514,710**
Current tax liabilities	13,055	-	114	1,330	-	**14,499**
Provisions for employee benefits, current	1,751	-	42	344,528	-	**346,321**
Other non-financial liabilities, current	23,290	-	28	12,695	9	**36,022**
Total current liabilities	**1,855,993**	**11,631**	**2,879**	**800,181**	**3,391**	**2,674,075**
Non-current liabilities						
Other financial liabilities, non-current	16,338,868	22,280	(956)	-	260,456	**16,620,648**
Lease liabilities, non-current	92,910	-	1,281	139,251	25,899	**259,341**
Non-current payables	758	-	-	270	-	**1,028**
Other long-term provisions	950,045	-	338	62,745	1,146,250	**2,159,378**
Deferred tax liabilities	7,966,106	-	16	12,047	-	**7,978,169**
Employee benefit provision, non-current	11,962	-	-	634,272	297,219	**943,453**
Total non-financial liabilities, non-current	2,012	-	-	226	-	**2,238**
Total non-current liabilities	**25,362,661**	**22,280**	**679**	**848,811**	**1,729,824**	**27,964,255**
Total liabilities	**27,218,654**	**33,911**	**3,558**	**1,648,992**	**1,733,215**	**30,638,330**

National and foreign currency liabilities	12-31-2021 US Dollars	Euros	Other currencies	Non-indexed Ch$	U.F.	TOTAL
Current liabilities						
Other financial liabilities, current	605,223	(24)	13	-	(9)	**605,203**
Lease liabilities, current	36,712	-	700	65,487	9,205	**112,104**
Trade and other payables, current	1,122,226	4,110	3,092	367,872	129	**1,497,429**
Accounts payable to related entities, current	221,344	-	-	-	-	**221,344**
Other short-term provisions	732,501	784	-	8,742	-	**742,027**
Current tax liabilities	303,616	-	164	4,596	-	**308,376**
Provisions for employee benefits, current	2,223	-	804	416,296	-	**419,323**
Other non-financial liabilities, current	11,443	-	144	21,475	9	**33,071**
Total current liabilities	**3,035,288**	**4,870**	**4,917**	**884,468**	**9,334**	**3,938,877**
Non-current liabilities						
Other financial liabilities, non-current	16,636,544	(2,592)	(1,008)	-	270,696	**16,903,640**
Lease liabilities, non-current	90,458	-	1,046	115,356	33,163	**240,023**
Non-current payables	759	-	-	306	-	**1,065**
Other long-term provisions	1,396,911	-	-	43,491	1,017,183	**2,457,585**
Deferred tax liabilities	6,990,740	-	20	13,763	-	**7,004,523**
Employee benefit provision, non-current	11,002	-	-	923,540	-	**934,542**
Total non-financial liabilities, non-current	2,035	-	-	244	-	**2,279**
Total non-current liabilities	**25,114,721**	**(2,592)**	**58**	**1,096,700**	**1,321,042**	**27,543,657**
Total liabilities	**28,150,009**	**2,278**	**4,975**	**1,981,168**	**1,330,376**	**31,482,534**

32. Sanctions

As of September 30, 2022 and 2021, neither Codelco Chile or its Directors and Managers have been sanctioned by the CMF or any other administrative authorities.

33. The environment

Each of Codelco's operations is subject to national, regional and local regulations related to protection of the environment and natural resources, including standards relating to water, air, noise and disposal and transportation of dangerous residues, among others. Chile has introduced environmental regulations that have obligated companies, including Codelco, to carry out programs to reduce, control or eliminate relevant environmental impacts. Codelco has executed and shall continue to execute a series of environmental projects to comply with these regulations.

Pursuant to the Letter of Values approved in 2010, Codelco is governed by a series of internal policies and regulations that frame its commitment to the environment, among which is the Corporate Sustainable Development Policy (2021).

The environmental management systems of the divisions, structure their efforts in order to comply with the commitments assumed by the corporation's environmental policies, incorporating elements of planning, operating, verifying and reviewing activities. As of September 30, 2022, Codelco is implementing a strategic change process in all divisions to manage the aspects and risks associated with environmental matters, under a corporate management system issued by Head Office, seeking to obtain the ISO 14001: 2015 certification.

To comply with the Circular No. 1901 of 2008 of the CMF, the details of the Corporation's main expenditures related to the environment during the periods from January 1 to September 30, 2022 and 2021, respectively, and the projected future expenses are stated below.

Company	Project name	Disbursements 9-30-2022 Project status	ThUS$	Assets Expenditure	Item of Asset / Destination Expenditure	9-30-2021 ThUS$	Future committed ThUS$	Estimated date
	Chuquicamata							
Codelco Chile	Acid plants	In progress	1,674	Expenditure	Operating expenditure	10,631	-	2022
Codelco Chile	Solid waste	In progress	873	Expenditure	Operating expenditure	957	1,543	2022
Codelco Chile	Tailings	In progress	51,705	Expenditure	Operating expenditure	43,267	-	2022
Codelco Chile	Water treatment plant	In progress	32,274	Expenditure	Operating expenditure	18,139	-	2022
Codelco Chile	Environmental monitoring	In progress	974	Expenditure	Operating expenditure	1,145	1,299	2022
Codelco Chile	Normalization drainage system drill hole	In progress	36	Asset	Property, plant and equipment	3	3,135	2023
Codelco Chile	Normalization handling / feeding / powder transport	Completed	-	Asset	Property, plant and equipment	7,510	-	2021
Codelco Chile	Construction thickened tailings Talabre	In progress	4,802	Asset	Property, plant and equipment	10,468	-	2022
Codelco Chile	Standardization TKS Hazardous Substances Feed DS 43	In progress	4,787	Asset	Property, plant and equipment	44	10,111	2023
Codelco Chile	Construction IX stage Talabre tranque	In progress	6,128	Asset	Property, plant and equipment	-	553,771	2026
	Total Chuquicamata Division		**103,253**			**92,164**	**569,859**	
	Salvador							
Codelco Chile	Improved integration of the gas process	In progress	8,173	Asset	Property, plant and equipment	2,025	4,462	2022
Codelco Chile	Tailings	In progress	4,184	Expenditure	Operating expenditure	3,393	-	2022
Codelco Chile	Acid plants	In progress	43,288	Expenditure	Operating expenditure	43,507	-	2022
Codelco Chile	Solid waste	In progress	796	Expenditure	Operating expenditure	1,187	-	2022
Codelco Chile	Water treatment plant	In progress	693	Expenditure	Operating expenditure	557	-	2022
Codelco Chile	Bell replacement	Completed	-	Asset	Property, plant and equipment	312	-	2021
Codelco Chile	DRPA Emergency	Completed	-	Asset	Property, plant and equipment	2,920	-	2021
Codelco Chile	Compliance DS 43 storage dangerous substances	Completed	-	Asset	Property, plant and equipment	692	-	2021
Codelco Chile	Riles and Wastewater Standard	In progress	160	Asset	Property, plant and equipment	-	203	2022
	Total Salvador Division		**57,294**			**54,593**	**4,665**	
	Andina							
Codelco Chile	Construction canal outline DL east	Completed	-	Asset	Property, plant and equipment	2,018	-	2021
Codelco Chile	Valve and works rating	Completed	-	Asset	Property, plant and equipment	1,129	-	2021
Codelco Chile	Solid waste	In progress	2,079	Expenditure	Operating expenditure	1,586	-	2022
Codelco Chile	Water treatment plant	In progress	3,699	Expenditure	Operating expenditure	3,599	-	2022
Codelco Chile	Tailings	In progress	69,047	Expenditure	Operating expenditure	62,708	-	2022
Codelco Chile	Acid drainage	In progress	28,378	Expenditure	Operating expenditure	25,082	-	2022
Codelco Chile	Environmental monitoring	In progress	811	Expenditure	Operating expenditure	669	-	2022
Codelco Chile	Sustainability and external matters management	In progress	1,680	Expenditure	Operating expenditure	1,662	-	2022
Codelco Chile	DLN conditioning works	Completed	-	Asset	Property, plant and equipment	3,606	-	2021
Codelco Chile	Excavation operation improvement	In progress	349	Asset	Property, plant and equipment	511	1,762	2023
Codelco Chile	Water dispatch tunnel modification	In progress	707	Asset	Property, plant and equipment	2,466	-	2022
Codelco Chile	Implementation of the catchment system for rafts tove	In progress	5,408	Asset	Property, plant and equipment	1,082	3,777	2022
Codelco Chile	Dam Ovejeria: longitudinal drainage stage 8	In progress	7,775	Asset	Property, plant and equipment	19,887	-	2022
Codelco Chile	North extended ballast deposit	In progress	55,164	Asset	Property, plant and equipment	27,065	293,841	2025
Codelco Chile	Standard Instruments Tranque Los Leones	In progress	289	Asset	Property, plant and equipment	-	3,745	2023
Codelco Chile	Construction of spill containment chamber	In progress	1,361	Asset	Property, plant and equipment	-	-	2022
Codelco Chile	Replacement of transformers into oil	In progress	19	Asset	Property, plant and equipment	-	413	2023
	Total Andina Division		**176,766**			**153,070**	**303,538**	
Subtotal			**337,313**			**299,827**	**878,062**	

		Disbursements 9-30-2022				9-30-2021	Future committed	
Company	Project name	Project status	ThUS$	Assets Expenditure	Asset / Expenditure Item	ThUS$	ThUS$	Estimated date
	El Teniente							
Codelco Chile	Construction of 7th phase Carén dam	In progress	25,936	Assets	Property, plant and equipment	34,628	102,356	2023
Codelco Chile	Construction of slag treatment plant	Completed	-	Asset	Property, plant and equipment	2,121	-	2021
Codelco Chile	Acid plants	In progress	61,303	Expenditure	Operating expenditure	51,749	-	2022
Codelco Chile	Solid waste	In progress	2,249	Expenditure	Operating expenditure	2,268	-	2022
Codelco Chile	Water treatment plant	In progress	9,780	Expenditure	Operating expenditure	11,062	-	2022
Codelco Chile	Tailings	In progress	37,685	Expenditure	Operating expenditure	44,558	-	2022
Codelco Chile	Well construction and hydrogeology modification Colihue-Cauquenes	In progress	1,203	Asset	Property, plant and equipment	1,763	1,565	2023
Codelco Chile	Caren reservoir stage 8 and 9	In progress	9,020	Asset	Property, plant and equipment	389	381,842	2027
Codelco Chile	Construction of Complementary Water Works Tranque Barahona 2	In progress	2,689	Assets	Property, plant and equipment	-	32,215	2023
Codelco Chile	Restoration Slaughterhouse Drive	In progress	3,729	Asset	Property, plant and equipment	-	24,253	2023
Codelco Chile	Flow CEMS Acquisition	In progress	77	Asset	Property, plant and equipment	-	780	2023
	Total El Teniente Division		**153,671**			**148,538**	**543,011**	
	Gabriela Mistral							
Codelco Chile	Environmental monitoring	In progress	1	Expenditure	Operating expenditure	15	-	2022
Codelco Chile	Solid waste	In progress	1,395	Expenditure	Operating expenditure	2,095	-	2022
Codelco Chile	Environmental consultancy	Completed	3	Expenditure	Operating expenditure	30	-	2021
Codelco Chile	Garbage dump extension phase VIII	In progress	8,168	Asset	Property, plant and equipment	1,249	14,391	2023
	Total Gabriela Mistral Division		**9,567**			**3,389**	**14,391**	
	Ventanas							
Codelco Chile	Acid plants	In progress	19,449	Expenditure	Operating expenditure	18,980	-	2022
Codelco Chile	Solid waste	In progress	802	Expenditure	Operating expenditure	1,537	-	2022
Codelco Chile	Environmental monitoring	In progress	920	Expenditure	Operating expenditure	1,019	-	2022
Codelco Chile	Water treatment plant	In progress	4,736	Expenditure	Operating expenditure	4,296	-	2022
Codelco Chile	Improved gas abatement collection	In progress	140	Asset	Property, plant and equipment	333	-	2022
Codelco Chile	Critical Var monitoring implementation	Completed	-	Asset	Property, plant and equipment	493	-	2021
Codelco Chile	Standardization of the handling of hazardous substances	In progress	1,451	Asset	Property, plant and equipment	1,846	1,195	2022
Codelco Chile	Standardization of CEMS Chimney PPAL and PAS	In progress	361	Asset	Property, plant and equipment	-	-	2022
	Total Ventanas Division		**27,859**			**28,504**	**1,195**	
	Radomiro Tomic							
Codelco Chile	Solid waste	In progress	777	Expenditure	Operating expenditure	710	-	2022
Codelco Chile	Environmental monitoring	In progress	142	Expenditure	Operating expenditure	71	-	2022
Codelco Chile	Water treatment plant	In progress	1,172	Expenditure	Operating expenditure	541	-	2022
Codelco Chile	Preliminary works water supply	Completed	-	Asset	Property, plant and equipment	4,516	-	2021
Codelco Chile	Construction of community works	In progress	696	Asset	Property, plant and equipment	-	38,271	2025
	Total Radomiro Tomic Division		**2,787**			**5,838**	**38,271**	
	Ministro Hales							
Codelco Chile	Solid waste	In progress	780	Expenditure	Operating expenditure	1,916	-	2022
Codelco Chile	Water treatment plant	In progress	137	Expenditure	Operating expenditure	144	-	2022
Codelco Chile	Implementation of pit aquifer monitoring	Completed	-	Asset	Property, plant and equipment	399	-	2021
Codelco Chile	Silica shed extension and dome control room	Completed	-	Asset	Property, plant and equipment	66	-	2021
	Total Ministro Hales Division		**917**			**2,525**	**-**	
	Ecometales Limited							
Ecometales Limited	Smelting powders leaching plant	In progress	861	Expenditure	Operating expenditure	1,013	-	2021
Ecometales Limited	Smelting powders leaching plant	In progress	45	Expenditure	Operating expenditure	7	24	2021
	Subsidiary Ecometales Limited		**906**			**1,020**	**24**	
Subtotal			**195,707**			**189,814**	**596,892**	
Total			**533,020**			**489,641**	**1,474,954**	

34. Subsequent Events

On October 18, 2022, the Chamber of Deputies approved in its first constitutional procedure, the bill that will allow the products of small-scale mining of Empresa Nacional de Minería (Enami) to be treated in facilities other than the Ventanas Division.

Management of the Corporation is not aware of other significant events of a financial nature or of any other nature that could affect these financial statements, occurring between October 1, 2022 and the date of issue of these consolidated financial statements as October 27, 2022.

André Sougarret Larroquete Chief Executive Officer	Alejandro Rivera Stambuk Chief Financial Officer
Juan Ogas Cabrera Accounting Manager	Cristóbal Parrao Cartagena Accounting Director

CORPORACION NACIONAL DEL COBRE DE CHILE

Consolidated financial statements
As of and for the years ended
December 31, 2020 and 2019
and independent auditor´s report

Deloitte
Auditores y Consultores Limitada
Rosario Norte 407
Rut: 80.276.200-3
Las Condes, Santiago
Chile
Fono: (56) 227 297 000
Fax: (56) 223 749 177
deloittechile@deloitte.com
www.deloitte.cl

INDEPENDENT AUDITORS' REPORT

To the Chairman and Board of Directors of
Corporación Nacional del Cobre de Chile

We have audited the accompanying consolidated financial statements of Corporación Nacional del Cobre de Chile and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as of December 31, 2020 and 2019 and the related consolidated statements of comprehensive income, changes in equity and cash flows for the years then ended and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB"). This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We did not audit the statutory financial statements of the associates Anglo American Sur S.A. and Sociedad Contractual Minera El Abra, whose investments represent, as of December 31, 2020, an asset of ThUS$1,207,110 and a share in profit of ThUS$33,517. The financial statements were audited by other auditors, whose reports have been provided to us, and our opinion as to the amounts included in the consolidation is bases solely on the reports of those other auditors. We performed our audits in accordance with auditing standards generally accepted in Chile. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the entity's consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes assessing the appropriateness of the accounting policies used and the reasonableness of the significant estimates made by the Company's Management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Corporación Nacional del Cobre de Chile and its subsidiaries as of December 31, 2020 and 2019, and the results of their operations and their cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB").

Other matter – Translation into English

The accompanying consolidated financial statements have been translated into English solely for the convenience of English language readers.

Deloitte

February 25, 2021
Santiago, Chile

CODELCO – CHILE

Consolidated financial statements as of and for the years ended December 31, 2020 and 2019

(Translation into English of the consolidated financial statements originally issued in Spanish – see Note I.2)

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(Translation into English of the consolidated financial statements originally issued in Spanish – see Note I.2)

CORPORACION NACIONAL DEL COBRE DE CHILE
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As of December 31, 2020 and 2019
(In thousands of US dollars - ThUS$)
(Translation into English of the consolidated financial statements originally issued in Spanish – see Note I.2)

	Notes N°	12/31/2020	12/31/2019
Assets			
Current Assets			
Cash and cash equivalents	1	2,107,493	1,303,105
Other current financial assets	11	283,890	172,951
Other current non-financial assets		32,634	20,969
Trade and other current receivables	2	3,249,317	2,588,268
Accounts receivable from related parties, current	3	98,397	20,874
Inventories	4	1,912,067	1,921,135
Current tax assets	6	74,324	22,719
Total current assets		**7,758,122**	**6,050,021**
Non-current assets			
Other non-current financial assets	11	133,751	91,800
Other non-current non-financial assets		2,517	4,561
Non-current receivables	2	93,986	98,544
Accounts receivable from related parties, non-current	3	224	15,594
Non-current inventories	4	585,105	585,681
Investments accounted for using equity method	9	3,418,958	3,483,523
Intangible assets other than goodwill		45,895	47,837
Property, plant and equipment	7	29,551,905	29,268,012
Investment property		981	981
Right-of-use assets	8	461,040	432,152
Non-current tax assets	6	111,994	222,169
Deferred tax assets	5	45,908	43,736
Total non-current assets		**34,452,264**	**34,294,590**
Total Assets		**42,210,386**	**40,344,611**

The accompanying notes are an integral part of these consolidated financial statements.

CORPORACION NACIONAL DEL COBRE DE CHILE
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As of December 31, 2020 and 2019

(In thousands of US dollars - ThUS$)

(Translation into English of the consolidated financial statements originally issued in Spanish – see Note I.2)

	Notes N°	12/31/2020	12/31/2019
Liabilities and Equity			
Liabilities			
Current liabilities			
Other current financial liabilities	12	529,946	1,250,590
Current lease liabilities	8	145,404	127,761
Trade and other current payables	15	1,498,285	1,420,915
Accounts payable to related parties, current	3	198,924	137,234
Other current provisions	16	562,027	502,172
Current tax liabilities	6	8,445	13,857
Current provisions for employee benefits	17	460,778	435,565
Other current non-financial liabilities		36,098	34,863
Total current liabilities		**3,439,907**	**3,922,957**
Non-current liabilities			
Other non-current financial liabilities	12	17,735,200	16,233,113
Non-current lease liabilities	8	339,604	305,110
Non-current payables		460	8,346
Other non-current provisions	16	2,294,507	2,090,487
Deferred tax liabilities	5	5,527,795	4,860,881
Non-current provisions for employee benefits	17	1,243,940	1,283,357
Other non-current non-financial liabilities		2,482	5,693
Total non-current liabilities		**27,143,988**	**24,786,987**
Total liabilities		**30,583,895**	**28,709,944**
Equity			
Issued capital		5,619,423	5,619,423
Accumulated deficit		(194,696)	(196,260)
Other reserves	18.b	5,276,822	5,291,747
Equity attributable to owners of the parent		**10,701,549**	**10,714,910**
Non-controlling interests	18.b	924,942	919,757
Total equity		**11,626,491**	**11,634,667**
Total liabilities and equity		**42,210,386**	**40,344,611**

The accompanying notes are an integral part of these consolidated financial statements.

CORPORACION NACIONAL DEL COBRE DE CHILE
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) – BY FUNCTION
For the years ended December 31, 2020 and 2019
(In thousands of US dollars - ThUS$)
(Translation into English of the consolidated financial statements originally issued in Spanish – see Note I.2)

	Notes N°	1/1/2020 12/31/2020	1/1/2019 12/31/2019
Revenue	19	14,173,168	12,524,931
Cost of sales		(10,565,179)	(10,051,441)
Gross profit		**3,607,989**	**2,473,490**
Other Income, by function	22.a	97,321	360,690
Distribution costs		(9,463)	(17,069)
Administrative expenses		(397,045)	(409,234)
Other expenses	22.b	(1,456,821)	(1,747,838)
Other gains		30,425	22,672
Income from operating activities		**1,872,406**	**682,711**
Finance income		40,213	36,871
Finance costs	23	(742,464)	(479,307)
Provision established (reversed), net, in accordance with IFRS 9		(206)	378
Share of profit of associates and joint ventures accounted for using equity method	9	39,436	13,203
Foreign exchange difference	25	(165,501)	153,917
Income for the years before tax		**1,043,884**	**407,773**
Income tax expense	5	(787,003)	(393,245)
Net income for the years		**256,881**	**14,528**
Net income attributable to owners of parent		242,993	6,637
Net income attributable to non-controlling interests	18.b	13,888	7,891
Net income for the years		**256,881**	**14,528**

The accompanying notes are an integral part of these consolidated financial statements.

CORPORACION NACIONAL DEL COBRE DE CHILE
CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME (LOSS) CONTINUED

For the years ended December 31, 2020 and 2019
(In thousands of US dollars - ThUS$)
(Translation into English of the consolidated financial statements originally issued in Spanish – see Note I.2)

	Notes N°	1/1/2020 12/31/2020	1/1/2019 12/31/2019
Net income for the years		256,881	14,528
Components of other comprehensive income that will not be reclassified to profit or loss, before tax:			
Gains (loss) on remeasurement of defined benefit plans, before tax	17	359	(100,957)
Share of other comprehensive (loss) income of associates and joint ventures accounted for using the equity method that will not be reclassified to profit or loss before tax		(4,043)	2,363
Other comprehensive loss that will not be reclassified to profit or loss before tax		**(3,684)**	**(98,594)**
Components of other comprehensive income that will be reclassified to profit or loss, before tax:			
Gains on exchange difference on translation, before tax		3,733	191
Losses on cash flow hedges, before tax		(47,194)	(80,111)
Share of other comprehensive income (loss) of associates and joint ventures accounted for using equity method that will be reclassified to profit or loss, before tax		-	(3,275)
Other comprehensive loss that will be reclassified to profit or loss before tax		**(43,461)**	**(83,195)**
Other comprehensive loss, before tax		**(47,145)**	**(181,789)**
Income tax effect on components of other comprehensive income that will be reclassified profit or loss			
Income tax effect relating to benefit plans in other comprehensive income	5	(145)	69,667
Income tax effect on components of other comprehensive income that will be reclassified to profit or loss			
Income tax effect on cash flow hedges in other comprehensive income	5	30,676	52,072
Total other comprehensive loss		**(16,614)**	**(60,050)**
Total Comprehensive income (loss)		**240,267**	**(45,522)**
Comprehensive income (loss) attributable to:			
Comprehensive income (loss) attributable to owners of the parent		227,516	(53,413)
Comprehensive income attributable to non-controlling interests	18.b	12,751	7,891
Total comprehensive income (loss)		**240,267**	**(45,522)**

The accompanying notes are an integral part of these consolidated financial statements.

CORPORACION NACIONAL DEL COBRE DE CHILE
CONSOLIDATED STATEMENTS OF CASH FLOWS – DIRECT METHOD

For the years ended December 31, 2020 and 2019
(In thousands of US dollars - ThUS$)
(Translation into English of the consolidated financial statements originally issued in Spanish – see Note I.2)

	Notes N°	1/1/2020 12/31/2020	1/1/2019 12/31/2019
Cash flows provided by (used in) operating activities:			
Receipts from sales of goods and rendering of services		13,642,629	12,553,666
Other cash payments for operating activities	26	1,860,971	1,827,264
Payments to suppliers for goods and services		(7,866,515)	(7,917,563)
Payments to and on behalf of employees		(1,475,278)	(1,800,223)
Other cash payments for operating activities	26	(2,377,017)	(2,237,355)
Dividends received		22,715	87,434
Income taxes paid		(28,817)	(81,762)
Cash flows provided by operating activities		3,778,688	2,431,461
Cash flows provided by (used in) investing activities:			
Other payments to acquire equity or debt instruments of other entities		(176)	(240)
Proceeds for the sale of interests in joint ventures and associates	9	-	193,480
Purchase of property, plant and equipment		(2,383,003)	(4,102,073)
Interest received		37,095	33,874
Other cash (outflows)		(81,644)	(5,078)
Cash flows (used in) investing activities		(2,427,728)	(3,880,037)
Cash flows provided by (used in) financing activities:			
Proceeds from borrowings and bonds long term		3,996,000	3,918,199
Proceeds from borrowings short term		-	465,000
Total proceeds from borrowings and bonds		3,996,000	4,383,199
Repayment of borrowings and bonds		(3,248,184)	(2,234,446)
Payments of lease liabilities		(132,263)	(148,181)
Dividends paid		(239,076)	-
Interest paid		(753,099)	(656,705)
Other cash (outflows) inflows		(161,273)	197,555
Cash flows (used in) provided by financing activities		(537,895)	1,541,422
Increase in cash and cash equivalents before effects of exchange difference		813,065	92,846
Effect of exchange rate changes on cash and cash equivalents		(8,677)	(18,866)
Increase in cash and cash equivalents		804,388	73,980
Cash and cash equivalents at beginning of year	1	1,303,105	1,229,125
Cash and cash equivalents at end of year	1	2,107,493	1,303,105

The accompanying notes are an integral part of these consolidated financial statements.

CORPORACION NACIONAL DEL COBRE DE CHILE
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the years ended December 31, 2020 and 2019
(In thousands of US dollars - ThUS$)
(Translation into English of the consolidated financial statements originally issued in Spanish – see Note I.2)

December 31,2020	Issued capital	Reserve on exchange differences on translation	Reserve of cash flow hedges	Reserve of remeasurement of defined benefit plans Note 17	Other miscellaneous reserves	Total other reserves Note 18	Accumulated deficit	Equity attributable to owners of the parent	Non-controlling interests Note 18	Total Equity
Initial balance as of 1/1/2020	**5,619,423**	**(6,672)**	**19,506**	**(305,770)**	**5,584,683**	**5,291,747**	**(196,260)**	**10,714,910**	**919,757**	**11,634,667**
Changes in equity:										
Net income							242,993	242,993	13,888	256,881
Other comprehensive income (loss)		3,733	(16,518)	214	(2,906)	(15,477)		(15,477)	(1,137)	(16,614)
Comprehensive income								227,516	12,751	**240,267**
Dividends							(239,076)	(239,076)		(239,076)
Capital contributions	-	-	-	-	-	-	-	-	-	-
Increase (decrease) through transfers and other changes	-	-	-	-	552	552	(2,353)	(1,801)	(7,566)	(9,367)
Total changes in equity	**-**	**3,733**	**(16,518)**	**214**	**(2,354)**	**(14,925)**	**1,564**	**(13,361)**	**5,185**	**(8,176)**
Final balance as of 12/31/2020	**5,619,423**	**(2,939)**	**2,988**	**(305,556)**	**5,582,329**	**5,276,822**	**(194,696)**	**10,701,549**	**924,942**	**11,626,491**

December 31,2019	Issued capital	Reserve on exchange difference on translation	Reserve of cash flow hedges	Reserve of remeasurement of defined benefit plans Note 17	Other miscellaneous reserves	Total other reserves Note 18	Accumulated deficit	Equity attributable to owners of the parent	Non-controlling interests Note 18	Total Equity
Initial balance as of 1/1/2019	**5,219,423**	**(6,863)**	**47,792**	**(274,480)**	**5,587,710**	**5,354,159**	**(198,917)**	**10,374,665**	**969,204**	**11,343,869**
Changes in equity:										
Net income							6,637	6,637	7,891	14,528
Other comprehensive income (loss)		191	(28,039)	(31,290)	(912)	(60,050)		(60,050)	-	(60,050)
Comprehensive income (loss)								(53,413)	7,891	(45,522)
Dividends							-	-		-
Capital contributions	400,000	-	-	-	-	-	-	400,000	-	400,000
Decrease through transfers and other changes	-	-	(247)	-	(2,115)	(2,362)	(3,980)	(6,342)	(57,338)	(63,680)
Total changes in equity	**400,000**	**191**	**(28,286)**	**(31,290)**	**(3,027)**	**(62,412)**	**2,657**	**340,245**	**(49,447)**	**290,798**
Final balance as of 12/31/2019	**5,619,423**	**(6,672)**	**19,506**	**(305,770)**	**5,584,683**	**5,291,747**	**(196,260)**	**10,714,910**	**919,757**	**11,634,667**

The accompanying notes are an integral part of these consolidated financial statements.

I. GENERAL INFORMATION

1. Corporate Information

Corporación Nacional del Cobre de Chile (hereinafter referred to as “Codelco” or the “Corporation”), is, in Management´s opinion, the largest copper producer in the world. Codelco’s most important product is refined copper, primarily in the form of cathodes. The Corporation also produces copper concentrates, blister and anode copper and by-products such as molybdenum, anode slime and sulfuric acid.

The Corporation trades its products based on a policy aimed to sell refined copper to manufacturers or producers of semi-manufactured products.

These products contribute to diverse fields of community development, particularly those intended to improve areas such as public health, energy efficiency, and sustainable development, among others.

The Corporation is registered under Securities Registry No. 785 of the Chilean Commission for the Financial Market (the “CMF”) and is subject to its supervision. According to Article No. 10 of Law No. 20392 (related to the new Corporate Governance of Codelco), such supervision shall be on the same terms as publicly traded companies, notwithstanding the provisions in Decree Law (D.L.) No.1349 of 1976, which created the Comisión Chilena del Cobre (“Chilean Copper Commission”).

Codelco’s head office is located in Santiago, Chile, at 1270 Huérfanos Street, telephone number (56-2) 26903000.

Codelco was incorporated through D.L. No. 1350 of 1976, which is the statutory decree applicable to the Corporation. In accordance with the statutory decree, Codelco is a government-owned mining, industrial and commercial company, which is a separate legal entity with its own equity. Codelco Chile currently carries out its mining business through its Chuquicamata, Radomiro Tomic, Ministro Hales, Gabriela Mistral, Salvador, Andina, El Teniente and Ventanas divisions.

The Corporation also carries out similar activities in other mining deposits in association with third parties.

In accordance with letter e) of Article 10 of Law No. 20392, Codelco is governed by its organic standards set forth in Decree Law No. 1350 (D.L. No. 1350) and that of its by-laws, and in matters not covered by them and, insofar as they are compatible and do not contradict the provisions of such standards, by the rules that govern publicly traded companies and the common laws as applicable to them.

In accordance with D.L. No. 1350 Section IV related to the Company’s Exchange and Budget Regulations. Codelco’s financial activities are conducted following an annual budgeting program that is composed of an Operations Budget, an Investment Budget and a Debt Amortization Budget.

The tax system applicable to Codelco’s taxable income is in accordance with Article 26 of D. L. No.1350 which refers to Decree Law No. 824 on Income Tax of 1974 and Decree Law No. 2398 (Article 2) of 1978, as applicable. The Corporation’s taxable income is also subject to a Specific Mining Tax in accordance with Law No. 20026 of 2005.

According to Law No. 13196, the return on foreign currency of the Corporation's foreign sales (real income), of its copper production, including its by-products, is taxed at 10% and method of payment and the duration of this obligation for Codelco, which are detailed in Note III.22 letter c) of this report.

The subsidiaries whose financial statements are included in these consolidated financial statements correspond to companies located in Chile and abroad, which are detailed in Note II.2.d.

The associates located in Chile and abroad, are detailed in the Explanatory Notes Section III of Note 9.

2. Basis of Presentation of the Consolidated Financial Statements

The Corporation’s consolidated statements of financial position as of December 31, 2020 and 2019, and the consolidated statements of comprehensive income, changes in equity and of cash flows for the years ended December 31, 2020 and 2019, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

These consolidated financial statements include all information and disclosures required in annual financial statements.

These consolidated financial statements have been prepared from accounting records maintained by the Corporation.

The consolidated financial statements of the Corporation are presented in thousands of United States dollar (“U.S. dollar”).

Responsibility for the Information and Use of Estimates

The Board of Directors of the Corporation has been informed of the information included in these consolidated financial statements and expressly declared its responsibility for the consistent and reliable nature of the information included in such financial statements as of and for the year ended December 31, 2020, which financial statements fully comply with IFRS as issued by the IASB. These consolidated financial statements as of December 31, 2020 and for the year then ended were approved by the Board of Directors at a meeting held on February 25, 2021.

Accounting Principles

These consolidated financial statements reflect the financial position of Codelco and its subsidiaries as of December 31, 2020 and 2019, and the results of their operations, changes in equity and cash flows for the years ended December 31, 2020 and 2019, and their related notes, all prepared in accordance with IAS 1, ”Presentation of Financial Statements,” in consideration of the presentation instructions of the Commission for the Financial Markets, where not in conflict with IFRS.

For the convenience of the English readers, these consolidated financial statements and their accompanying notes have been translated from Spanish into English.

II. SIGNIFICANT ACCOUNTING POLICIES

1. Significant Judgments and Key Estimates

In preparing these consolidated financial statements, the use of certain critical accounting estimates and assumptions that affect the amounts of assets and liabilities recognized as of the date of the financial statements and the amounts of revenue and expenses recognized during the reporting period is required. Such preparation also requires the Corporation's Management to exercise its judgment in the process of applying the Corporation's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are as follows:

a) Useful economic lives and residual values of property, plant and equipment - The useful lives and residual values of property, plant and equipment that are used for calculating depreciation are determined based on technical studies prepared by internal specialists. The technical studies consider specific factors related to the use of assets.

When there are indicators that could lead to changes in the estimates of the useful lives of such assets, these changes are made by using technical estimates to determine the impact of any change.

b) Ore reserves - The measurements of ore reserves are based on estimates of the ore resources that are legally and economically exploitable, and reflect the technical and environmental considerations of the Corporation regarding the amount of resources that could be exploited and sold at prices exceeding the total cost associated with the extraction and processing.

The Corporation applies judgment in determining the ore reserves, and as such, possible changes in these estimates might significantly impact the estimates of net revenues over time. In addition, these changes might lead to modifications in usage estimates, which might have an effect on depreciation and amortization expense, calculation of stripping cost adjustments, determination of impairment losses, expected future disbursements related to decommissioning and restoration obligations, long term defined benefits plans' accounting and the accounting for financial derivative instruments.

The Corporation estimates its reserves and mineral resources based on the information certified by the Competent Persons internal and external of the Corporation, who are defined and regulated according to Law No. 20235. These estimates correspond to the application of the Certification Code of Ore Reserves, Resources and Exploration, issued by the Mining Committee which was instituted through the aforementioned law.
Notwithstanding the foregoing, the Corporation periodically reviews its estimation models, supported by experts who, in some divisions, also certify the reserves determined from these models.

c) **Impairment of non-financial assets -** The Corporation reviews the carrying amount of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indicator exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss. In testing impairment, the assets are grouped into cash generating units ("CGUs") to which the assets belong, when individual asset testing is unable to be performed. . The recoverable amount of these CGUs is calculated as the present value of the expected future cash flows from such assets, considering a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of the assets is lower than their carrying amount, an impairment loss is recognized.

The Corporation defines the CGUs and also estimates the timing and cash flows that such CGUs will generate. Subsequent changes in the grouping of the CGU, or changes in the assumptions supporting the estimates of cash flows or the discount rate, may impact the carrying amounts of the corresponding assets.

Estimates of assumptions influencing the calculation of cash flows, such as the price of copper or treatment charges and refining charges, among others, are determined based on studies conducted by the Corporation using uniform criteria over different periods. Any changes to these criteria may impact the estimated recoverable amount of the assets.

The Corporation has assessed and defined that the CGUs are determined at the level of each of its current operating divisions (see Segment footnote).

Impairment testing also is performed at subsidiaries and associates.

d) **Provisions for decommissioning and site restoration costs -** The Corporation is obliged to incur decommissioning and site restoration costs when such site restoration or decommissioning is required due to a legal or constructive obligation. Costs are estimated on the basis of a formal closure plan and are reassessed annually or as of the date such obligations become known. The initial estimate of decommissioning and site restoration costs is recognized as property, plant and equipment in accordance with IAS 16, and simultaneously a liability in accordance with IAS 37, is recorded.

For these purposes, a defined list of mine sites, facilities and other equipment are studied under this process, considering the engineering level profile, the cubic meters of assets that will be subject to removal and restoration, weighted by a structure of market prices of goods and services, reflecting the best current knowledge related to carrying out such activities, as well as techniques and more efficient construction procedures to date. In the process of valuation of these activities, the assumptions of the exchange rate for tradable goods and services is made, as well as a discount rate, which considers the time value of money and the risks associated with the liabilities, which is determined based, where applicable, on the currency in which disbursements are expected to be made.

The liability amounts recognized at the end of each reporting date represent management's best estimate of the present value of the future decommissioning and site restoration costs. Changes to estimated future costs that result from changes in the estimated timing or amount of the outflow of resources embodying economic benefits required to settle the obligation, or a change in the discount rate are added to, or deducted from, the cost of the related asset in the current period (as well as the associated liability). The amount deducted from the cost of the asset shall not exceed its carrying amount. If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognized immediately in profit or loss.

If the adjustment results in an addition to the cost of the asset, Codelco considers whether this is an indicator that the new carrying amount of the asset may not be fully recoverable. If it is considered such an indicator, Codelco tests the asset for impairment by estimating its recoverable amount, and accounts for any impairment loss in accordance with IAS 36.

The decommissioning costs are initially recorded at the moment when a plant or other assets are installed. Such costs are capitalized as part of property, plant and equipment and discounted to their present value. These decommissioning costs are charged to net income over the life of the mine, through depreciation of the corresponding asset. Depreciation expense is included in cost of sales, while the unwinding of the discount in the provision is included in finance costs.

e) **Provisions for employee benefits –** Provisions for employee benefits related to severance payments and health benefits for services rendered by the employees are determined based on actuarial calculations using the projected unit credit method, and are recognized in other comprehensive income or profit or loss (depending on the accounting standards applicable).on an accrual basis..

The Corporation uses assumptions to determine the best estimate of future obligations related to these benefits. Such estimates, as well as assumptions, are determined by management using the assistance of external actuaries. These assumptions include demographic assumptions, discount rate and expected salary increases and rotation levels, among other factors.

f) **Accruals for open invoices -** The Corporation uses information on future copper prices, through which it recognizes adjustments to its revenues and trade receivables, due to the conditions in provisional pricing arrangements. These adjustments are updated on a monthly basis, See Notes 2 r) “Revenue from contracts with customers” of Note 2 “Significant accounting policies” below.

g) **Fair value of derivatives and other financial instruments -** Management may use its judgment to choose an adequate and proper valuation method for financial instruments that are not quoted in an active market. In the case of derivative financial instruments, assumptions are based on observable market inputs, adjusted depending on factors specific to the instruments among others.

h) **Lawsuits and contingencies -** The Corporation assesses the probability of lawsuits and contingency losses on an ongoing basis according to estimates performed by its legal advisors. For cases in which management and the Corporation’s legal advisors believe that a loss is not probable of occurring or where probable, may not be estimated reliably, no provisions are recognized. When it is considered more likely than not that a loss is probable and it may be reliably estimated, a provision is recognized.

i) Application of IFRS 16 includes the following:

- Estimation of the lease term;
- Determine if it is reasonably certain that an extension or termination option will be exercised;
- Determination of the appropriate rate to discount lease payments.

j) Revenue recognition –The Corporation determines appropriate revenue recognition for its contracts with customers by analyzing the type, terms and conditions of each contract or agreement with a customer.

As part of the analysis, the management must make judgments about whether an agreement or contract is legally enforceable, and whether the agreement includes separate performance obligations. In addition, estimates are required in order to allocate the total price of the transaction to each performance obligation based on the stand-alone selling price of the promised goods or services underlying each performance obligation. (The Corporation applies the constraint on variable consideration as defined in IFRS 15, if applicable).

Although the abovementioned estimates have been made based on the best information available as of the date of issuance of these consolidated financial statements, it is possible that new developments could lead the Corporation to modify these estimates in the future. Such modifications, if applicable, would be adjusted prospectively, as required by IAS 8 "*Accounting Policies, Changes in Accounting Estimates and Errors*."

2. Significant accounting policies

a) Period covered - The accompanying consolidated financial statements of Corporación Nacional del Cobre de Chile include the following statements:

- Consolidated statements of financial position as of December 31, 2020 and 2019.
- Consolidated statements of comprehensive income for the years ended December 31, 2020 and 2019.
- Consolidated statements of changes in equity for the years ended December 31, 2020 and 2019.
- Consolidated statements of cash flows for the years ended December 31, 2020 and 2019.

b) Basis of preparation - The consolidated financial statements of the Corporation as of December 31, 2020 and 2019, and for the years ended December 31, 2020 and 2019 have been prepared in accordance with the instructions from the Commission for the Financial Market which fully comply with IFRS as issued by the IASB.

The consolidated statement of financial position as of December 31, 2019, and the consolidated statement of income, the consolidated statement of changes in equity and consolidated statement of cash flows for year ended December 31, 2019, which are included for comparative purposes, have been prepared in accordance with IFRS issued by the IASB, on a basis consistent with the criteria used for the same year ended December 31, 2020, except for the adoption of the new IFRS standards and interpretations adopted by the Corporation as of and for the years ended December 31, 2020, which are disclosed in note II.3.

These consolidated financial statements have been prepared based on the accounting records kept by the Corporation.

c) Functional Currency - The functional currency of Codelco is the U.S. dollar, which is the currency of the primary economic environment in which the Corporation operates and the currency in which it receives its revenues.

The functional currency of subsidiaries, associates and joint ventures, is the currency of the primary economic environment in which those entities operate and the currency in which they receive their revenues. For those subsidiaries and associates that are an extension of the operations of Codelco (entities that are not self-sustaining and whose main transactions are with Codelco); the functional currency is also the U.S. dollar.

The presentation currency of Codelco's consolidated financial statements is the U.S. dollar.

d) Basis of consolidation - The consolidated financial statements incorporate the financial statements of the Corporation and its subsidiaries.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Corporation obtains control, and continue to be consolidated until the date such control ceases. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement from the date the Corporation gains control until the date when the Corporation ceases to control the subsidiary.

The financial statements of the subsidiaries are prepared for the same reporting period as the Corporation, using consistent accounting policies.

All assets, liabilities, equity, income, expenses and cash flows related to transactions between consolidated companies are fully eliminated on consolidation. Non-controlling interests in equity and in the comprehensive income of the consolidated subsidiaries are presented, respectively, under the line items “Total Equity: Non-controlling interests” in the consolidated statement of financial position and “Net income attributable to non-controlling interests” and “Comprehensive income attributable to non-controlling interests” in the consolidated statement of comprehensive income.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

The companies included in the consolidation are as follows:

Taxpayer ID Number	Company	Country	Currency	12/31/2020			12/31/2019
				% Ownership			% Ownership
				Direct	Indirect	Total	Total
Foreign	Chile Copper Limited	England	GBP	100.00	-	100.00	100.00
Foreign	Codelco do Brasil Mineracao	Brazil	BRL	-	100.00	100.00	100.00
Foreign	Codelco Group Inc.	United States of America	US$	100.00	-	100.00	100.00
Foreign	Codelco International Limited	Bermuda	US$	100.00	-	100.00	100.00
Foreign	Codelco Kupferhandel GmbH	Germany	EUR	100.00	-	100.00	100.00
Foreign	Codelco Metals Inc.	United States of America	US$	-	100.00	100.00	100.00
Foreign	Codelco Services Limited	England	GBP	-	100.00	100.00	100.00
Foreign	Codelco Shanghai Company Limited	China	RMB	100.00	-	100.00	100.00
Foreign	Codelco USA Inc.	United States of America	US$	-	100.00	100.00	100.00
Foreign	Codelco Canada	Canada	US$	0.97	99.03	100.00	100.00
Foreign	Ecometales Limited	Channel Islands	US$	-	100.00	100.00	100.00
Foreign	Exploraciones Mineras Andinas Ecuador EMSAEC S.A.	Ecuador	US$	-	100.00	100.00	100.00
Foreign	Cobrex Prospeccao Mineral	Brazil	BRL	-	51.00	51.00	51.00
78.860.780-6	Compañía Contractual Minera los Andes	Chile	US$	99.97	0.03	100.00	100.00
81.767.200-0	Asociación Garantizadora de Pensiones	Chile	CLP	96.69	-	96.69	96.69
88.497.100-4	Clínica San Lorenzo Limitada	Chile	CLP	99.90	0.10	100.00	100.00
96.817.780-K	Ejecutora Proyecto Hospital del Cobre Calama S.A.	Chile	US$	99.99	0.01	100.00	100.00
96.819.040-7	Complejo Portuario Mejillones S.A.	Chile	US$	99.99	0.01	100.00	100.00
96.991.180-9	Codelco Tec SpA	Chile	US$	99.91	0.09	100.00	100.00
99.569.520-0	Exploraciones Mineras Andinas S.A.	Chile	US$	99.90	0.10	100.00	100.00
99.573.600-4	Clínica Río Blanco S.A.	Chile	CLP	99.00	1.00	100.00	100.00
76.064.682-2	Centro de Especialidades Médicas Río Blanco Ltda.	Chile	CLP	99.00	1.00	100.00	100.00
77.773.260-9	Inversiones Copperfield SpA	Chile	US$	100.00		100.00	100.00
76.043.396-9	Innovaciones en Cobre S.A.	Chile	US$	0.05	99.95	100.00	100.00
76.148.338-2	Sociedad de Procesamiento de Molibdeno Ltda.	Chile	US$	99.95	0.05	100.00	100.00
76.173.357-5	Inversiones Gacrux SpA	Chile	US$	100.00	-	100.00	100.00
76.231.838-5	Inversiones Mineras Nueva Acrux SpA	Chile	US$	-	67.80	67.80	67.80
76.237.866-3	Inversiones Mineras Los Leones SpA	Chile	US$	100.00	-	100.00	100.00
76.173.783-K	Inversiones Mineras Becrux SpA	Chile	US$	-	67.80	67.80	67.80
76.124.156-7	Centro de Especialidades Médicas San Lorenzo Ltda.	Chile	US$	-	100.00	100.00	100.00
76.255.061-K	Central Eléctrica Luz Minera SpA	Chile	US$	100.00	-	100.00	100.00
70.905.700-6	Fusat	Chile	CLP	-	-	-	-
76.334.370-7	Isalud Isapre de Codelco Ltda.	Chile	CLP	59.26	40.73	99.99	99.99
78.394.040-K	Centro de Servicios Médicos Porvenir Ltda.	Chile	CLP	-	99.00	99.00	99.00
77.928.390-9	Inmobiliaria e Inversiones Rio Cipreces Ltda.	Chile	CLP	-	99.90	99.90	99.90
77.270.020-2	Prestaciones de Servicios de la Salud Intersalud Ltda.	Chile	CLP	-	99.00	99.00	99.00
76.754.301-8	Salar de Maricunga SpA	Chile	CLP	100.00	-	100.00	100.00

On July 15, 2019, according to Bermuda Registration Certificate No. 28890, the merger between Codelco Technologies and Codelco International was reported, the latter being the absorbing company of Codelco Technologies, through which transaction it acquired 9.99 % of subsidiary Codelco Brasil Mineracao and 100% of Ecometales Limited.

On December 2, 2019, by public deed, a merger by incorporation was approved for the following subsidiaries, all of them providing health insurance: , Institución de Salud Previsional Chuquicamata Ltda., San Lorenzo Institución de Salud Previsional Ltda., Institución de Salud Previsional Río Blanco Ltda., and Institución de Salud Previsional Fusat Ltda., being the latter the absorbing and surviving company. In addition, a modification to the statutes was approved in relation to a change in the company name, capital increase, and ownership of the share capital.

For the purposes of these consolidated financial statements, subsidiaries, associates, acquisitions and disposals are defined as follows:

- **Subsidiaries -** A subsidiary is an entity over which the Corporation has control. Control is exercised if, and only if, the following conditions are met: the Corporation has i) power to direct the relevant activities of the subsidiaries unilaterally; ii) exposure or rights to variable returns from these entities; and iii) the ability to use its power to influence the amount of these returns.
  The Corporation reassesses whether or not it controls a subsidiary if facts and circumstances indicate that there are changes to one or more of the elements of control listed above.

  The consolidated financial statements include all assets, liabilities, revenues, expenses and cash flows of Codelco and its subsidiaries, after eliminating all inter-company balances and transactions.

  The value of the participation of non-controlling shareholders in equity, net income and comprehensive income of subsidiaries are presented, respectively, in the headings "Non-controlling interests" of the consolidated statement of financial position; "Net income attributable to non-controlling interests"; and “Comprehensive income attributable to non-controlling interests” in the statements of comprehensive income.

- **Associates -** An associate is an entity over which Codelco has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the associate but is not control or joint control over those policies.

  Codelco’s interest ownership in associates is recognized in the consolidated financial statements under the equity method. Under this method, the initial investment is recognized at cost and adjusted thereafter to recognize changes in Codelco’s share of the comprehensive income of the associate, less any impairment losses or other changes to the investment in net assets of the associate.

  Appropriate adjustments to the Codelco’s share of the associate’s profit or loss after acquisition are made in order to account for depreciation of the depreciable assets and related deferred tax balances based on their fair values at the acquisition date.

- **Acquisitions and Disposals -** The results of businesses acquired are incorporated in the consolidated financial statements from the date when control is obtained; the results of businesses sold during the period are included in the consolidated financial statements up to the effective date of disposal. Gains or losses on disposal is the difference between the sale proceeds (net of expenses) and the carrying amount of the net assets attributable to the ownership interest that has been sold (and, where applicable, the associated cumulative translation adjustment).

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

If control is lost over a subsidiary, the retained ownership interest in the investment will be recognized at its fair value.

At the acquisition date of an investment in a subsidiary, associate or joint venture, any excess of the cost of the investment (consideration transferred) plus the amount of the non-controlling interest in the acquiree plus the fair value of any previously held equity interest in the acquiree, where applicable, over Codelco's share of the net fair value of the identifiable assets and acquired liabilities is recognized as goodwill. Any excess of Codelco´s share of the net fair value of the identifiable assets and acquired liabilities over the consideration transferred, after reassessment, is recognized immediately in profit or loss in the period in which the investment is acquired.

e) Foreign currency transactions and reporting currency conversion- Transactions in currencies other than the Corporation's functional currency are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, foreign currency transactions denominated in foreign currencies are converted at the rates prevailing at that date. Exchange differences on such transactions are recognized in profit or loss in the period in which they arise and are included in line item "Foreign exchange differences" in the consolidated statement of comprehensive income.

At the end of each reporting period, assets and liabilities denominated in Unidades de Fomento (UF or inflation index-linked units of account) are translated into U.S. dollars at the closing exchange rates at that date (12/31/2020: US$40.89; 12/31/2019: US$37.81). The expenses and revenues in Chilean pesos have been expressed in dollars at the observed exchange rate, corresponding to the date of the accounting recording of each operation.

The financial statements of subsidiaries, associates and jointly controlled entities, whose functional currency is other than the presentation currency of Codelco, are translated as follows for purposes of consolidation:

- Assets and liabilities are translated using the prevailing exchange rate on the closing date of the financial statements.
- Income and expenses for each statement of comprehensive income are translated at average exchange rates for the period.
- All resulting exchange differences are recognized in other comprehensive income and accumulated in equity under the heading "Reserve on exchange differences on translation."

The exchange rates used in each reporting period were as follows:

Relation	Closing exchange ratios	
	12/31/2020	12/31/2019
US$ / CLP	0.00141	0.00134
US$ / GBP	1.36036	1.31320
US$ / BRL	0.19317	0.24910
US$ / EUR	1.22835	1.12133
US$ / AUD	0.76781	0.70018
US$ / HKD	0.12900	0.12844

f) Offsetting balances and transactions - In general, assets and liabilities, income and expenses, are not offset in the financial statements, unless required or permitted by an IFRS or when offsetting reflects the substance of the transaction as well as when it is the intention of the Corporation to settle a transaction net.

Income or expenses arising from transactions which, for contractual or legal reasons, permit the possibility of offsetting and which the Corporation intends to liquidate for their net value or realize the assets and settle the liabilities simultaneously, are stated net in the statement of comprehensive income.

g) Property, plant and equipment and depreciation – Items of property, plant and equipment are initially recognized at cost. Subsequent to initial recognition, they are measured at cost, less any accumulated depreciation and any accumulated impairment losses.

Extension, modernization or improvement costs that represent an increase in productivity, capacity or efficiency, or an increase in the useful life of the assets are capitalized as increasing the cost of the corresponding assets.

The assets included in property, plant and equipment are depreciated, as a general rule, using the units of production method, when the activity performed by the asset is directly attributable to the mine production process. All other assets included in property, plant and equipment are depreciated using the straight-line method.

The assets included in property, plant and equipment and certain intangibles (software) are depreciated over their economic useful lives, as described below:

Category	Useful Life
Land	Not depreciated
Land on mine site	Units of production
Buildings	Straight-line over 20-50 years
Buildings in underground mine levels	Units of production level
Vehicles	Straight-line over 3-7 years
Plant and equipment	Units of production
Smelters	Units of production
Refineries	Units of production
Mining rights	Units of production
Support equipment	Units of production
Intangibles – Software	Straight-line over 8 years
Open pit and underground mine development	Units of production

Estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and any change in estimates is recognized prospectively.

Additionally, depreciation methods and estimated useful lives of assets, especially plants, facilities and infrastructure may be revised at the end of each year or during the year according to changes in the structure of reserves of the Corporation and productive long-term plans updated as of that date.

This review may be made at any time if the conditions of ore reserves change significantly as a result of new known information, confirmed and officially released by the Corporation.

Gains or losses on the sale of disposal of an asset are calculated as the difference between the net disposal proceeds received and the carrying amount of the asset, and are included in profit or loss when the asset is derecognized.

Construction in progress includes the amounts invested in the construction of property, plant and equipment and in mining development projects. Construction in progress is transferred to assets in operation once the testing period has ended and when they are ready for use; at that point, depreciation begins to be recognized.

Borrowing costs that are directly attributable to the acquisition or construction of assets that require a substantial period of time before they are ready for use or sale are capitalized as part of the cost of the corresponding items of property, plant and equipment.

The ore deposits owned by the Corporation are recorded in the accounting records at US$1. Notwithstanding the above, those reserves and resources acquired as part of acquisition of entities accounted for as business combinations, are recognized at their fair value.

h) Intangible assets - The Corporation initially recognizes these assets at acquisition cost. Subsequent to initial recognition, intangible assets are amortized in a systematic way over their economic useful life, except for those assets with indefinite useful life, which are not amortized. Indefinitely-lived intangible assets are tested for impairment at least annually, and whenever there is an indication that these assets may be impaired. Definitely-lived intangible assets are tested for impairment when an indicator of impairment has been identified. At the end of each reporting period, these assets are measured at their cost less any accumulated amortization (when applicable) and any accumulated impairment losses.

The main intangible assets are described as follows:

Research and Technological Development and Innovation Expenditures: The expenditures for the development of Technology and Innovation Projects are recognized as intangible assets at their cost and are considered to have indefinite useful lives.

Development expenses for technology and innovation projects are recognized as intangible assets at cost, if and only if, all of the following have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will available for use or sale;
- The intention to complete the intangible asset is to use or sell it;
- The ability to use or sell the intangible asset;

- That the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

Research expenses for technology and innovation projects are recognized in profit or loss when incurred.

i) Impairment of property, plant and equipment and intangible assets – The carrying amounts of property, plant and equipment and intangible assets with finite useful lives are reviewed to determine whether there is an indication that those assets have suffered an impairment loss. If any such indicator exists, the Corporation estimates the asset's recoverable amount to determine the extent of the impairment loss which is then recorded.

For intangible assets with indefinite useful lives, their recoverable amounts are annually estimated at the end of each reporting period.

When an asset does not generate cash flows that are independent from other assets, Codelco determines the recoverable amount of the CGU to which the asset belongs.

The Corporation has defined each of its divisions as a cash generating unit.

Recoverable amount of an asset is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. On the other hand, the fair value less cost of disposal is usually determined for operational assets considering the Life of Mine ("LOM"), based on a model of discounted cash flows, while the assets not included in LOM as resources and potential resources to exploit are measured by using a market model of multiples for comparable transactions.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, an impairment loss is recognized immediately in profit or loss, reducing the carrying amount to its recoverable amount. If an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or CGU in prior years.

The estimates of future cash flow for a CGU are based on future production forecasts, future prices of basic products and future production costs. Under IAS 36 "*Impairment of Assets",* there are certain restrictions for future cash flows estimates related to future restructurings and future cost efficiencies. When calculating value in use, it is also necessary to base the calculations on the spot exchange rate at the date of calculation.

j) Expenditures for exploration and evaluation of mineral resources, mine development and mining operations - The Corporation has defined an accounting policy for each of these expenditures.

Development expenses for deposits under exploitation whose purpose is to maintain production levels are recognized in profit or loss when incurred.

Exploration and evaluation costs such as: drillings of deposits, including expenses necessary to locate new mineralized areas and engineering studies to determine their potential for commercial exploitation are recognized in profit or loss, normally at the pre-feasibility stage.

Pre-operating and mine development expenses (normally after feasibility engineering is reached) incurred during the execution of a project and until its start-up are capitalized and amortized in relation to the future production of the mine. These costs include stripping of waste material, constructing the mine's infrastructure and other works carried out prior to the production phase.

Finally, costs for defining of new areas or deposit areas in exploitation and of mining operations (PP&E) are recognized in property, plant and equipment and are amortized through profit or loss over the period during which the benefits are obtained.

k) Stripping costs - Costs incurred in removing mine waste materials (overburden) in open pits that are in production, that provide access to mineral deposits, are recognized in property, plant and equipment, when the following criteria set out in IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine are met:

- It is probable that the future economic benefits associated with the stripping activity will flow to the entity.
- It is possible to identify the components of an ore body for which access has been improved as a result of the stripping activity.
- The costs relating to that stripping activity can be measured reliably.

The stripping costs are amortized based on the production units of production extracted from the ore body related to the specific stripping activity which generated this amount.

l) Income taxes and deferred taxes - Codelco and its Chilean subsidiaries recognize annually income taxes based on the net taxable income determined as per the standards established in the Income Tax Law and Article 2 of D.L. 2398, as well as, the specific tax on mining referred to in Law 20026 of 2005. Its foreign subsidiaries recognize income taxes according to the tax regulations in each country.

In addition, Codelco's taxable income in each period is subject to the tax regime established in Article 26 of D.L. No. 1350, which states that tax payments will be made on March, June, September and December of each year, based on a provisional tax calculation.

Deferred taxes on temporary differences and other events that generate differences between the accounting and tax bases of assets and liabilities are recognized in accordance with IAS 12 "*Income taxes*."

Deferred taxes are also recognized for undistributed profits of subsidiaries and associates, originated by withholding tax rates on remittances of dividends paid out by such companies to the Corporation.

m) Inventories - Inventories are measured at cost, when such does not exceed net realizable value. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale (i,e,, marketing, sales and distribution expenses). Costs of inventories are determined according to the following methods:

- Finished products and products in process: These inventories are measured at their average production cost determined using the absorption costing method, including labor, depreciation of fixed assets, amortization of intangibles and indirect costs of each period. Inventories of products in process are classified in current and non-current, according to the normal cycle of operation.

- Materials in warehouse: These inventories are measured at their acquisition cost. The Corporation estimates an allowance for obsolescence considering the turnover rate of slow-moving materials in the warehouse.

- Materials in transit: These inventories are measured at cost incurred at the end of reporting period. Any difference as a result of an estimate of net realizable value of the inventories lower than it carrying amount is recognized in profit or loss.

n) Dividends – In accordance with Article 6 of D.L. 1350, the Corporation has a mandatory obligation to distribute its net income as presented in the financial statements. The payment obligation is recognized on an accrual basis.

o) Employee benefits - Codelco recognizes a provision for employee benefits when there is a present obligation (legal or constructive) as a result of services rendered by its employees.

The employment contracts stipulate, subject to compliance with certain conditions, the payment of an employee severance indemnity when an employment contract ends. In general, this corresponds to one monthly salary per year of service and considers the components of the final remuneration which are contractually defined as the basis for the indemnity. This employee benefit has been classified as a defined benefit plan.

Codelco has also agreed to post-employment medical care benefits for certain retirees, which are paid based on a fixed percentage covered by this agreement. This employee benefit has been classified as a defined benefit plan.

These plans continue to be unfunded as of December 31, 2020.

The employee severance indemnity and the post-employment medical plan obligations are determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. The defined benefit plan obligations recognized in the statement of financial position represent the present value of the accrued obligations. Actuarial gains and losses are recognized immediately in other comprehensive income and will not be reclassified to profit or loss.

The Corporation's management uses assumptions to determine the best estimate of these benefits. The assumptions include an annual discount rate, expected increases in salaries and turnover rate, among other factors.

In accordance with its operating optimization programs to reduce costs and increase labor productivity by incorporating new current technologies and/or better management practices, the Corporation has established employee retirement programs by amending certain employment contracts or collective union agreements to include benefits encouraging employees to early retire. Accordingly, these arrangements are accounted for as early retirement benefits and required accruals are established based on the accrued obligation at current value. In case of employee retirement programs which involve multi-year periods, the accrued obligations are updated using a discount rate determined based on financial instruments denominated in the same currency and similar maturities that will be used to pay the obligations.

p) Provisions for decommissioning and site restoration costs - The Corporation is obliged to incur decommissioning and site restoration costs when such site restoration or decommissioning is required due to a legal or constructive obligation. Costs are estimated on the basis of a formal closure plan and cost estimates are annually reviewed.

A provision is recognized for decommissioning and site restoration costs. The amount of the provision is the present value of the expenditures expected to be required to settle the obligation. The provision is initially recognized with a corresponding increase in the carrying amount of the related assets.

The provision for decommissioning and site restoration costs is accreted over time to reflect the unwinding of the discount with the accretion expense included in finance costs in the statement of income. The carrying amount of the related asset is depreciated over its useful life.

Changes in the measurement of the decommissioning and site restoration provision that result from changes in the estimated timing or amount of the outflow of resources embodying economic benefits required to settle the obligation, or a change in the discount rate, are added to, or deducted from, the cost of the related assets in the period when changes occurred. The amount deducted from the cost of the related assets cannot exceed it carrying amount. If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognized immediately in profit or loss.

If the adjustment results in an addition to the cost of an asset, the Corporation considers whether this is an indication that the new carrying amount of the asset may not be fully recoverable. If such an indicator exists, the Corporation tests the asset for impairment by estimating its recoverable amount, and recognizes an impairment loss, if any.

The effects of the updating of the liability, due to the effect of the discount rate and / or passage of time, is recorded as a financial expense.

q) Leases -The Corporation evaluates its contracts at initial application to determine whether they contain a lease. The Corporation recognizes an right of use asset and a corresponding liability for lease with respect to all lease agreements in which Codelco is the lessee, except for short-term leases (defined as a lease with a lease term of 12 months or less) and leases of low-value assets. For these leases, the Corporation recognizes lease payments as an operating cost on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which the economic benefits of the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that have not been paid at the commencement date, discounted using the interest rate implicit in the lease. If this rate cannot be easily determined, the Corporation uses the incremental borrowing rate.

The incremental rate for loans used by Codelco is determined by estimating the interest rate that the Corporation would have to pay for borrowing the necessary funds to obtain an asset of an equivalent nature similar in value to the right-of-use asset of the respective lease, in a similar economic environment over a similar term.

Lease payments included in the measurement of the lease liability mainly include fixed payments, variable payments that depend on an index or a rate and the exercise price of a purchase option. Variable payments that do not depend on an index or a rate are excluded.

The lease liability is subsequently measured as follows: the carrying amount increased to reflect the interest on the lease liability (using the effective rate method) and the carrying amount is reduced to reflect the lease payments made.

The Corporation revalues the lease liability as to the discount rate (and makes the corresponding adjustments to the asset for respective right of use) when:

- There is a change in the term of the lease or;
- There is a change in the assessment of an option to purchase the underlying asset or;
- There is a change in an index or rate which generates a change in cash flows.

The right-of-use assets include the amount of the initial measurement of the lease liability, the lease payments made before or until the start date less the lease incentives received and any initial direct costs incurred. The right to use assets are subsequently measured at cost less accumulated depreciation and accumulated losses due to impairment.

When the Corporation incurs a cost obligation to dismantle or remove a leased asset, restore the location in which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured in accordance with IAS 37. Costs are included in the corresponding right of use asset, unless those costs are incurred to produce inventories.

The right-of-use assets are depreciated during the shorter period between the term of the lease and the useful life of the underlying asset. If a lease transfers the ownership of the underlying asset or the cost of the right of use asset reflects that the Corporation expects to exercise its option to purchase, the right-of-use asset is depreciated over the useful life of the underlying asset. Depreciation is made from the start date of the lease.

The Corporation applies IAS 36 to determine if a right of use asset is impaired and recognizes any impairment loss identified, as described in the accounting policy for “Property, plant and equipment.”

As of the date of consolidated financial statements June 2020, the right-of-use assets and the lease liability are represented in specific items for such concepts within the consolidated statements of financial position, therefore the comparative balances as of December 31, 2019 have been reclassified from the headings "Property, plant and equipment" and "Other financial liabilities" to their respective specific headings.

r) Revenue from Contracts with Customers - Revenue is recognized in an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to customers.

- **Sale of mineral goods and / or by-products:** Contracts with customers for the sale of mineral goods and / or by-products include the performance obligation for the delivery of the physical goods and the associated transportation service, at the place agreed with the customers. The Corporation recognizes revenue from the sale of goods when the performance obligation is satisfied according to the shipment or dispatch of the products, in accordance with the agreed conditions, such revenue being subject to variations related to the content and / or sale price at the date of its liquidation. Notwithstanding the foregoing, there are some contracts where the performance obligation is satisfied when there is receipt of the product (FOB ship point) instead of the buyer's corresponding destination, thus recognizing revenue at the time of said transfer. When services of transport of goods are provided, the Corporation recognizes revenue when the service obligation is satisfied.

  Sales that have discounts associated with volume subject to compliance with goals are recognized net, estimating the probability that the volume target will be reached.

  Sales contracts include a provisional price at the shipment date. The final price is generally based on the London Metals Exchange ("LME") price. Revenue from sales of copper is measured using estimates of the future spread of metal prices on the LME and/or the spot price at the date of shipment, with subsequent adjustments made upon final pricing recognized as revenue. The terms of sales contracts with customers contain provisional pricing arrangements whereby the selling price for metal concentrate is based on prevailing spot prices on a specified future date after shipment to the customer (the “quotation period”). Consequently, the final price is set at the dates indicated in the contracts. Adjustments to provisional sale prices occur based on movements in quoted market prices on the LME up to the date of final pricing. The period between provisional invoicing and final pricing is typically between one and nine months. Changes in fair value over the quotation period and until final pricing are estimated by reference to forward market prices for applicable metals.

In terms of hedge accounting established by IFRS 9, the Corporation has opted to continue applying the hedge accounting requirements of IAS 39 instead of the requirements of the new standard. Therefore, there were no generated effects either at the level of account balances or at the level of disclosures.

As indicated in the note related to hedging policies in the market of metal derivatives, the Corporation enters into operations in the market of metal derivatives. Gains and losses from those which are fair value hedges contracts are recognized as revenues.

- **Rendering of services:** Additionally, the Corporation recognizes revenue for rendering services, which are mainly related to the processing of minerals bought from third parties. Revenue from rendering of services is recognized when the amounts can be measured reliably and when the services have been provided.

s) Derivative contracts - Codelco uses derivative financial instruments to reduce the risk of fluctuations in sales prices of its products and of exchange rates.

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently measured to their fair value at the end of each reporting period.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in other comprehensive income and accumulated in equity under the item "Cash flow hedge reserve." The gain or loss relating to the ineffective portion is immediately recognized in profit or loss and included in the "Finance cost" or "Finance income" line items. Amounts previously recognized in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the effect for the fluctuation in the recognized hedged item.

A hedge relationship is considered highly effective when changes in fair value or in cash flows of the underlying item directly attributable to the hedged risk are offset by changes in fair value or cash flows of the hedging instrument, with an effectiveness ranging from 80% to 125%. Changes in fair value accumulated in other comprehensive income are subsequently reclassified from equity to profit or loss in the same period or periods during which the hedged item affects profit or loss. Upon discontinuation of hedge accounting and depending on the circumstances, the cumulative gain or loss on the hedging instrument remains in equity until the hedged transaction occurs or, if the hedged transaction is not expected to occur, the amount accumulated in other comprehensive income is reclassified to profit or loss.

The total fair value of hedging derivatives is classified as "non-current financial asset or liability", if the remaining maturity of the hedged item is greater than 12 months, and as "current financial asset or liability", if the remaining maturity of the hedged item is less than 12 months.
The derivative contracts held by the Corporation have been entered into to apply the risk hedging policies and are accounted for as indicated below:

- ***Hedging policies for exchange rate risk:*** The Corporation enters into exchange rate derivatives to hedge exchange rate variations between the U.S. dollar and the currencies of transactions the Corporation undertakes. In accordance with the policies established by the Board of Directors, these hedge transactions are only entered into when there are recognized assets or liabilities, forecasts of highly probable transactions or firm commitments. The Corporation does not enter into derivative transactions for non-hedging purposes.

- ***Hedging policies for metal market prices risk:*** In accordance with the policies established by the Board of Directors, the Corporation entered into derivative contracts to reduce the inherent risks in the fluctuations of metal prices.

  The hedging policies seek to cover expected cash flows from the sale of products by fixing the sale prices for a portion of future production. When the sales agreements are fulfilled and the derivative contracts are settled, the results from sales and derivative transactions are offset in profit or loss in revenue.

  Hedging transactions carried out by the Corporation in the metal derivatives market are not undertaken for speculative purposes.

- ***Embedded derivatives:*** The Corporation has established a procedure that allows for evaluation of the existence of embedded derivatives in financial and non-financial contracts. Where there is an embedded derivative, and the host contract is not a financial instrument and the characteristics and risks of the embedded derivative are not closely related to the host contract, the derivative is required to be recognized separately.

t) Financial information by segment – The Corporation has defined its Divisions as its operating segments in accordance with the requirements of IFRS 8, Operating Segments. The mining deposits in operation, where the Corporation conducts its extractive and processing activities are managed by the following Divisions: Chuquicamata, Radomiro Tomic, Ministro Hales, Gabriela Mistral, Salvador, Andina and El Teniente, In addition, the smelting and refining activities are managed at the Ventanas Division. All these Divisions have a separate operational management, which reports to the Chief Executive Officer, through the North and South Central Vice-President of Operations, respectively. Income and expenses of the Head Office are allocated to the defined operating segments.

u)Presentation of Financial Statements - The Corporation presents (i) its statements of financial position classified as "current and non-current", (ii) profit or loss and other comprehensive income in one statement and the classification of expenses within profit or loss by function, and (iii) its statement of cash flows using the direct method.

v) Current and non-current financial assets - The Corporation determines the classification of its financial assets at the time of initial recognition. The classification depends on the business model in which the investments are managed and the contractual characteristics of their cash flows.

The Corporation's financial assets are classified into the following categories:

- ***Fair value through profit or loss***:

  Initial recognition: This category includes those financial assets not qualifying under the categories of Fair Value through Other Comprehensive Income or Amortized Cost. These instruments are initially recognized at fair value.

  Subsequent recognition: Their subsequent recognition is at fair value, recording in the consolidated statement of comprehensive income, in the line "Other gains (losses)" any changes in fair value.

- ***Amortized cost***:

  Initial recognition: This category includes those instruments with respect to which the objective of the business model of the Corporation is to hold the financial instrument to collect contractual cash flows and such cash flows consist of solely of payments of principal and interest. This category includes certain Trade and other current receivables, and the personnel loans included in other non-current financial assets.

  Subsequent recognition: These instruments are subsequently measured at amortized cost using the effective interest method. The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any impairment allowance.

  Interest income is recognized in profit or loss and is calculated by applying the effective interest rate to the gross carrying amount of a financial asset. For financial assets measured at amortized cost that are not part of a designated hedging relationship, exchange differences are recognized in profit or loss in the "Foreign exchange difference" line item.

- ***At fair value through other comprehensive income:***

  Initial measurement: Financial assets that meet the criteria "Solely payments of principal and interest" (SPPI) are classified in this category and must be maintained within a business model both to collect the cash flows and to sell the financial assets. These instruments are initially recognized at fair value.

  Subsequent recognition: Their subsequent valuation is at fair value. Interest income calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognized in income. Other net gains and losses are recognized in other comprehensive income. On derecognition, the gains and losses accumulated in other comprehensive income for debt instruments are reclassified to income. Codelco did not irrevocably choose to designate any equity financial instruments (assets) at fair value with effect on other comprehensive income.

w) Financial liabilities - Financial liabilities are initially recognized at fair value net of transaction costs. Subsequent to their initial recognition, the valuation of the financial liabilities will depend on their classification, within which the following categories are distinguished:

- **Financial liabilities at fair value through profit or loss:** This category includes financial liabilities defined as held for trading.

  Changes in fair value associated with own credit risk are recorded in other comprehensive income unless doing so creates an accounting mismatch.

- **Financial liabilities at amortized cost:** This category includes all financial liabilities other than those measured at fair value through profit or loss.

  The Corporation includes in this category bonds, obligations and other current payables.

  These financial liabilities are measured using the effective interest rate method, recognizing interest expense based on the effective rate.

  The effective interest rate method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

  Trade and other current payables are financial liabilities that do not explicitly accrue interest and are recognized at their nominal value, which approximates its fair value.

  Financial liabilities are derecognized when the liabilities are paid or expire.

x) Impairment of financial assets - The Corporation measures the loss allowance at an amount equal to lifetime expected credit losses for certain of its trade receivables. For these, it uses the simplified approach as required under IFRS 9. The Corporation considers a trade receivable to be in default at 90 days.

The provision matrix is based on an entity's historical credit loss experience over the expected life of such trade receivables and is adjusted for forward-looking estimates taking into account the most relevant macroeconomic factors that affect bad debts.

Other accounts receivable and other financial assets are reviewed using reasonable and sustainable information that is available without cost or disproportionate effort in accordance with IFRS 9 to determine the credit risk of the respective financial assets.
The Corporation writes off accounts receivable when all efforts to collect have been exhausted.

y) Cash and cash equivalents and statement of cash flows prepared using the direct method - The statement of cash flows reflects changes in cash and cash equivalents that took place during the period, determined under the direct method. For the purposes of preparing the statement of cash flows, the Corporation has defined the following:

- **Cash flows:** inflows and outflows of cash or cash equivalents, which are defined as highly liquid investments maturing in less than three months with a low risk of changes in value.

- **Operating activities** are the principal revenue-producing activities of the Corporation and other activities that are not investing or financing activities.

- **Investing activities** are the acquisition and disposal of long-term assets and other investments not included in cash equivalents.

- **Financing activities** are activities that result in changes in the size and composition of net equity and borrowings of the Corporation.

Bank overdrafts are classified as external resources in current liabilities.

z) Law No. 13196 – Law No. 13196 requires the payment of a 10% special export tax on receivables of the sales proceeds that Codelco receives and transfers to Chile from the export of copper and related by-products produced by Codelco. The Chilean Central Bank deducts 10% of the amounts that Codelco transferred to its Chilean bank account. The amount recognized for this concept is presented in the statement of income within the line item "Other expenses." (Note III.22 letter c)).

aa) Cost of sales - Cost of sales is determined according to the absorption costing method, including the direct and indirect costs, depreciation, amortization and any other expenses directly attributable to the production process.

ab) Classification of current and non-current balances - In the consolidated statement of financial position, the balances are classified according to their maturities, that is, as current for those with a maturity equal to or less than twelve months and as non-current for those with a greater maturity. Where there are obligations whose maturity is less than twelve months, but whose long-term refinancing is insured upon a decision by the Corporation whose intention is to refinance, through credit agreements available unconditionally with long-term maturity, these could be classified as non-current liabilities.

ac) Non-current assets or groups of assets for disposition classified as held for sale - The Corporation classifies as non-current assets or groups of assets for disposal, classified as held for sale, properties, plants and equipment, investments in associates and groups subject to expropriation (group of assets that are going to be disposed of together with their directly related liabilities), for which, at the closing date of the financial statements, their sale has been committed to or steps have been initiated and it is estimated that it will be carried out within the twelve months following said date. These assets or groups subject to disposal are valued at book value or the estimated sale value minus the costs necessary for sale, whichever is less, and are no longer amortized from the moment they are classified as non-current assets held for sale. Non-current assets or groups of assets for disposal classified as held for sale and the components of the groups subject to disposal classified as held for sale are presented in the consolidated statement of financial position on a line for each of the following concepts: "Non-current assets or groups of assets for disposition classified as held for sale" and/or “Non-current liabilities or groups of liabilities for disposition classified as held for sale.”

3. New standards and interpretations adopted by the Corporation

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those applied in the preparation of the Corporation's annual consolidated financial statements for the year ended December 31, 2019, except for the adoption of new standards, interpretations and amendments, effective from January 1, 2020, which are:

a) Definition of a Business (Amendments to IFRS 3)

The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

Additional guidance is provided that helps to determine whether a substantive process has been acquired.

The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets.

The application of these amendments has not had any material impact on the Corporation's consolidated financial statements.

b) Definition of Material (Amendments to IAS 1 and IAS 28)

The amendments are intended to make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. The concept of ‘obscuring’ material information with immaterial information has been included as part of the new definition.

The threshold for materiality influencing users has been changed from ‘could influence’ to ‘could reasonably be expected to influence’.

The definition of material in IAS 8 has been replaced by a reference to the definition of material in IAS 1. In addition, the IASB amended other Standards and the Conceptual Framework that contain a definition of material or refer to the term ‘material’ to ensure consistency.

The application of these amendments has not had any material impact on the Corporation's consolidated financial statements.

c) Revised Conceptual Framework for Financial Reporting

On March 29, 2018, the IASB published its revised “Conceptual Framework for Financial Reporting” (the “Framework”). The Conceptual Framework is not a standard and none of the concepts override those in any standard or any requirements in a standard. The main purpose of the Framework is to guide the IASB when it develops International Financial Reporting Standards. The Framework can also be helpful for preparers of financial statements when there are no specific or similar standards that address a particular issue. The new Framework has an introduction, eight chapters and a glossary. Five of the chapters are new or have been revised substantially.

The new Framework:

- Introduces a new asset definition that focuses on rights and a new liability definition that is likely to be broader than the definition it replaces but does not change the distinction between a liability and an equity instrument.
- Removes from the asset and liability definitions references to the expected flow of economic benefits–this lowers the hurdle for identifying the existence of an asset or liability and puts more emphasis on reflecting uncertainty in measurement.
- Discusses historical cost and current value measures and provides some guidance on how the IASB would go about selecting a measurement basis for a particular asset or liability.
- States that the primary measure of financial performance is profit or loss, and that only in exceptional circumstances will the IASB use other comprehensive income and only for income or expenses that arise from a change in the current value of an asset or liability.
- Discusses uncertainty, derecognition, unit of account, the reporting entity and combined financial statements.

In addition, the IASB published a separate document “Updating References to the Conceptual Framework” which contains consequential amendments to affected Standards so that they refer to the new Framework.

The application of these changes has not had any material impact on the Corporation's consolidated financial statements.

d) Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7)

The amendments deal with issues affecting financial reporting in the period before the replacement of an existing interest rate benchmark with an alternative interest rate and address the implications for specific hedge accounting requirements in IFRS 9 Financial Instruments and IAS 39 Financial Instruments: Recognition and Measurement, which require forward-looking analysis. (IAS 39 is amended as well as IFRS 9 because entities have an accounting policy choice when first applying IFRS 9, which allows them to continue to apply the hedge accounting requirements of IAS 39). There are also amendments to IFRS 7 Financial Instruments: Disclosures regarding additional disclosures around uncertainty arising from the interest rate benchmark reform.

The changes in Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7): (i) modify specific hedge accounting requirements so that entities would apply those hedge accounting requirements assuming that the interest rate benchmark on which the hedged cash flows and cash flows from the hedging instrument are based will not be altered as a result of interest rate benchmark reform; (ii) are mandatory for all hedging relationships that are directly affected by the interest rate benchmark reform; (iii) are not intended to provide relief from any other consequences arising from interest rate benchmark reform (if a hedging relationship no longer meets the requirements for hedge accounting for reasons other than those specified by the amendments, discontinuation of hedge accounting is required); and (iv) require specific disclosures about the extent to which the entities' hedging relationships are affected by the amendments.

The application of these amendments had no material impact on the consolidated financial statements of the Corporation, however it could affect the accounting of future transactions or agreements.

e) COVID 19-related Rent Concessions (amendments to IFRS 16)

The COVID-19 pandemic has led to some lessors providing relief to lessees by deferring or relieving them of amounts that would otherwise be payable. In some cases, this is through negotiation between the parties, but can be as a consequence of a government encouraging or requiring that the relief be provided. Such relief is taking place in many jurisdictions in which entities that apply IFRSs operate.

When there is a change in lease payments, the accounting consequences will depend on whether that change meets the definition of a lease modification, which IFRS 16 defines as “a change in the scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease (for example, adding or terminating the right to use one or more underlying assets, or extending or shortening the contractual lease term)”.

It incorporates some clarifications regarding contract modifications in the context of the COVID-19 pandemic.

1. Provides an exemption to lessees, to assess whether the lease concession related to COVID-19 is a modification of the lease;
2. Allows lessees to apply the exemption to account for a lease concession related to COVID-19 as if it were not a modification to the lease;
3. Requires lessees who apply the exemption to disclose that fact; and
4. Requires lessees to apply said exemption retrospectively under IAS 8, but does not require restatement of figures from previous periods.

The application of these amendments has not had any material impact on the Corporation's consolidated financial statements.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

f) Reclassifications:

The Company has made immaterial reclassifications to its statement of financial position as of December 31, 2019:

Reclassification in ThUS$	12/31/2019	Reclassification	12/31/2019 New Presentation
Non-current asset			
Property, Plant and equipment	29,700,164	(432,152)	29,268,012
Right-of-use assets	-	432,152	432,152
Current liabilities			
Other current financial liabilites	1,378,351	(127,761)	1,250,590
Current lease liabilities		127,761	127,761
Non-current liabilities			
Other non-current financial liabilites	16,538,223	(305,110)	16,233,113
Non-current lease liabilities		305,110	305,110

Certain changes to disclosure in certain notes have also been made which have been deemed immaterial by Management.

4. New accounting pronouncements

a) The following new standards, amendments and interpretations had been issued by the IASB, but their application is not yet mandatory:

New IFRS	Date of mandatory application	Summary
IFRS 17, Insurance Contracts	Annual periods beginning on or after January 1, 2023	Establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts, reinsurance contracts and investment contracts with discretional participating features and supersedes IFRS 4 *Insurance contracts.*

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Amendments to IFRS	Date of mandatory application	Summary
Classification of Liabilities as Current or Non-Current (Amendments to IAS 1)	Annual periods beginning on or after January 1, 2023	The amendments aim to promote coherence in applying itsrequirements by helping companies to determine whether, in the statement of financial position, debts and other liabilities with an uncertain settlement date must be classified as current (maturing or potentially maturing in one year or less) or not current. It is important to note that this amendment must be applied retrospectively and early application is permitted.
Reference to the Conceptual Framework (Amendments to IFRS 3)	Annual periods beginning on or after January 1, 2022.	Reference to Conceptual Framework 2018 instead of 1989. Additionally, for transactions within the scope of IAS 37 or IFRIC 21, an acquirer will apply IAS 37 or IFRIC 1 (instead of Conceptual Framework) to identify liabilities assumed in a business combination. Finally, a statement is added so that an acquirer does not recognize contingent assets acquired in a business combination.
Property, Plant and Equipment – Proceeds before Intended Use (Amendments to IAS 16)	Annual periods beginning on or after January 1, 2022.	The income and costs from the sale of items produced while the asset is taken to the location and necessary condition of operation foreseen by the administration, are recognized in results.
Onerous Contracts – Costs of Fulfilling a Contract (Amendments to IAS 37)	Annual periods beginning on or after January 1, 2022.	It is specified that the cost of fulfilling a contract includes "costs that are directly related to the contract", which are those that either may be incremental costs of fulfilling that contract or an allocation of other costs that are directly related to fulfill the contracts.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Reform to the Reference Interest Rate (IBOR) - Phase 2 (amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)	Annual periods beginning on or after January 1, 2021.	It introduces a practical guide to address the modifications proposed in the IBOR reform, indicating, among others, that hedge accounting is not discontinued due to the mere appearance of the reform in question.
Annual Improvements to IFRS Standards 2018-2020 (amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41)	Annual periods beginning on or after January 1, 2022.	IFRS 1 First-time Adoption of IFRS: Allows an affiliate to apply paragraph D16 (a) to measure cumulative translation differences using the amounts reported by its parent, based on the date of transition to IFRS of its parent. IFRS 9 Financial Instruments: clarifies what fees are included when applying the “10 percent” test in paragraph B3.3.6. IFRS 16 Leases: removes from Illustrative Example 13, the illustration of the reimbursement of improvements to the leased asset made by the lessor. IAS 41 Agriculture: removes the requirement in paragraph 22 to exclude tax cash flows when measuring the fair value of a biological asset using the present value technique.

The Administration is evaluating the impact of the adoption of these new regulations and modifications.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

III. EXPLANATORY NOTES

1. Cash and cash equivalents

The detail of cash and cash equivalents as of December 31, 2020 and 2019, is as follows:

Item	12/31/2020 ThUS$	12/31/2019 ThUS$
Cash on hand	196	261
Bank balances	440,756	262,336
Time deposits	1,652,271	972,125
Mutual Funds - Money Market	14,270	2,158
Repurchase agreements	-	66,225
Total cash and cash equivalents	**2,107,493**	**1,303,105**

Interest on time deposits is recognized on an accrual basis using the contractual interest rate of each of these instruments.

The Corporation does not hold any significant amounts of cash and cash equivalents that have a restriction on use.

Cash and cash equivalents meet the low credit risk exemption under IFRS 9.

2. Trade and other receivables

a) Accruals for open sales invoices

The Corporation adjusts its revenues and trade receivable balances, based on future copper prices through the recognition of an accrual for open sales invoices.

When future price of copper is lower than the provisional invoicing price, the accrual is presented in the statement of financial position as follows:

- For those customers that have due balances with the Corporation the accrual is presented as a deduction from the line item trade and other current receivables.
- For those customers that do not have due balances with the Corporation the accrual is presented in the line item trade and other current payables.

When the future copper price is higher than the provisional invoicing price, the accrual is added to the line item trade and other current receivables.

According to the foregoing, as of December 31, 2020, there is a positive provision in the trade debtors and other accounts receivable of ThUS$381,883 for not finalized sales invoices (ThUS$98,045 of positive provision as of December 31, 2019).

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

b) Trade and other receivables

The following table sets forth trade and other receivables balances, with their corresponding allowances for doubtful accounts:

Items	Current		Non-Current	
	12/31/2020 ThUS$	12/31/2019 ThUS$	12/31/2020 ThUS$	12/31/2019 ThUS$
Trade receivables (1)	2,569,861	1,934,245	431	438
Allowance for doubtful accounts (3)	(9,353)	(7,530)	-	-
Subtotal trade receivables, net	**2,560,508**	**1,926,715**	**431**	**438**
Other receivables (2)	696,435	668,218	93,555	98,106
Allowance for doubtful accounts (3)	(7,626)	(6,665)	-	-
Subtotal other receivables, net	**688,809**	**661,553**	**93,555**	**98,106**
Total	**3,249,317**	**2,588,268**	**93,986**	**98,544**

(1) Trade receivables correspond to the sales of copper and its by-products, those that in general are sold in cash or through bank transfers.

(2) Other receivables mainly consist of the following items:

- VAT credit and other refundable taxes of ThUS$167,982 and ThUS$179,486 as of December 31, 2020 and 2019, respectively.
- Corporation's employee short-term loans and mortgage loans, both monthly deducted from the employee's salaries. Mortgage loans granted to the Corporation's employees for ThUS$38,676 are secured with collateral.
- Reimbursement receivables from insurance companies.
- Advance payments to suppliers and contractors.
- Accounts receivable for tolling services (Ventanas Smelter).

(3) The Corporation recognizes an allowance for doubtful accounts based on its expected credit loss model.

The reconciliation of changes in the allowance for doubtful accounts for the years ended December 31, 2020 and 2019, were as follows:

Items	12/31/2020 ThUS$	12/31/2019 ThUS$
Opening balance	**14,195**	**42,657**
Net Increases	3,168	1,709
Write-offs/applications	(384)	(30,171)
Total movements	**2,784**	**(28,462)**
Closing balance	**16,979**	**14,195**

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

As of December 31, 2020 and 2019, the balance of past due but not impaired trade receivables, is as follows:

Maturity	**12/31/2020** ThUS$	**12/31/2019** ThUS$
Less than 90 days	8,370	9,510
Between 90 days and 1 year	15,876	1,211
More than 1 year	8,876	9,530
Total trade receivables past-due but not impaired	**33,122**	**20,251**

3. Balance and transactions with related parties

a) Transactions with related persons

In accordance with Law on New Corporate Governance, the members of Codelco's Board are, in terms of transactions with related persons, subject to the provisions of Title XVI of Law on Corporations, which sets the requirements regarding transactions with related parties in publicly traded companies and their subsidiaries.

Notwithstanding the foregoing, pursuant to the provisions of the final paragraph of Article 147 b) of Title XVI, which contains exceptions to the approval process for transactions with related parties, the Corporation has established a general policy over customary transactions (which was communicated through a significant event notice to the CMF), that defines customary transactions as those carried out with its related parties in the normal course of business, which contributes to the social interest and are necessary to the normal development of Codelco's activities.

Likewise, consistent with the referred to above standard, the Corporation has implemented as part of its internal regulatory framework, a specific policy dealing with business between related persons and companies with Codelco's executives. Codelco's Corporate Policy No.18 ("CCP No. 18"), the latest version currently in force, was approved by the Chief Executive Officer and the Board of Directors.

Accordingly, Codelco without the authorization required in CCP No. 18 and of the Board of Directors, as required by Law or by the Corporation by-laws, shall not enter into any contracts or agreements involving one or more Directors, its Chief Executive Officer, the members of Division's Managing Committees, Vice-presidents, Legal Counsel, General Auditor, Division Chief Executive Officers, Advisors of Senior Management, employees who must make recommendations and/or have the authority to award tenders, assignments of purchases and/or contracting goods and services, and employees in management positions (up to fourth hierarchical level in the organization), including their spouses, children and other relatives up to second degree of relation, with a direct interest, represented by third parties or on behalf of another person. Likewise, CCP No. 18 requires administrators of Corporation's contracts to declare all related persons and disqualify himself/herself if any related persons are involved within the field of his/her job responsibilities.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

This prohibition also includes the companies in which such administrators are involved through ownership or management, either directly or through representation of other natural persons or legal entities, as well as those individuals who also have ownership or management in those companies. The Board of Directors has been informed and approved certain transactions as defined in CCP No. 18.

The most significant transactions with related persons and the amounts involved are detailed in the following table:

Entity	Taxpayer number	Country	Nature of the relationship	Description of the transaction	1/1/2020 12/31/2020 Amount ThUS$	1/1/2019 12/31/2019 Amount ThUS$
ADM Planning Consultores Ltda	77.770.490-7	Chile	Employee´s relative	Services	2,291	-
Anglo American Sur S.A.	77.762.940-9	Chile	Associate	Supplies	5	16
B.Bosch S.A.	84.716.400-K	Chile	Employee´s relative	Supplies	-	5,071
Centro de Capacitación y Recreación Radomiro Tomic.	75.985.550-7	Chile	Other related	Services	-	62
Clariant (Chile) Ltda.	80.853.400-2	Chile	Employee´s relative	Supplies	38,873	-
Ecometales Limited agencia en Chile.	59.087.530-9	Chile	Subsidiary	Services	148	43,495
Flsmidth S.A.	89.664.200-6	Chile	Employee´s relative	Supplies	4,537	5,812
Fundación de Salud El Teniente.	70.905.700-6	Chile	Subsidiary	Services	22,040	-
Fundacion Educacional de Chuquicamata.	72.747.300-9	Chile	Founder member donor	Services	-	134
Fundación Orquesta Sinfónica Infantil de los Andes.	65.018.784-9	Chile	Founder member donor	Services	100	270
Highservice ingeniería y construcción ltda.	76.378.396-0	Chile	Employee´s relative	Services	13,984	11,803
Industrial Support Company Ltda	77.276.280-1	Chile	Employee´s relative	Services	-	76,389
Industrial y Comercial Artimatemb Ltda.	76.108.720-7	Chile	Employee´s relative	Services	-	20
Ingeniería de Protección SpA	89.722.200-0	Chile	Employee´s relative	Supplies	7	-
Institución de Salud Previsional Chuquicamata Ltda.	79.566.720-2	Chile	Subsidiary	Services	-	3,257
Komatsu Chile S.A.	96.843.130-7	Chile	Employee´s relative	Services and supplies	878	20,446
Linde Gas Chile S.A.	90.100.000-K	Chile	Employee´s relative	Supplies	25	147
Manufacturas AC Ltda	77.439.350-1	Chile	Employee´s relative	Supplies	13	-
Marsol S.A.	91.443.000-3	Chile	Employee´s relative	Supplies	-	101
MI Robotic Solutions S.A.	76.869.100-2	Chile	Employee´s relative	Supplies	13	-
Prestaciones de Servicios de la Salud Intersalud Ltda.	77.270.020-2	Chile	Subsidiary	Services	596	-
S y S Ingenieros Consultores S.A.	84.146.100-2	Chile	Employee´s relative	Services	-	43
Servicios de Ingeniería IMA S.A.	76.523.610-K	Chile	Employee´s relative	Services	25	-
Soc. de Prod. y Serv. Solava Ltda	78.663.520-9	Chile	Employee´s relative	Supplies	-	57
Sociedad Contractual Minera El Abra.	96.701.340-4	Chile	Associate	Supplies	-	73
Sodimac S.A.	96.792.430-K	Chile	Employee´s relative	Supplies	-	1,644
Sonda S.A.	83.628.100-4	Chile	Employee´s relative	Services	132	221
Suez Medioambiente Chile S.A.	77.441.870-9	Chile	Employee´s relative	Supplies	4,261	57

b) Key Management of the Corporation

In accordance with the policy established by the Board of Directors and its related regulations, the transactions with the Directors, the Chief Executive Officer, Vice Presidents, Corporate Auditor, the members of the Divisional Management Committees and Divisional General Managers shall be approved by the Board of Directors.

During the years ended December 31, 2020 and 2019, the members of the Board of Directors have received the following amounts as per diems, salaries and fees:

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Name	Taxpayer number	Country	Nature of the relationship	Description of the transaction	1/1/2020 12/31/2020 Amount ThUS$	1/1/2019 12/31/2019 Amount ThUS$
Blas Tomic Errázuriz	5.390.891-8	Chile	Director	Directors's fees	94	115
Ghassan Dayoub Pseli	14.695.762-5	Chile	Director	Directors's fees	75	92
Ghassan Dayoub Pseli	14.695.762-5	Chile	Director	Payroll	107	122
Hernán de Solminihac Tampier	6.263.304-2	Chile	Director	Directors's fees	75	92
Ignacio Briones Rojas	12.232.813-9	Chile	Director	Directors's fees	-	78
Isidoro Palma Penco	4.754.025-9	Chile	Director	Directors's fees	75	92
Juan Benavides Feliú	5.633.221-9	Chile	Chairman of the board	Directors's fees	113	138
Juan Morales Jaramillo	5.078.923-3	Chile	Director	Directors's fees	75	92
Paul Schiodtz Obilinovich	7.170.719-9	Chile	Director	Directors's fees	75	92
Raimundo Espinoza Concha	6.512.182-4	Chile	Director	Directors's fees	27	92
Raimundo Espinoza Concha	6.512.182-4	Chile	Director	Payroll	13	36
Rodrigo Cerda Norambuena	12.454.621-4	Chile	Director	Directors's fees	72	-

The Ministry of Finance through Supreme Decree No. 261, dated February 27, 2020, established the compensation for the Corporation’s Directors. The compensation to Board of Director members, is as follows:

a. The Directors of Codelco will receive a fixed monthly compensation of Ch$4,126,340 (four million one hundred and twenty-six thousand, three hundred and forty Chilean pesos) for meeting attendance. The payment of the monthly compensation requires at least one meeting attendance each month.

b. The Chairman of the Board will receive a fixed monthly compensation of Ch$8,252,678 (eight million two hundred and fifty-two thousand, six hundred and seventy-eight Chilean pesos).

c. Each member of the Directors’ Committee, whether the one referred to in Article 50 bis) of Law No. 18046 or another established by the Corporation by-laws, will receive a fixed additional monthly compensation of Ch$1,375,445 for meeting attendance, regardless of the number of committees of which they are members. In addition, the Chairman of the Directors’ Committee will receive a fixed monthly compensation of Ch$2,750,893 for meeting attendance.

   By means of Ordinary Official Letter N ° 1611 of July 8, 2020, it is reported that due to the current situation that the country is going through, and in line with what was requested by Codelco and what was reported by the Director of the Budget, it has been considered conducive to decrease by 20% the amount of directors' remuneration, exceptionally, for the period between July and December 2020, both included.

d. The compensation established in the legal text is effective for a period of two years, as from March 1, 2020, and will not be adjusted during said period.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

On the other hand, the short-term benefits tokey management of the Corporation expensed during the years ended December 31, 2020 and 2019, were ThUS$10,682 and ThUS$11,442, respectively.

The methodology to determine the remuneration of key management was approved by the Board of Directors at a meeting held on January 29, 2003.

During the years ended December 31, 2020 and 2019, severance indemnities were expensed to key management of the Corporation for ThUS$1,188 and ThUS$1,619, respectively.

There were no payments to key management for other non-current benefits during the years ended December 31, 2020 and 2019.

There are no share-based payment plans granted to Directors or key management personnel of the Corporation.

c) Transactions with companies in which Codelco has ownership interest

The Corporation undertakes commercial and financial transactions that are necessary for its activities with its subsidiaries, associates and joint ventures ("related parties"). The financial transactions correspond mainly to loans granted (mercantile current accounts).

Commercial transactions with related companies mainly consist of purchases/sales of products or rendering of services carried out under market conditions and prices, which do not bear any interest or indexation.

As of the date of these financial statements, the Corporation has not recognized any allowance for doubtful accounts with respect to receivable balances from its related companies.

The detail of accounts receivable and payable between the Corporation and its related parties as of December 31, 2020 and 2019, is as follows:

Accounts receivable from related companies:

Taxpayer number	Name	Country	Nature of the relationship	Indexation currency	Current		Non-current	
					12/31/2020	12/31/2019	12/31/2020	12/31/2019
					ThUS$	ThUS$	ThUS$	ThUS$
77.762.940-9	Anglo American Sur S.A.	Chile	Associate	US$	91,039	16,677	-	-
76.063.022-5	Inca de Oro S.A.	Chile	Associate	US$	544	438	-	-
76.255.054-7	Planta Recuperadora de Metales SpA	Chile	Associate	US$	6,031	1,677	-	15,370
96.701.340-4	Sociedad Contractual Minera El Abra	Chile	Associate	US$	776	2,077	-	-
96.801.450-1	Agua de la Falda S.A.	Chile	Associate	US$	6	5	224	224
76.781.030-K	Kairos Mining S.A.	Chile	Associate	CLP	1	-	-	-
Totals					**98,397**	**20,874**	**224**	**15,594**

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Accounts payable to related companies:

Taxpayer number	Name	Country	Nature of the relationship	Indexation currency	Current		Non-current	
					12/31/2020 ThUS$	12/31/2019 ThUS$	12/31/2020 ThUS$	12/31/2019 ThUS$
77.762.940-9	Anglo American Sur S.A.	Chile	Associate	US$	171,341	108,243	-	-
96.701.340-4	Sociedad Contractual Minera El Abra	Chile	Associate	US$	25,963	26,608	-	-
76.255.054-7	Planta Recuperadora de Metales SpA	Chile	Associate	US$	-	430	-	-
76.781.030-K	Kairos Mining S.A.	Chile	Associate	CLP	1,620	1,953	-	-
Totals					**198,924**	**137,234**	**-**	**-**

The following table sets forth the transactions carried out between the Corporation and its related companies and their corresponding effects in profit or loss for the years ended December 31, 2020 and 2019:

Taxpayer number	Entity	Nature of the transaction	Country	Index. Currency	1/1/2020 12/31/2020		1/1/2019 12/31/2019	
					Amount ThUS$	Effects on net income (charges) / credits ThUS$	Amount ThUS$	Effects on net income (charges) / credits ThUS$
96.801.450-1	Agua de la Falda S.A.	Sales of services	Chile	CLP	1	1	3	3
96.801.450-1	Agua de la Falda S.A.	Contribution	Chile	USD	176	-	190	
77.762.940-9	Anglo American Sur S.A.	Dividends received	Chile	USD	22,715	-	84,372	-
77.762.940-9	Anglo American Sur S.A.	Dividends receivable	Chile	USD	77,416	-	-	-
77.762.940-9	Anglo American Sur S.A.	Sales of goods	Chile	USD	49,873	49,873	25,044	25,044
77.762.940-9	Anglo American Sur S.A.	Sales of services	Chile	CLP	16,003	16,003	8,661	8,661
77.762.940-9	Anglo American Sur S.A.	Purchase of products	Chile	USD	689,082	(689,082)	643,832	(643,832)
76.063.022-5	Inca de Oro S.A.	Sales of services	Chile	CLP	74	-	198	16
77.781.030-K	Kairos Mining	Services	Chile	CLP	10,933	(10,933)	21,050	(21,050)
77.781.030-K	Kairos Mining	Sales of services	Chile	CLP	2	2	1	1
76.255.054-7	Planta Recuperadora de Metales SpA	Interest loans	Chile	USD	1,032	1,032	1,029	1,029
76.255.054-7	Planta Recuperadora de Metales SpA	Services	Chile	USD	23,363	(23,363)	23,656	(23,656)
76.255.054-7	Planta Recuperadora de Metales SpA	Sales of services	Chile	CLP	6,944	6,944	8,087	8,087
76.255.054-7	Planta Recuperadora de Metales SpA	Sales of goods	Chile	USD	73	73	65	65
76.255.054-7	Planta Recuperadora de Metales SpA	Loan recovery	Chile	USD	10,689	-	5,966	-
96.701.340-4	Soc. Contractual Minera El Abra	Dividends received	Chile	USD	-	-	3,062	-
96.701.340-4	Soc. Contractual Minera El Abra	Buy Shares	Chile	USD	-	-	4,000	4,000
96.701.340-4	Soc. Contractual Minera El Abra	Purchase of products	Chile	USD	242,204	(242,204)	242,900	(242,900)
96.701.340-4	Soc. Contractual Minera El Abra	Sales of goods	Chile	USD	17,216	17,216	39,046	39,046
96.701.340-4	Soc. Contractual Minera El Abra	Other sales	Chile	USD	1,537	1,537	1,493	1,493
96.701.340-4	Soc. Contractual Minera El Abra	Perceived commissions	Chile	USD	96	96	100	100
96.701.340-4	Soc. Contractual Minera El Abra	other purchases	Chile	USD	71	(71)	39	(39)

d) Additional information

The current account receivable from Planta Recuperadora de Metales SpA. corresponds to the loan agreement granted to build its plant, which was signed on July 7, 2014.

The purchase/sales of products transactions with Anglo American Sur S.A., are regular business activity transactions to buy/sell copper and other products. On the other hand, there are certain transactions related to the contract entered into with the subsidiary Inversiones Mineras Nueva Acrux SpA (whose non-controlling shareholder is Mitsui) and Anglo American Sur S.A., under which the latter agreed to sell a portion of its annual copper output to said subsidiary.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

4. Inventories

The detail of inventories as of December 31, 2020 and 2019, is as follows:

Items	Current		Non-current	
	12/31/2020 ThUS$	12/31/2019 ThUS$	12/31/2020 ThUS$	12/31/2019 ThUS$
Finished products	108,544	210,309	-	-
Subtotal finished products, net	**108,544**	**210,309**	**-**	**-**
Products in process	1,225,529	1,150,060	585,105	585,681
Subtotal products in process, net	**1,225,529**	**1,150,060**	**585,105**	**585,681**
Material in warehouse and other	749,941	723,264	-	-
Obsolescence allowance adjustment	(171,947)	(162,498)	-	-
Subtotal material in warehouse and other, net	**577,994**	**560,766**	**-**	**-**
Total Inventories	**1,912,067**	**1,921,135**	**585,105**	**585,681**

The amount of inventories of finished goods transferred to cost of sales for the years ended December 31, 2020 and 2019 was ThUS$10,531,406 and ThUS$10,007,106, respectively.

For the years ended December 31, 2020 and 2019, the Corporation has not reclassified inventories to Property, Plant and Equipment.

The reconciliation of changes in the allowance for obsolescence is detailed below:

Changes in Allowance for Obsolescence	12/31/2020 ThUS$	12/31/2019 ThUS$
Opening Balance	**(162,498)**	**(96,805)**
Period provision	(9,449)	(65,693)
Closing Balance	**(171,947)**	**(162,498)**

During the years ended December 31, 2020 and 2019, the Corporation recognized write-off of damaged inventories of ThUS$8,553 and ThUS$35,136, respectively.

As of December 31, 2020, the inventory provision to reduce inventory to its net realizable value was ThUS$27,213, a reversal of provision for the period of January - December of 2020 of ThUS$10,931 was recorded (a charge for provision for the corresponding period of 2019 was recorded at ThUS$6,255). As of December 31, 2019, the inventory provision to reduce inventory to its net realizable provision was ThUS$38,144.

As of December 31, 2020 and 2019, there are no unrealized gains or losses recognized on the intercompany sales of inventories of finished products.

As of December 31, 2020 and 2019, there are no inventories pledged as security for liabilities.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

5. Income taxes and deferred taxes

a) Composition of income tax expense:

b) Deferred tax assets and liabilities:

Items	1/1/2020 12/31/2020 ThUS$	1/1/2019 12/31/2019 ThUS$
Effect of Deferred Taxes	(707,793)	(384,160)
Current income tax	(71,761)	(7,484)
Adjustments to current tax from the prior period	(13,052)	-
Other	5,603	(1,601)
Total tax expense	**(787,003)**	**(393,245)**

The following table details deferred tax assets and liabilities:

Deferred tax assets	12/31/2020 ThUS$	12/31/2019 ThUS$
Provisions	1,494,649	1,556,662
Tax loss carryforwards	757,681	613,340
Right of use assets	18,510	4,808
Other	15,231	2,906
Total deferred tax assets	**2,286,071**	**2,177,716**

Deferred tax liabilities	12/31/2020 ThUS$	12/31/2019 ThUS$
Accelerated depreciation for tax purposes	5,828,454	5,198,975
Property, plant and equipment variations	1,483,351	1,386,874
Tax on mining activity	288,470	235,931
Fair value of mining properties acquired	108,518	108,518
Undistributed profits of subsidiaries	35,468	34,998
Hedging derivatives – future contracts	14,971	14,889
Post-employment benefit obligations	8,726	14,676
Total deferred tax liabilities	**7,767,958**	**6,994,861**

The following tables sets forth the deferred taxes as presented in the statement of financial position:

Deferred taxes	12/31/2020 ThUS$	12/31/2019 ThUS$
Non-current assets	45,908	43,736
Non-current liabilities	5,527,795	4,860,881
Net	**5,481,887**	**4,817,145**

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

c) The effects of deferred taxes recorded in other comprehensive income are as follows:

Deferred taxes on components of other comprehensive income (credit) charge	**12/31/2020** ThUS$	**12/31/2019** ThUS$
Cash flow hedge	30,676	52,072
Defined Benefit Plans	(145)	69,667
Total deferred tax effect on components of other comprehensive income	**30,531**	**121,739**

d) The following table sets forth the reconciliation of the effective tax rate:

Reconciliation of tax rate	**12/31/2020**						
	Taxable Base			**At the Tax rate**			
	25.0%	**40.0%**	**5%**	**25.0%**	**40.0%**	**5%**	**Total**
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Tax effect on the income (loss) before taxes	1,030,488	1,030,488	1,030,488	(257,622)	(412,195)	(51,524)	(721,341)
Tax effect on the income (loss) before taxes of subsidiaries	13,396	13,396	13,396	(3,349)	(5,358)	(670)	(9,377)
Tax effect consolidated profit (loss) before taxes	1,043,884	1,043,884	1,043,884	(260,971)	(417,553)	(52,194)	(730,718)
Permanent differences:							
First category income tax (25%)	(62,749)			15,687			15,687
Specific tax for state-owned entities Art. 2 D.L. 2398 (40%)		(27,092)			10,837		10,837
Specific tax on mining activities			1,395,122			(69,756)	(69,756)
Single Tax Art. 21 Inc. N°1							-
Differences tax prevous years							(13,053)
TOTAL TAX EXPENSE				**(245,284)**	**(406,716)**	**(121,950)**	**(787,003)**

Reconciliation of tax rate	**12/31/2019**						
	Taxable Base			**At the Tax rate**			
	25.0%	**40.0%**	**5%**	**25.0%**	**40.0%**	**5%**	**Total**
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Tax effect on the income (loss) before taxes	404,692	404,692	404,692	(101,173)	(161,877)	(20,235)	(283,285)
Tax effect on the income (loss) before taxes of subsidiaries	3,081	3,081	3,081	(770)	(1,232)	(154)	(2,156)
Tax effect consolidated profit (loss) before taxes	407,773	407,773	407,773	(101,943)	(163,109)	(20,389)	(285,441)
Permanent differences:							
First category income tax (25%)	86,549			(21,637)			(21,637)
Specific tax for state-owned entities Art. 2 D.L. 2398 (40%)		60,799			(24,320)		(24,320)
Specific tax on mining activities			1,136,260			(56,813)	(56,813)
Single Tax Art. 21 Inc. N°1							(3,417)
Others							(1,617)
TOTAL TAX EXPENSE				**(123,580)**	**(187,429)**	**(77,202)**	**(393,245)**

Pursuant to Article 2 of the Decree Law 2398, Codelco is subject to an additional tax rate of 40% on income before taxes and dividends received in accordance with the law.

For the calculation of deferred taxes, the Corporation has applied a General Tax Regime, with first-rate tax rates for the 2020 and 2019 business years of 25%. As a state company, the Corporation is classified as those companies of article 14 letter G of the Income Tax Law, incorporated in the Tax Reform Law No. 21,210 of February 24, 2020, maintaining the General Regime of Taxation. Meanwhile, the national subsidiaries and associates, by default, have applied the Partially Integrated Taxation system with a rate of 27% for both years. Foreign subsidiaries and associates have applied the tax rates in force in their respective countries.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

In relation to the specific tax on mining activities the tax rate applicable is 5% under Law No. 20469.

The Corporation, until 2019, as a Taxpayer of first category, is liable to the single Tax of 40%, contained in the first paragraph of Article 21 of the Income Tax Law No. 824, in numbers i), ii) and iii) , the disbursements incurred in said numerals. As of 2020, with the modification introduced by the second article letter No.11 d) of the tax reform Law No. 21210, exempts the Corporation from the Single Tax of the current article 21 of the Income Tax Law.

Based on the evolution of the business model and its projections, the Corporation's management estimates that its future profit projections will allow these recorded tax loss carryforwards to be recovered. Tax loss carryforwards do not expire in Chile.

6. Current and non-current tax assets and liabilities

The current tax balance is presented net of monthly provisional payments as an asset or liability in Current Taxes, as the case may be, determined as indicated in section II. Main accounting policies, 2.l):

Current Tax Assets	12/31/2020 ThUS$	12/31/2019 ThUS$
Taxes to be recovered	74,324	22,719
Total Current Tax Assets	**74,324**	**22,719**

Current Tax Liabilities	12/31/2020 ThUS$	12/31/2019 ThUS$
Monthly Provisional Payment Provision	1,508	10,672
Provision Tax	6,937	3,185
Total Current Tax Liabilities	**8,445**	**13,857**

Items	12/31/2020 ThUS$	12/31/2019 ThUS$
Non-Current Tax Assets	111,994	222,169
Total Non-Current Tax Assets	**111,994**	**222,169**

The non-current balance of recoverable taxes corresponds to the accumulated differences for provisional tax payments that resulted in Codelco's favor in the income tax returns of previous periods, attributable to income tax balances payable from periods following. The Corporation does not expect this tax to be recovered in the current period, until the reversal of the carry-over tax loss, which as of December 31, 2020 amounts to ThUS$1,094,945.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

7. Property, Plant and Equipment

a) The items of property, plant and equipment as of December 31, 2020 and 2019, are as follows:

Property, Plant and Equipment, gross	**12/31/2020** ThUS$	**12/31/2019** ThUS$
Construction in progress	6,391,278	6,234,130
Land	124,271	117,972
Land on mine site	259,230	55,344
Buildings	6,212,776	5,963,605
Plant and equipment	19,809,559	19,217,547
Fixtures and fittings	47,507	58,631
Motor vehicles	2,075,364	2,080,124
Land improvements	6,818,024	6,504,063
Mining operations	9,322,060	8,751,368
Mine development	5,011,879	4,546,765
Other assets	1,162,812	1,164,163
Total Property, Plant and Equipment, gross	**57,234,760**	**54,693,712**

Property, Plant and Equipment, accumulated depreciation	**12/31/2020** ThUS$	**12/31/2019** ThUS$
Construction in progress	-	-
Land	-	-
Land on mine site	13,133	9,975
Buildings	3,335,090	3,152,227
Plant and equipment	11,212,105	10,618,524
Fixtures and fittings	42,305	47,431
Motor vehicles	1,545,627	1,480,020
Land improvements	3,723,860	3,482,960
Mining operations	6,271,794	5,253,285
Mine development	1,019,963	893,575
Other assets	518,978	487,703
Total Property, Plant and Equipment, accumulated depreciation	**27,682,855**	**25,425,700**

Property, Plant and Equipment, net	**12/31/2020** ThUS$	**12/31/2019** ThUS$
Construction in progress	6,391,278	6,234,130
Land	124,271	117,972
Land on mine site	246,097	45,369
Buildings	2,877,686	2,811,378
Plant and equipment	8,597,454	8,599,023
Fixtures and fittings	5,202	11,200
Motor vehicles	529,737	600,104
Land improvements	3,094,164	3,021,103
Mining operations	3,050,266	3,498,083
Mine development	3,991,916	3,653,190
Other assets	643,834	676,460
Total Property, Plant and Equipment, net	**29,551,905**	**29,268,012**

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

b) Movement of Property, plant and equipment:

Movements ThUS$	**Construction in progress**	**Land**	**Land on mine site**	**Buildings**	**Plant and equipment**	**Fixed installations and accessories**	**Motor vehicles**	**Ground improvements**	**Mining operations**	**Development of mines**	**Other assets**	**Total**
Reconciliation of changes in properties, plant and equipment												
Properties, plant and equipment at the beginning of the year. Opening Balance 1/1/2020	6,234,130	117,972	45,369	2,811,378	8,599,023	11,200	600,104	3,021,103	3,498,083	3,653,190	676,460	29,268,012
Changes in property, plant and equipment												
Increases other than those from business, property, plant and equipment combinations	2,159,748	-	-	-	13,610	61	2,057	5,216	362,492	(319)	15,612	2,558,477
Depreciation, property, plant and equipment	-	-	(4,300)	(182,679)	(599,059)	(2,385)	(100,746)	(240,901)	(1,032,186)	(112,711)	(38,377)	(2,313,344)
Increases (decreases) in transfers and other changes, properties, plant and equipment												
Increases (decreases) by transfers from constructions in process, properties, plant and equipment	(1,623,278)	6,299	203,468	210,424	545,733	1	30,292	298,294	48,266	280,180	321	-
Increases (decreases) by other changes, properties, plant and equipment	(340,581)	-	1,560	39,765	40,625	(3,671)	(72)	10,741	173,611	171,576	(9,896)	83,658
Increase (decrease) by transfers and other changes, properties, plant and equipment	**(1,963,859)**	**6,299**	**205,028**	**250,189**	**586,358**	**(3,670)**	**30,220**	**309,035**	**221,877**	**451,756**	**(9,575)**	**83,658**
Dispositions and withdrawals of service, property, plant and equipment												
Retirements, property, plant and equipment	(14,689)	-	-	(1,202)	(2,478)	(4)	(1,898)	(289)	-	-	(286)	(20,846)
Dispositions and withdrawals of service, property, plant and equipment	**(14,689)**	**-**	**-**	**(1,202)**	**(2,478)**	**(4)**	**(1,898)**	**(289)**	**-**	**-**	**(286)**	**(20,846)**
Increase (decrease) in properties, plant and equipment	**157,148**	**6,299**	**200,728**	**66,308**	**(1,569)**	**(5,998)**	**(70,367)**	**73,061**	**(447,817)**	**338,726**	**(32,626)**	**283,893**
Properties, plant and equipment at the end of the year. Closing balance 12/31/2020	**6,391,278**	**124,271**	**246,097**	**2,877,686**	**8,597,454**	**5,202**	**529,737**	**3,094,164**	**3,050,266**	**3,991,916**	**643,834**	**29,551,905**

Movements ThUS$	**Construction in progress**	**Land**	**Land on mine site**	**Buildings**	**Plant and equipment**	**Fixed installations and accessories**	**Motor vehicles**	**Ground improvements**	**Mining operations**	**Development of mines**	**Other assets**	**Total**
Reconciliation of changes in properties, plant and equipment												
Properties, plant and equipment at the beginning of the year. Opening Balance 1/1/2019	8,808,652	117,972	46,990	2,354,393	5,768,793	14,929	684,009	2,352,556	2,486,324	3,313,044	807,336	26,754,998
Changes in property, plant and equipment												
Increases other than those from business, property, plant and equipment combinations	3,602,113	-	-	1,750	14,525	23	7,852	19,128	521,191	-	14,917	4,181,499
Depreciation, property, plant and equipment	-	-	(1,010)	(162,340)	(649,076)	(3,663)	(109,913)	(215,641)	(796,714)	(87,933)	(47,606)	(2,073,896)
Impairment losses recognized in profit or loss for the period	-	-	-	-	-	-	-	-	-	-	-	-
Increases (decreases) in transfers and other changes, properties, plant and equipment												
Increases (decreases) by transfers from constructions in process, properties, plant and equipment	(6,173,762)	-	-	646,591	3,511,039	6	17,702	816,773	1,176,508	5,049	94	-
Increases (decreases) by other changes, properties, plant and equipment	4,389	-	(611)	(23,221)	(28,739)	(94)	1,874	48,561	110,774	423,030	(95,338)	440,625
Increase (decrease) by transfers and other changes, properties, plant and equipment	**(6,169,373)**	**-**	**(611)**	**623,370**	**3,482,300**	**(88)**	**19,576**	**865,334**	**1,287,282**	**428,079**	**(95,244)**	**440,625**
Dispositions and withdrawals of service, property, plant and equipment												
Retirements, property, plant and equipment	(7,262)	-	-	(5,795)	(17,519)	(1)	(1,420)	(274)	-	-	(2,943)	(35,214)
Dispositions and withdrawals of service, property, plant and equipment	**(7,262)**	**-**	**-**	**(5,795)**	**(17,519)**	**(1)**	**(1,420)**	**(274)**	**-**	**-**	**(2,943)**	**(35,214)**
Increase (decrease) in properties, plant and equipment	**(2,574,522)**	**-**	**(1,621)**	**456,985**	**2,830,230**	**(3,729)**	**(83,905)**	**668,547**	**1,011,759**	**340,146**	**(130,876)**	**2,513,014**
Properties, plant and equipment at the end of the year. Closing balance 12/31/2019	**6,234,130**	**117,972**	**45,369**	**2,811,378**	**8,599,023**	**11,200**	**600,104**	**3,021,103**	**3,498,083**	**3,653,190**	**676,460**	**29,268,012**

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

c) The balance of construction in progress, is directly associated with the operating activities of the Corporation and relates to the acquisition of equipment for projects in construction and associated costs toward their completion.

d) The Corporation has signed insurance policies to cover the possible risks to which the various property, plant and equipment items are subject, as well as the possible claims that may arise for the period of its activities. Such policies sufficiently cover the risks to which they are subject in Management's opinion.

e) Borrowing costs capitalized for the years ended December 31, 2020 and 2019 were ThUS$223,931 and ThUS$367,548, respectively. The annual capitalization average rate for the years ended December 31, 2020 and 2019 was 4.06% and 4.19%, respectively.

f) Expenses on exploration and drilling of deposits recognized in profit or loss and the cash outflows disbursed for the same concepts are presented in the following table:

Expenditure on exploration and drilling reservoirs	**1/1/2020 12/31/2020** ThUS$	**1/1/2019 12/31/2019** ThUS$
Recognized in profit	25,289	47,048
Cash outflows disbursed	33,299	47,551

g) The detail of "Other assets" under "Property, plant and equipment" is as follows:

Other assets, net	**12/31/2020** ThUS$	**12/31/2019** ThUS$
Mining properties from the purchase of Anglo American Sur S.A.	402,000	402,000
Maintenances and other major repairs	191,918	217,079
Other assets - Calama Plan	46,164	54,174
Other	3,752	3,207
Total other assets, net	**643,834**	**676,460**

h) The Corporation currently has no ownership restrictions relating to assets belonging to Property, plant and equipment, except for leased assets whose legal title corresponds to the lessor.

i) Codelco has not pledged any items of property, plant and equipment as collateral to third parties in order to enable the realization of its normal business activities or as a commitment to support payment obligations.

j) As of December 31, 2019, property, plant and equipment assets did not show any indication of impairment or reversal of impairment recognized in prior years, therefore, no adjustments were made to the value of assets at that date.

k) The Corporation presents at December 31, 2019 a reclassification of property, plant and equipment to the item intangible assets other than goodwill which amounts to ThUS$2,090.

l) The expense for depreciation of the property, plant and equipment item for the years ended December 31, 2020 corresponds to ThUS$2,313,344.

m) In accordance with the provisions of section II. Main accounting policies, 2 i), referring to impairment of property, plant and equipment and intangible assets, and as indicated in note 21 on impairment of assets, the Corporation as of December 31, 2020 recorded an impairment of the value of Assets of the Ventana´s Division for an amount of ThUS$24,053 before taxes. As of December 31, 2019, property, plant and equipment did not show signs of impairment or reversals of impairments recognized in previous years, therefore no adjustments were made to the value of the assets as of that date.

8. Leases

8.1 Right-of-use assets

As of December 31, 2020 and 2019, the breakdown of the right of use asset category is:

Items	12/31/2020 ThUS$	12/31/2019 ThUS$
Assets by right of use, gross	836,903	692,262
Assets by right of use, accumulated depreciation	375,863	260,110
Total Assets by right of use, net	**461,040**	**432,152**

The movements for the year ended December 31, 2020 and 2019 are as follows:

Reconciliation of changes in Right-of-use assets (in thousands of US$)	**12/31/2020** MUS$	**12/31/2019** MUS$
Opening Balance	**432,152**	**-**
Initial application of IFRS 16	-	373,000
Increase in Right-of-use assets	195,956	109,505
Depreciation	(139,442)	(143,369)
Increases (decreases) by other changes	(27,139)	93,016
Dismissal of assets due to right of use	(487)	-
Increase in Assets by rigth of use	**28,888**	**432,152**
Closing balance	**461,040**	**432,152**

The depreciation expense for the years ended December 31, 2020 corresponds to ThUS$139,442.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

The composition by asset class is as follows:

Right-of-use assets	12/31/2020 ThUS$	12/31/2019 ThUS$
Buildings	13,089	18,286
Plant and equipment	204,747	298,463
Fixtures and fittings	8,025	11,931
Motor vehicles	228,180	97,525
Other right-of-use assets	6,999	5,947
Total Right-of-use assets	**461,040**	**432,152**

8.2 Liabilities for current and non-current leases

As of December 31, 2020 and 2019, the payment commitments for leasing operations are summarized in the following table:

Leases	12/31/2020			12/31/2019		
	Gross ThUS$	Interest ThUS$	Present Value ThUS$	Gross ThUS$	Interest ThUS$	Present Value ThUS$
Less than 90 days	43,916	(3,698)	40,218	39,668	(4,557)	35,111
Between 90 days and 1 year	115,085	(9,899)	105,186	105,315	(12,665)	92,650
Between 1 and 2 years	123,239	(9,230)	114,009	107,218	(12,248)	94,970
Between 2 and 3 years	91,978	(6,584)	85,394	77,753	(9,881)	67,872
Between 3 and 4 years	56,353	(4,554)	51,799	60,078	(6,813)	53,265
Between 4 and 5 years	53,053	(4,123)	48,930	32,384	(4,780)	27,604
More than 5 years	49,459	(9,987)	39,472	70,857	(9,458)	61,399
Total	533,083	(48,075)	485,008	493,273	(60,402)	432,871

Leasing operations are generated by service contracts, mainly for facilities, buildings, plants and equipment.

The expense related to short-term leases, low-value assets and variable leases not included in the measurement of lease liabilities, for the years ended December 31, 2020 and 2019 is presented in the following table:

Lease expense	1/1/2020 12/31/2020 ThUS$	1/1/2019 12/31/2019 ThUS$
Short-term leases	32,163	84,252
Low value leases	13,003	5,684
Variable lease payments not included in the initial measurement or remeasurement of liabilities (excluding, where applicable, changes in indices or rates)	1,225,051	1,488,409
TOTAL	**1,270,217**	**1,578,345**

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

9. Investments accounted for using the equity method

The following table sets forth the carrying amount and the share of profit (loss) of the investments accounted for using the equity method (all material associates' principal place of business is Chile):

Associates	Taxpayer Numbers	Funct. Currency	Equity Interest		Carrying Value		Net income (loss)	
			12/31/2020	12/31/2019	12/31/2020	12/31/2019	1/1/2020 12/31/2020	1/1/2019 12/31/2019
			%	%	ThUS$	ThUS$	ThUS$	ThUS$
Agua de la Falda S.A.	96.801.450-1	US$	42.26%	42.26%	4,795	4,864	(246)	(279)
Anglo American Sur S.A.	77.762.940-9	US$	29.5%	29.5%	2,784,232	2,850,171	37,724	19,852
Inca de Oro S.A.	73.063.022-5	US$	33.19%	33.19%	12,577	12,675	(95)	(101)
Kairos Mining S.A.	76.781.030-K	US$	40.00%	40.00%	123	82	31	29
Minera Purén SCM	76.028.880-2	US$	35.0%	35.0%	9,933	9,934	(1)	32
Planta Recuperadora de Metales SpA	76.255.054-7	US$	34.0%	34.0%	12,218	10,914	1,304	549
Sociedad Contractual Minera El Abra	96.701.340-4	US$	49.0%	49.0%	595,080	594,883	719	(12,799)
Sociedad GNL Mejillones S.A.	76.775.710-7	US$	0.0%	0.0%	-	-	-	5,920
TOTAL					**3,418,958**	**3,483,523**	**39,436**	**13,203**

a) Associates

Agua de la Falda S.A.

As of December 31, 2020, Codelco holds a 42.26% ownership interest in Agua de la Falda S.A., with the remaining 57.74% owned by Minera Meridian Limitada.

The corporate purpose of this company is to exploit deposits of gold and other minerals, in the third region of Chile.

Sociedad Contractual Minera El Abra

Sociedad Contractual Minera El Abra was incorporated in 1994. As of December 31, 2020, Codelco holds a 49% ownership interest, with the remaining 51% owned by Cyprus El Abra Corporation, a subsidiary of Freeport-McMoRan Copper & Gold Inc.

The company business activities involve the extraction, production and selling of copper cathodes.

Sociedad Contractual Minera Purén

As of December 31, 2020, Codelco holds a 35% ownership interest, with the remaining 65% owned by Compañía Minera Mantos de Oro.

This company's corporate purpose is to explore, identify, survey, investigate, develop and exploit mining deposits in order to extract, produce and process minerals.

Sociedad GNL Mejillones S.A.

The Corporation effected on August 6, 2019, the sale of its 37% stake in the company GNL Mejillones S.A. to the Ameris Capital AGF Investment fund, for an amount of US$193.5 million. (The remaining 63% corresponded to Suez Energy Andino S.A.).

The sale of the LNG Mejillones stake generated a profit of US$103 million before tax and a result after tax of US$36 million.

Inca de Oro S.A.

On June 1, 2009, Codelco's Board of Directors authorized the incorporation of a new company aimed to develop studies allowing the continuity of the Inca de Oro Project, which is a wholly-owned subsidiary of Codelco.

As of December 31, 2020, Codelco holds a 33.19% ownership interest in this company. (PanAust IDO Ltda. has 66.31%).

Planta Recuperadora de Metales SpA

On December 3, 2012, Planta Recuperadora Metales SpA was incorporated by Codelco, which held a 100% ownership interest in this company.

On July 7, 2014, Codelco reduced its ownership interest in Planta Recuperadora de Metales SpA to 51%, with the remaining 49% ownership interest held by LS-Nikko Copper Inc.

On October 14, 2015, Codelco reduced its ownership interest to 34% interest, with LS-Nikko Copper Inc, holding the remaining 66%.

As of December 31, 2020, LS-Nikko Copper Inc, is the controlling shareholder of this company based on the control elements set out in the shareholders' agreement.

The principal business activity of the company is the processing of intermediate products of the refining and processing of copper and other metals aiming to recover copper, other metals and other sub products, their transformation to commercial products and the selling and distribution of all classes of goods or inputs derived from such process.

Anglo American Sur S.A.

As December 31, 2020, the controlling shareholder of Anglo American Sur S.A. is Inversiones Anglo American Sur S.A. holding a 50.06% ownership interest, while the non-controlling interest is held by Inversiones Mineras Becrux SpA., which in turn is a subsidiary controlled by Codelco with a 67.8% ownership interest. Consequently, Codelco exercises significant influence in Anglo American Sur S.A. through its indirect ownership interest of 29.5%.

The principal activities of the Company are the exploration, extraction, exploitation, production, processing and trading of minerals, concentrates, precipitates, copper bars and all metallic and non-metallic minerals, all fossil substances and liquid and gaseous hydrocarbons. This includes the exploration, exploitation and use of all natural energy sources capable of industrial use and the products or by-products obtained, as well as any other related, connected or complementary activities on which the shareholders agree.

On August 24, 2012, Codelco recognized the acquisition of ownership interest in Anglo American Sur S.A. which resulted in the initial recognition of the cost of the investment for ThUS$6,490,000 that corresponded to the proportionate share (29.5%) of the net fair value of the identifiable assets and liabilities acquired.

In determining the share of the fair value of the identifiable assets and liabilities acquired, the Corporation considered the resources and mineral reserves that could be measured reliably.

As part of this updating process, and applying the valuation criteria indicated above, the fair value of the assets acquired and liabilities assumed of Anglo American Sur S.A. as of that date amounted to US $ 22,646 million, which in the proportion acquired by Inversiones Mineras Becrux SpA (29.5%) results in an investment at fair value of US $ 6,681 million at the acquisition date.

The allocation of the purchase price at fair value between the identifiable assets and liabilities was prepared by management using its best estimate and taking into account all relevant and available information at the acquisition date of Anglo American Sur S.A.

The Corporation used a discounted cash flows model to estimate cash flow projections, based on the life of mine. These projections were based on estimated production and future prices of minerals, operating costs and capital costs, among other estimates made at the date of acquisition. Additionally, proven and probable resources to explore were not included in the mine plan, therefore, they were valued separately using a market model. Such resources are included in item "Mineral Resources."

As of December 31, 2015, the Corporation identified indicators of impairment in the operating units of Anglo American Sur S.A. Consequently, and with the purpose of making the corresponding adjustments to the investment in this associate, the Corporation estimated its recoverable amount.

In determining the recoverable amount, the Corporation applied the methodology of fair value less costs of disposal. The recoverable amount of the operating units was determined based on the life of mine by using a discounted cash flow model whose main assumptions included ore reserves declared by the associate, copper price, supply costs, foreign exchange rates, discount rate and market information for the long-term asset valuation. The discount rate used was annual rate of 8% after taxes.

Furthermore, the proven reserves not included in the mining plan (LOM), as well as the probable reserves to explore, have been valued using a multiples market approach for comparable transactions. Such methodology is consistent with the methodologies used at the acquisition date, which is described in the previous paragraph.

The recoverable amount as estimated was less than the carrying amount of the identified assets of the associate, therefore, the Corporation recognized an impairment loss of ThUS$2,439,495, which was included within the line item “Share of profit or loss of associates and joint ventures accounted for using the equity method" in the consolidated statement of comprehensive income for the year ended

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

December 31, 2015. The impairment loss was mainly attributable to the drop in copper prices during the year 2015.

Subsequent to recognition of the impairment, there have been no indicators requiring the recognition of further impairment losses on the recoverable amount of the investment held in Anglo American Sur S.A.

As of December 31, 2020 and 2019, there are no indicators of impairment nor reversal, therefore, there have been no adjustments recognized to the carrying amounts of the assets.

Kairos S.A.

Until before November 26, 2012, the Corporation held a 40% stake in conjunction with Honeywell Chile S.A. who was the majority shareholder with 60% of the capital stock of Kairos Mining S.A.

On November 26, 2012, the Corporation sold part of its stake to Honeywell Chile SA, which implies that Codelco maintained a 5% interest as of December 31, 2012, while the remaining 95% was held Honeywell Chile S.A. The result of this pre-tax operation was ThUS$13.

On June 6, 2019, Codelco purchased 350 shares of Kairos Mining from Honeywell Chile S.A., increasing its participation from 5% to 40%.

As of December 31, 2020, the control of the company lies in Honeywell Chile S.A. which owns 60% of the shares while Codelco owns the remaining 40%.

The purpose of the company is to provide automation and control services for industrial and mining activities and to provide technology and software licenses.

The following tables provide details of asset and liabilities of the associates as of December 31, 2020 and 2019, and their profit (loss) for the years ended December 31, 2020 and 2019:

Assets and Liabilities	12/31/2020 ThUS$	12/31/2019 ThUS$
Current Assets	2,044,436	1,735,588
Non-current Assets	5,366,998	5,248,569
Current Liabilities	934,703	618,644
Non-current Liabilities	2,088,420	1,793,879

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Net Income	1/1/2020 12/31/2020 ThUS$	1/1/2019 12/31/2019 ThUS$
Revenue	2,644,477	2,825,062
Cost of sales	(2,479,372)	(2,646,416)
Profit for the year	165,105	178,646

Movements of Investment in Associates	1/1/2020 12/31/2020 ThUS$	1/1/2019 12/31/2019 ThUS$
Opening balances	**3,483,523**	**3,568,293**
Contributions	176	2,200
Dividends	(100,131)	(3,062)
Result of the year	39,436	13,203
Sales	-	(90,328)
Other comprehensive income	(4,043)	(6,648)
Other	(3)	(135)
Final balance	**3,418,958**	**3,483,523**

The following tables provide details of asset and liabilities of the principal associates as of December 31, 2020 and 2019, and their profit (loss) for the years ended December 31, 2020 and 2019.

Anglo American Sur S.A.

Assets and liabilities	12/31/2020 ThUS$	12/31/2019 ThUS$
Current Assets	1,511,000	1,099,695
Non-current Assets	4,090,000	4,083,739
Current Liabilities	865,000	531,089
Non-current Liabilities	1,676,000	1,405,143

Net Income	1/1/2020 12/31/2020 ThUS$	1/1/2019 12/31/2019 ThUS$
Revenue	2,146,000	2,286,876
Cost of sales	(1,982,020)	(2,174,029)
Profit for the year	163,980	112,847

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Sociedad Contractual Minera El Abra

Assets and liabilities	12/31/2020 ThUS$	12/31/2019 ThUS$
Current Assets	482,974	590,850
Non-current Assets	1,124,871	1,007,012
Current Liabilities	55,508	79,422
Non-current Liabilities	337,887	304,394

Net Income	1/1/2020 12/31/2020 ThUS$	1/1/2019 12/31/2019 ThUS$
Revenue	448,428	493,531
Cost of sales	(446,960)	(519,651)
Profit (loss) for the year	1,468	(26,120)

b) Additional information on unrealized profits (losses)

Codelco enters into transactions for the purchase and sale of copper with Sociedad Contractual Minera El Abra. As of December 31, 2020 and 2019, there were no unrealized profits (losses) recognized in the carrying amount of inventories of finished products.

The Corporation has recognized unrealized gains for the purchase of rights to use the LNG terminal from the El Abra Mining Contract Company for ThUS$3,920 as of December 31, 2020 and 2019.

c) Share of profit or loss for the year

The share in profit or loss of the associate Anglo American Sur S.A. recognized for the years ended December 31, 2020 was profit of ThUS$48,374 (profit of ThUS$33,290 for the years ended December 31, 2019). In addition, the Corporation has made appropriate adjustments to its share of profit or loss in the associate for depreciation of the depreciable assets based on the fair values at the acquisition date, which resulted in an expense of ThUS$10,650 for the years ended December 31, 2020 (an expense of ThUS$13,438 for the years ended December 31, 2019) recognized within line item “Share of profit or loss of associates and joint ventures accounted using the equity method” in the consolidated statement of comprehensive income.

10. Subsidiaries

The following tables set forth a detail of assets, liabilities and profit (loss) of the Corporation’s subsidiaries, prior to consolidation adjustments:

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Assets and liabilities	12/31/2020 ThUS$	12/31/2019 ThUS$
Current assets	589,014	464,674
Non Current Assets	3,508,221	3,607,177
Current Liabilities	343,081	281,973
Non Current Liabilities	1,059,481	1,086,975

Profit (loss)	1/1/2020 12/31/2020 ThUS$	1/1/2019 12/31/2019 ThUS$
Ordinary Income	1,128,181	1,140,473
Ordinary Expenses	(1,141,365)	(1,176,801)
Loss of year	(13,184)	(36,328)

11. Current and non-current financial assets

Current and non-current financial assets included in the statement of financial position are as follows:

	12/31/2020				
Classification in the statement of financial position	At fair value though profit and loss ThUS$	Amortized Cost ThUS$	Derivatives for hedging: Hedging derivatives ThUS$	Derivatives for hedging: Cross currency swap ThUS$	Total financial assets ThUS$
Cash and cash equivalents	-	2,107,493	-	-	**2,107,493**
Trade and other current receivables	915,454	2,333,863	-	-	**3,249,317**
Non – current receivables	-	93,986	-	-	**93,986**
Current receivables from related parties	-	98,397	-	-	**98,397**
Non – current receivables from related parties	-	224	-	-	**224**
Other current financial assets	-	280,278	3,612	-	**283,890**
Other non - current financial assets	-	6,249	-	127,502	**133,751**
TOTAL	**915,454**	**4,920,490**	**3,612**	**127,502**	**5,967,058**

As of December 31, 2020, the balance of the caption “Other financial assets, current” includes ThUS$280,194 invested in term deposit instruments with a maturity of more than 90 days. As of December 31, 2019, the amount invested in this type of instrument was ThUS$171,429.

	12/31/2019				
Classification in the statement of financial position	At fair value though profit and loss ThUS$	Amortized Cost ThUS$	Derivatives for hedging: Hedging derivatives ThUS$	Derivatives for hedging: Cross currency swap ThUS$	Total financial assets ThUS$
Cash and cash equivalents	2,158	1,300,947	-	-	**1,303,105**
Trade and other current receivables	723,619	1,864,649	-	-	**2,588,268**
Non – current receivables	-	98,544	-	-	**98,544**
Current receivables from related parties	-	20,874	-	-	**20,874**
Non – current receivables from related parties	-	15,594	-	-	**15,594**
Other current financial assets	-	171,636	1,315	-	**172,951**
Other non - current financial assets	-	8,691	525	82,584	**91,800**
TOTAL	**725,777**	**3,480,935**	**1,840**	**82,584**	**4,291,136**

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

- **Fair value through profit or loss:** As of December 31, 2020 and 2019, this category mainly includes receivables from provisional invoicing sales. Section II.2.r.

- **Amortized cost:** It corresponds to financial assets held within a business model whose objective is to hold financial assets to collect contractual cash flows that are solely payments of principal and interest on the principal outstanding. These assets are not quoted in an active market.

  The effects on profit or loss recognized for these assets are mainly from financial income and exchange differences from balances denominated in currencies other than the functional currency.

  No material impairments were recognized in trade and other receivables.

- **Derivatives for Hedging**: Corresponds to the balance for changes in the fair value of derivative contracts to cover existing transactions (cash flow hedges) and that affect the profit or loss when transactions are settled or when, to the extent required by accounting standards, a compensation effect is charged (credited) to the income statement. The detail of derivative hedging transactions is included in the Note 28.

  As of December 31, 2020 and 2019, there were no reclassifications between the different categories of financial instruments, under the accounting standards at the respective dates.

12. Other financial liabilities

Current and non-current interest-bearing borrowings consists of loans from financial institutions and bond issuance obligations, which are measured at amortized cost using the effective interest rate method.

The following tables set forth other current/non-current financial liabilities:

Items	12/31/2020					
	Current			Non-current		
	Amortized Cost ThUS$	Hedging derivatives ThUS$	Total ThUS$	Amortized Cost ThUS$	Hedging derivatives ThUS$	Total ThUS$
Loans from financial institutions	81,218	-	81,218	1,489,224	-	1,489,224
Bonds issued	438,301	-	438,301	16,067,913	-	16,067,913
Hedging derivatives	-	10,427	10,427	-	121,594	121,594
Other financial liabilities	-	-	-	56,469	-	56,469
Total	**519,519**	**10,427**	**529,946**	**17,613,606**	**121,594**	**17,735,200**

Items	12/31/2019					
	Current			Non-current		
	Amortized Cost ThUS$	Hedging derivatives ThUS$	Total ThUS$	Amortized Cost ThUS$	Hedging derivatives ThUS$	Total ThUS$
Loans from financial institutions	666,144	-	666,144	2,408,267	-	2,408,267
Bonds issued	572,587	-	572,587	13,617,358	-	13,617,358
Hedging derivatives	-	11,496	11,496	-	148,987	148,987
Other financial liabilities	363	-	363	58,501	-	58,501
Total	**1,239,094**	**11,496**	**1,250,590**	**16,084,126**	**148,987**	**16,233,113**

- **Loans from financial institutions:**

The loans obtained by the Corporation aim to finance production operations.

In addition to the credits mentioned in the previous paragraph, Codelco, through the subsidiary company Inversiones Gacrux SpA., has a credit agreement with Oriente Copper Netherlands B.V. since 2012 (a subsidiary of Mitsui & Co. Ltd.), which was subscribed to with the aim of allocating this financing to the acquisition of the shareholding of Anglo American Sur SA, by the subsidiary company Inversiones Mineras Becrux SpA. (Subsidiary of Inversiones Gacrux SpA.). This loan has no associated personal guarantees and its rate is fixed at 3.25% per year and has a duration of 20 years, being payable in 40 semiannual installments of principal and interest on unpaid balances.

As of December 31, 2020, the outstanding balance of the credit agreements is ThUS$551,751.

- ***Bond issued:***

On May 10, 2005, the Corporation issued and placed bonds in the domestic market for a nominal amount of UF 6,900,000 of a single series labeled “Series B”, which consists of 6,900 bonds for UF 1,000 each. These bonds are payable in a single installment on April 1, 2025, at an annual interest rate of 4% and semi-annual interest payments.

On September 21, 2005, the Corporation issued and placed bonds in the U.S. market under Rule 144-A and Regulation S, for a nominal amount of ThUS$500,000. These bonds are payable in a single installment on September 21, 2035, at an annual interest rate of 5.6250% and semi-annual interest payments.

On October 19, 2006, the Corporation issued and placed bonds in the U.S. market under Rule 144-A and Regulation S, for a nominal amount of ThUS$500,000. These bonds are payable in a single installment on October 24, 2036, at an annual interest rate of 6.15% and semi-annual interest payments.

On January 20, 2009, the Corporation issued and placed bonds in the U.S. market under Rule 144-A and Regulation S, for a nominal amount of ThUS$600,000. These bonds are payable in a single installment on January 15, 2019, at an annual interest rate of 7.5% and semi-annual interest payments. On August 3, 2017, principal was paid for an amount of ThUS$333,155.

On November 4, 2010, the Corporation issued and placed bonds in the U.S. market under Rule 144-A and Regulation S, for a nominal amount of ThUS$1,000,000. These bonds are payable in a single installment on November 4, 2020, at an annual interest rate of 3.75% and semi-annual interest payments. On August 3, 2017, February 6, 2019 and October 2, 2019, principal was paid for an amount of ThUS$414,763, ThUS$183,051 and ThUS$7,304 respectively.

On November 3, 2011, the Corporation issued and placed bonds in the U.S. market under Rule 144-A and Regulation S, for a nominal amount of ThUS$1,150,000. These bonds are payable in a single installment on November 4, 2021, at an annual interest rate of 3.875% and semi-annual interest payments. On August 3, 2017, February 6, 2019 and October 2, 2019, principal was paid for an amount of ThUS$665,226, ThUS$247,814 and ThUS$9,979 respectively. On December 16, 2020, principal was paid for an amount of ThUS$14,361.

On July 17, 2012, the Company issued and placed bonds in the U.S. market under Rule 144-A and Regulation S, for a nominal amount of ThUS$2,000,000. These bonds are payable in two installments (i) the first tranche on July 17, 2022 in the amount of US$1,250,000 at a 3% annual interest rate. On August 22, 2017, February 6, 2019 and October 22, 2019, principal was paid in the amounts of ThUS$412,514, ThUS$314,219, ThUS$106,972 and ThUS$$3,820 respectively. On December 16, 2020, principal was paid for an amount of ThUS$83,852. And (ii) the other tranche matures on July 17, 2042 and is in the amount of ThUS$750,000 at an annual interest rate of 4.25%.

On August 13, 2013, the Corporation issued and placed bonds in the U.S. market, under Rule 144-A and Regulation S, for a nominal amount of ThUS$750,000, payable in a single installment on August 13, 2023, at an annual interest rate of 4.5% and semi-annual interest payments. On August 22, 2017, February 12 and February 26, 2019, principal in the amounts of ThUS$162,502, ThUS$228,674 and ThUS$270 respectively, was paid. On October 8 and 22, principal was paid for ThUS$23,128 and ThUS$555 respectively. On May 6, 2020, the remaining principal due was increased for a nominal amount of ThUS$131,000, reaching a total amount of ThUS$465,871 with an annual coupon of 4.50%. On December 16, 2020, principal was paid for an amount of ThUS$79,688.

On October 18, 2013, the Corporation issued and placed bonds in the U.S. market, under Rule 144-A and Regulation S, for a nominal amount of ThUS$950,000, payable in a single installment on October 18, 2043, at an annual interest rate of 5.625% and semi-annual interest payments.

On July 9, 2014, the Corporation issued and placed bonds in the international financial markets, under Rule 144-A and Regulation S, for a nominal amount of EUR$600,000,000, payable in a single installment on July 9, 2024, at an annual interest rate of 2.25% and annual interest payments.

On November 4, 2014, the Corporation issued and placed bonds in the U.S. market, under Rule 144-A and Regulation S, for a nominal amount of ThUS$980,000, payable in a single installment on November 4, 2044, at an annual interest rate of 4.875% and semi-annual interest payments.

On September 16, 2015, the Corporation issued and placed bonds in the U.S. market, under Rule 144-A and Regulation S, for a nominal amount of ThUS$2,000,000, payable in a single installment on September 16, 2025, at an annual interest rate of 4.5% and semi-annual interest payments. On August 22, 2017 and February 12, 2019, principal was paid for an amount of ThUS$378,655 and ThUS$552,754 respectively. On December 22, 2020, principal was paid in the amount of ThUS$392,499.

On August 24, 2016, the Corporation issued and placed bonds in the local market for a nominal amount of UF10,000,000 of single series labeled “Series C”, which consists of 20,000 bonds for UF500 each. These bonds are payable in a single installment on August 24, 2026, at an annual interest rate of 2.5% and semi-annual interest payments.

On July 25, 2017, the Corporation made an offer in New York to buy its bonds issued in dollars with maturities between 2019 and 2025, repurchasing US$2,367 million.

On August 1, 2017, the Corporation issued and placed bonds on the North American market, under standard 144-A and Regulation S, for a total, nominal, amount of ThUS$2,750,000, ThUS$1,500,000 of which had an annual coupon rate of interest of 3.625% and semi-annual interest. On December 22, 2020, principal was paid for an amount of ThUS$227,154. Payments which will mature on August 1, 2027, while ThUS$1,250,000 had an annual coupon of 4.5% and semi-annual interest payments, will mature on August 1, 2047.

These operations allowed optimizing the debt maturity profile of Codelco. As a result of these transactions, 86% of the funds from the new issue (US$2,367 million) were used to refinance old debt. The average interest rate of refinanced funds decreased from 4.36% to 4.02%.

On May 18, 2018, Codelco issued a bond for US$600 million with 30-year maturity in the market of Formosa, Taiwan. The bond issued is denominated in US dollars, had a yield of 4.85% and a prepayment option at the issue value that can be exercised from the fifth year onwards at its par value.

On January 28, 2019, the Corporation in New York made an offer to purchase its bonds issued in dollars with maturities between 2020 and 2025, repurchasing US$1,527 million.
Subsequently, on February 5, 2019, the Corporation issued and placed bonds in the North American market, under Rule 144-A and Regulation S, for a total nominal amount of ThUS$1,300,000, which maturity will be 5 February 2049 with a coupon of 4.375% per annum and interest payments on a semi-annual basis.
The effect recognized in results associated with this refinancing was a charge of US$10 million after taxes.

On July 22, 2019, the Corporation made a bond issue and placement, Regulation S, for a nominal amount of AUD $ 70,000,000, whose maturity will be in a single installment on July 22, 2039, with a coupon of 3.58% annual and interest payment annually.

On August 23, 2019, the Corporation made a bond issue and placement, Regulation S, for a nominal amount of US$130,000,000, whose maturity will be in a single installment on August 23, 2029, with a coupon of 2.869% annual and interest payment semiannually.

On September 30, 2019, the Corporation made an issue and placement of bonds in the North American market, under rule 144-A and Regulation S, for a total nominal amount of ThUS$2,000,000 whose maturity will be, under one tranche, on September 30, 2029 corresponding to an amount of ThUS$1,100,000 with a 3% annual coupon. The other tranche contemplates a maturity on January 30, 2050, corresponding to an amount of ThUS$900,000. On January 14, 2020, the principal for the last tranche was increased for a nominal amount of ThUS$1,000,000, reaching a total amount of ThUS$1,900,000 with a coupon of 3.70% per year.

Along with this placement, Codelco launched a purchase offer, in which a repurchase amount of US$ 152 million was reached. The effect recognized in results associated with this refinancing was a charge of US$2 million after taxes.

On January 14, 2020, the Corporation issued and placed bonds in the North American market, under rule 144-A and Regulation S, for a nominal amount of ThUS $ 1,000,000, the maturity of which will be in a single installment on 14 January 2030, with a coupon of 3.15% per annum and payment of interest every six months.

On May 6, 2020, the Corporation issued and placed bonds in the North American market, under Rule 144-A and Regulation S, for a nominal amount of ThUS$800,000 whose maturity will be in a single installment on 15 January 2031, with a coupon of 3.75% per annum and interest paid every six months.

On December 7, 2020, the Corporation made in New York an offer to purchase its bonds issued in dollars with maturities between 2021 and 2027, repurchasing ThUS$797,554.

On December 14, 2020, the Corporation carried out an issuance and placement of bonds in the North American market, under standard 144-A and Regulation S, for a total nominal amount of ThUS$500,000 whose maturity will be in a single installment on January 15, 2051, with a coupon of 3.15% per annum and interest payment on a semi-annual basis.

As a result of these transactions, 100% of the funds from the new issuance (US$500 million) were used to refinance old debt. The average nominal rate of the refinanced funds decreased from 4.08% to 3.15%.

The effect recognized in results associated with this refinancing was a charge of US$23 million after taxes.

As of December 31, 2020 and 2019, the Corporation is not required to comply with any financial covenants related to borrowings from financial institutions and bond obligations.

- ***Financial debt commissions and expenses:*** Transaction costs incurred in obtaining financial resources are deducted from the loan proceeds and are amortized using the effective interest rate.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

As of December 31, 2020, the details of loans from financial institutions and bond obligations are as follows:

12/31/2020													
Taxpayer ID Number	**Country**	**Loans with financial entities**	**Institution**	**Maturity**	**Interest Rate**	**Currency**	**Principal Amount**	**Type of amortization**	**Payment of Interest**	**Nominal Interest Rate**	**Effective Interest Rate**	**Current balance** ThUS$	**Non-current balance** ThUS$
Foreign	Japan	Bilateral Credit	Japan Bank International Cooperation	5/24/2022	Floating	US$	224,000,000	Half-yearly principal payments from 2015 to the present.	Semi-annual	0.70%	0.86%	32,035	15,934
Foreign	Panama	Bilateral Credit	Banco Latinoamericano de Comercio	12/18/2026	Floating	US$	75,000,000	Maturity	Semi-annual	1.46%	1.61%	30	74,464
Foreign	USA	Bilateral Credit	Export Dev Canada	8/12/2027	Floating	US$	300,000,000	Maturity	Quarterly	1.36%	1.43%	557	299,098
Foreign	USA	Bilateral Credit	Export Dev Canada	10/25/2028	Floating	US$	300,000,000	Maturity	Quarterly	1.43%	1.52%	774	298,519
Foreign	USA	Bilateral Credit	Export Dev Canada	7/25/2029	Floating	US$	300,000,000	Maturity	Quarterly	1.43%	1.59%	739	296,541
Foreign	Holland	Bilateral Credit	Oriente Copper Netherlands B.V.	11/26/2032	Fixed	US$	874,959,000	Semi-annual	Semi-annual	3.25%	5.42%	47,083	504,668
TOTAL												**81,218**	**1,489,224**

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Taxpayer ID Number	Country	Maturity	Interest Rate	Currency	Principal Amount	Type of amortization	Payment of interest	Nominal Interest Rate	Effective Interest Rate	Current balance ThUS$	Non-current balance ThUS$
144-A REG.S	Luxembourg	11/4/2020	Fixed	US$	1,000,000,000	At Maturity	Semi-annual	3.88%	4.01%	213,679	-
144-A REG.S	Luxembourg	7/17/2022	Fixed	US$	1,250,000,000	At Maturity	Semi-annual	3.00%	3.13%	4,511	327,989
144-A REG.S	Luxembourg	8/13/2023	Fixed	US$	750,000,000	At Maturity	Semi-annual	4.50%	4.36%	6,666	387,473
144-A REG.S	Luxembourg	7/9/2024	Fixed	EUR	600,000,000	At Maturity	Annual	2.25%	2.48%	7,923	731,581
BCODE-B	Chile	4/1/2025	Fixed	U.F.	6,900,000	At Maturity	Semi-annual	4.00%	3.24%	2,821	289,816
144-A REG.S	Luxembourg	9/16/2025	Fixed	US$	2,000,000,000	At Maturity	Semi-annual	4.50%	4.74%	8,836	669,236
BCODE-C	Chile	8/24/2026	Fixed	U.F.	10,000,000	At Maturity	Semi-annual	2.50%	2.48%	3,561	423,061
144-A REG.S	Luxembourg	8/1/2027	Fixed	US$	1,500,000,000	At Maturity	Semi-annual	3.63%	4.18%	19,215	1,232,545
REG.S	Luxembourg	8/23/2029	Fixed	US$	130,000,000	At Maturity	Semi-annual	2.87%	2.97%	1,318	128,965
144-A REG.S	Luxembourg	9/30/2029	Fixed	US$	1,100,000,000	At Maturity	Semi-annual	3.00%	3.14%	8,387	1,088,210
144-A REG.S	Luxembourg	1/14/2030	Fixed	US$	1,000,000,000	At Maturity	Semi-annual	3.15%	3.28%	14,295	989,641
144-A REG.S	Luxembourg	1/15/2031	Fixed	US$	800,000,000	At Maturity	Semi-annual	3.75%	3.79%	19,606	796,944
REG.S	Luxembourg	11/7/2034	Fixed	HKD	500,000,000	At Maturity	Annual	2.84%	2.92%	276	63,901
144-A REG.S	Luxembourg	9/21/2035	Fixed	US$	500,000,000	At Maturity	Semi-annual	5.63%	5.78%	7,847	492,434
144-A REG.S	Luxembourg	10/24/2036	Fixed	US$	500,000,000	At Maturity	Semi-annual	6.15%	6.22%	5,745	496,666
REG.S	Luxembourg	7/22/2039	Fixed	AUD	70,000,000	At Maturity	Annual	3.58%	3.64%	852	53,269
144-A REG.S	Luxembourg	7/17/2042	Fixed	US$	750,000,000	At Maturity	Semi-annual	4.25%	4.41%	14,465	733,891
144-A REG.S	Luxembourg	10/18/2043	Fixed	US$	950,000,000	At Maturity	Semi-annual	5.63%	5.76%	10,864	933,908
144-A REG.S	Luxembourg	11/4/2044	Fixed	US$	980,000,000	At Maturity	Semi-annual	4.88%	5.01%	7,523	961,808
144-A REG.S	Luxembourg	8/1/2047	Fixed	US$	1,250,000,000	At Maturity	Semi-annual	4.50%	4.73%	23,387	1,206,748
144 - REG.S	Luxembourg	5/18/2048	Fixed	US$	600,000,000	At Maturity	Semi-annual	4.85%	4.91%	3,457	594,582
144-A REG.S	Luxembourg	2/5/2049	Fixed	US$	1,300,000,000	At Maturity	Semi-annual	4.38%	4.97%	22,873	1,184,160
144-A REG.S	Luxembourg	1/30/2050	Fixed	US$	1,900,000,000	At Maturity	Semi-annual	3.70%	3.89%	29,418	1,836,175
144-A REG.S	Luxembourg	1/15/2051	Fixed	US$	500,000,000	At Maturity	Semi-annual	3.15%	3.49%	776	444,910
TOTAL										**438,301**	**16,067,913**

Nominal and effective interest rates presented above correspond to annual rates.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

As of December 31, 2019, the details of loans from financial institutions and bond obligations are as follows:

12/31/2019													
Taxpayer ID Number	Country	Loans with financial entities	Institution	Maturity	Interest Rate	Currency	Principal Amount	Type of amortization	Payment of Interest	Nominal Interest Rate	Effective Interest Rate	Current balance ThUS$	Non-current balance ThUS$
97.036.000-K	Chile	Bilateral Credit	Santander Chile	3/27/2020	Floating	US$	100,000,000	Maturity	Semi-annual	2.36%	2.36%	100,597	-
97.018.000-1	Chile	Bilateral Credit	Scotiabank Chile	9/7/2020	Floating	US$	100,000,000	Maturity	Semi-annual	2.34%	2.34%	100,753	-
97.018.000-1	Chile	Bilateral Credit	Scotiabank Chile	9/14/2020	Floating	US$	65,000,000	Maturity	Semi-annual	2.40%	2.40%	65,473	-
97.018.000-1	Chile	Bilateral Credit	Scotiabank Chile	12/20/2020	Floating	US$	300,000,000	Maturity	Semi-annual	2.63%	2.63%	300,241	-
Foreign	USA	Bilateral Credit	MUFG Bank Ltd.	9/30/2021	Floating	US$	250,000,000	Maturity	Semi-annual	2.96%	3.06%	3,409	249,690
Foreign	USA	Bilateral Credit	Export Dev Canada	11/3/2021	Floating	US$	300,000,000	Maturity	Semi-annual	2.54%	2.72%	1,205	299,265
Foreign	Cayman Island	Bilateral Credit	Scotiabank & Trust (Cayman) Ltd	4/13/2022	Floating	US$	300,000,000	Maturity	Quarterly	2.65%	2.86%	1,701	298,834
Foreign	Japan	Bilateral Credit	Japan Bank International Cooperation	5/24/2022	Floating	US$	224,000,000	Half-yearly principal payments from 2015 to the present.	Semi-annual	2.34%	2.53%	32,187	47,833
Foreign	USA	Bilateral Credit	Export Dev Canada	7/17/2022	Floating	US$	300,000,000	Maturity	Semi-annual	2.83%	2.95%	3,774	299,550
Foreign	Panama	Bilateral Credit	Banco Latinoamericano de Comercio	12/18/2026	Floating	US$	75,000,000	Maturity	Semi-annual	3.10%	3.28%	77	74,401
Foreign	USA	Bilateral Credit	Export Dev Canada	10/25/2028	Floating	US$	300,000,000	Maturity	Semi-annual	3.40%	3.52%	4,505	298,390
Foreign	USA	Bilateral Credit	Export Dev Canada	7/25/2029	Floating	US$	300,000,000	Maturity	Semi-annual	3.42%	3.62%	4,393	296,200
Foreign	Holanda	Bilateral Credit	Oriente Copper Netherlands B.V.	11/26/2032	Fixed	US$	874,959,000	Semi-annual	Semi-annual	3.25%	5.42%	47,829	544,104
						TOTAL						**666,144**	**2,408,267**

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Taxpayer ID Number	Country	Maturity	Interest Rate	Currency	Principal Amount	Type of amortization	Payment of interest	Nominal Interest Rate	Effective Interest Rate	Current balance ThUS$	Non-current balance ThUS$
144-A REG.S	Luxembourg	11/4/2020	Fixed	US$	1,000,000,000	At Maturity	Semi-annual	3.75%	3.89%	396,742	-
144-A REG.S	Luxembourg	11/4/2021	Fixed	US$	1,150,000,000	At Maturity	Semi-annual	3.88%	4.02%	1,377	226,416
144-A REG.S	Luxembourg	7/17/2022	Fixed	US$	1,250,000,000	At Maturity	Semi-annual	3.00%	3.16%	4,978	410,882
144-A REG.S	Luxembourg	8/13/2023	Fixed	US$	750,000,000	At Maturity	Semi-annual	4.50%	4.74%	4,627	332,188
144-A REG.S	Luxembourg	7/9/2024	Fixed	EUR	600,000,000	At Maturity	Annual	2.25%	2.48%	7,236	666,384
BCODE-B	Chile	4/1/2025	Fixed	U.F.	6,900,000	At Maturity	Semi-annual	4.00%	3.24%	2,595	270,374
144-A REG.S	Luxembourg	9/16/2025	Fixed	US$	2,000,000,000	At Maturity	Semi-annual	4.50%	4.75%	14,003	1,055,236
BCODE-C	Chile	8/24/2026	Fixed	U.F.	10,000,000	At Maturity	Semi-annual	2.50%	2.48%	3,292	394,774
144-A REG.S	Luxembourg	8/1/2027	Fixed	US$	1,500,000,000	At Maturity	Semi-annual	3.63%	4.20%	22,607	1,443,875
REG.S	Luxembourg	8/23/2029	Fixed	US$	130,000,000	At Maturity	Semi-annual	2.87%	2.98%	1,328	128,808
144-A REG.S	Luxembourg	9/30/2029	Fixed	US$	1,100,000,000	At Maturity	Semi-annual	3.00%	3.14%	8,385	1,087,092
REG.S	Luxembourg	11/7/2034	Fixed	HKD	500,000,000	At Maturity	Annual	0.00%	0.00%	275	63,593
144-A REG.S	Luxembourg	9/21/2035	Fixed	US$	500,000,000	At Maturity	Semi-annual	5.63%	5.78%	7,804	492,115
144-A REG.S	Luxembourg	10/24/2036	Fixed	US$	500,000,000	At Maturity	Semi-annual	6.15%	6.22%	5,713	496,544
REG.S	Luxembourg	7/22/2039	Fixed	AUD	70,000,000	At Maturity	Annual	0.00%	0.00%	783	48,519
144-A REG.S	Luxembourg	7/17/2042	Fixed	US$	750,000,000	At Maturity	Semi-annual	4.25%	4.41%	14,465	733,450
144-A REG.S	Luxembourg	10/18/2043	Fixed	US$	950,000,000	At Maturity	Semi-annual	5.63%	5.76%	10,804	933,573
144-A REG.S	Luxembourg	11/4/2044	Fixed	US$	980,000,000	At Maturity	Semi-annual	4.88%	5.01%	7,481	961,425
144-A REG.S	Luxembourg	8/1/2047	Fixed	US$	1,250,000,000	At Maturity	Semi-annual	4.50%	4.73%	23,387	1,205,925
144 - REG.S	Luxembourg	5/18/2048	Fixed	US$	600,000,000	At Maturity	Semi-annual	4.85%	4.91%	3,438	594,487
144-A REG.S	Luxembourg	2/5/2049	Fixed	US$	1,300,000,000	At Maturity	Semi-annual	4.38%	4.97%	22,874	1,182,292
144-A REG.S	Luxembourg	1/30/2050	Fixed	US$	900,000,000	At Maturity	Semi-annual	3.70%	3.78%	8,393	889,406
					TOTAL					**572,587**	**13,617,358**

Nominal and effective interest rates presented above correspond to annual rates.

The undiscounted amounts that the Corporation will have to disburse to settle the obligations with financial institutions, are as follows:

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

12/31/2020					Current			Non-current			
Debtor's Name	Currency	Effective interest rate	Nominal Rate	Payments of Interest	Less than 90 days	More than 90 days	Current total	1 to 3 years	3 to 5 years	More than 5 years	Non-current total
Japan Bank International Cooperation	US$	0.86%	0.70%	Semi-annual	-	32,283	32,283	16,057	-	-	16,057
Banco Latinoamericano de Comercio	US$	1.61%	1.46%	Semi-annual	-	1,113	1,113	2,220	1,667	76,658	80,545
Export Dev Canada	US$	1.43%	1.36%	Quarterly	1,045	3,102	4,147	8,295	8,307	307,250	323,852
Export Dev Canada	US$	1.52%	1.43%	Quarterly	1,097	3,257	4,354	8,708	8,720	313,051	330,479
Export Dev Canada	US$	1.59%	1.43%	Quarterly	-	3,252	3,252	8,696	8,707	317,343	334,746
BONO 144-A REG.S 2021	US$	4.01%	3.88%	Semi-annual	-	220,859	220,859	-	-	-	-
BONO 144-A REG.S 2022	US$	3.13%	3.00%	Semi-annual	4,929	4,929	9,858	338,482	-	-	338,482
BONO 144-A REG.S 2023	US$	4.36%	4.50%	Semi-annual	8,689	8,689	17,378	34,756	386,183	-	420,939
BONO 144-A REG.S 2025	US$	4.74%	4.50%	Semi-annual	15,212	15,212	30,424	60,849	736,951	-	797,800
BONO 144-A REG.S 2027	US$	4.18%	3.63%	Semi-annual	23,070	23,070	46,140	92,281	92,281	1,365,127	1,549,689
BONO REG.S 2029	US$	2.97%	2.87%	Semi-annual	1,865	1,865	3,730	7,459	7,459	144,919	159,837
BONO 144-A REG.S 2029	US$	3.14%	3.00%	Semi-annual	16,500	16,500	33,000	66,000	66,000	1,232,000	1,364,000
BONO 144-A REG.S 2030	US$	3.28%	3.15%	Semi-annual	15,750	15,750	31,500	63,000	63,000	1,141,750	1,267,750
BONO 144-A REG.S 2031	US$	3.79%	3.75%	Semi-annual	15,000	15,000	30,000	60,000	60,000	965,000	1,085,000
BONO 144-A REG.S 2035	US$	5.78%	5.63%	Semi-annual	14,063	14,063	28,126	56,250	56,250	781,250	893,750
BONO 144-A REG.S 2036	US$	6.22%	6.15%	Semi-annual	-	30,750	30,750	61,500	61,500	838,250	961,250
BONO 144-A REG.S 2042	US$	4.41%	4.25%	Semi-annual	15,938	15,938	31,876	63,750	63,750	1,291,875	1,419,375
BONO 144-A REG.S 2043	US$	5.76%	5.63%	Semi-annual	-	53,438	53,438	106,875	106,875	1,911,875	2,125,625
BONO 144-A REG.S 2044	US$	5.01%	4.88%	Semi-annual	-	47,775	47,775	95,550	95,550	1,887,725	2,078,825
BONO 144-A REG.S 2047	US$	4.73%	4.50%	Semi-annual	28,125	28,125	56,250	112,500	112,500	2,487,500	2,712,500
BONO 144 REG.S 2048	US$	4.91%	4.85%	Semi-annual	-	29,100	29,100	58,200	58,200	1,254,750	1,371,150
BONO 144-A REG.S 2049	US$	4.97%	4.38%	Semi-annual	28,438	28,438	56,876	113,750	113,750	2,636,563	2,864,063
BONO 144-A REG.S 2050	US$	3.89%	3.70%	Semi-annual	35,150	35,150	70,300	140,600	140,600	3,622,350	3,903,550
BONO 144-A REG.S 2051	US$	3.49%	3.15%	Semi-annual	-	7,875	7,875	31,500	31,500	901,625	964,625
Oriente Copper Netherlands B.V.	US$	5.42%	3.25%	Semi-annual	-	69,775	69,775	135,320	129,589	408,051	672,960
				Total ThUS$	**224,871**	**725,308**	**950,179**	**1,742,598**	**2,409,339**	**23,884,912**	**28,036,849**
BONO BCODE-B 2025	U.F.	3.24%	4.00%	Semi-annual	138,000	138,000	276,000	552,000	7,452,000	-	8,004,000
BONO BCODE-C 2026	U.F.	2.48%	2.50%	Semi-annual	-	248,457	248,457	496,913	496,914	10,248,457	11,242,284
				Total U.F.	138,000	386,457	524,457	1,048,913	7,948,914	10,248,457	19,246,284
				Subtotal ThUS$	**5,643**	**15,802**	**21,445**	**42,889**	**325,027**	**419,053**	**786,969**
BONO 144-A REG.S 2024	EUR	2.48%	2.25%	Annual	-	13,500,000	13,500,000	27,000,000	613,500,000	-	640,500,000
				Subtotal ThUS$	**-**	**16,583**	**16,583**	**33,165**	**753,593**	**-**	**786,758**
BONO REG.S 2039	AUD	3.64%	3.58%	Annual	**-**	2,506,000	2,506,000	5,012,000	5,012,000	105,084,000	115,108,000
				Subtotal ThUS$	**-**	**1,924**	**1,924**	**3,848**	**3,848**	**80,685**	**88,381**
BONO REG.S 2034	HKD	2.92%	2.84%	Annual	**14,238,904**	-	14,238,904	28,400,000	28,438,904	642,077,808	698,916,712
				Subtotal ThUS$	**1,837**	**-**	**1,837**	**3,664**	**3,669**	**82,826**	**90,159**
				Total ThUS$	**232,351**	**759,617**	**991,968**	**1,826,164**	**3,495,476**	**24,467,476**	**29,789,116**

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Nominal and effective interest rates presented above correspond to annual rates.

12/31/2019					Current			Non-current			
Creditor Name	Currency	Effective Interest Rate	Nominal Interest Rate	Payments of Interest	Less than 90 days	More than 90 days	Current total	1 to 3 years	3 to 5 years	More than 5 years	Non-current total
Santander Chile	US$	2.36%	2.36%	Semi-annual	101,165	-	101,165	-	-	-	-
Scotiabank Chile	US$	2.34%	2.34%	Semi-annual	101,182	-	101,182	-	-	-	-
Scotiabank Chile	US$	2.40%	2.40%	Semi-annual	65,790	-	65,790	-	-	-	-
Scotiabank Chile	US$	2.63%	2.63%	Semi-annual	-	304,054	304,054	-	-	-	-
MUFG Bank LTD	US$	3.06%	2.96%	Semi-annual	3,840	3,737	7,577	261,212	-	-	261,212
Export Dev Canada	US$	2.72%	2.54%	Semi-annual	-	7,757	7,757	307,715	-	-	307,715
Scotiabank & Trust (Cayman) Ltd	US$	2.86%	2.65%	Quarterly	1,988	6,053	8,041	312,062	-	-	312,062
Japan Bank International Cooperation	US$	2.53%	2.34%	Semi-annual	-	33,720	33,720	49,137	-	-	49,137
Export Dev Canada	US$	2.95%	2.83%	Semi-annual	4,411	4,293	8,704	317,291	-	-	317,291
Export Dev Canada	US$	3.52%	3.40%	Semi-annual	5,213	5,156	10,369	20,683	20,711	346,607	388,001
Export Dev Canada	US$	3.62%	3.42%	Semi-annual	5,244	5,187	10,431	20,804	20,833	351,897	393,534
Banco Latinoamericano de Comercio	US$	3.28%	3.10%	Semi-annual	-	2,380	2,380	4,722	3,545	80,886	89,153
BONO 144-A REG.S 2020	US$	3.89%	3.75%	Semi-annual	-	409,690	409,690	-	-	-	-
BONO 144-A REG.S 2021	US$	4.02%	3.88%	Semi-annual	-	8,796	8,796	235,777	-	-	235,777
BONO 144-A REG.S 2022	US$	3.16%	3.00%	Semi-annual	6,187	6,187	12,374	437,224	-	-	437,224
BONO 144-A REG.S 2023	US$	4.74%	4.50%	Semi-annual	7,535	7,535	15,070	30,138	349,940	-	380,078
BONO 144-A REG.S 2025	US$	4.75%	4.50%	Semi-annual	24,044	24,044	48,088	96,174	96,174	1,116,688	1,309,036
BONO 144-A REG.S 2027	US$	4.20%	3.63%	Semi-annual	27,188	27,188	54,376	108,750	108,750	1,663,125	1,880,625
REG.S 2029	US$	2.98%	2.87%	Semi-annual	1,865	1,865	3,730	7,459	7,459	148,649	163,567
BONO 144-A REG.S 2029	US$	3.14%	3.00%	Semi-annual	16,500	16,500	33,000	66,000	66,000	1,265,000	1,397,000
BONO 144-A REG.S 2035	US$	5.78%	5.63%	Semi-annual	14,063	14,063	28,126	56,250	56,250	809,375	921,875
BONO 144-A REG.S 2036	US$	6.22%	6.15%	Semi-annual	-	30,750	30,750	61,500	61,500	869,000	992,000
BONO 144-A REG.S 2042	US$	4.41%	4.25%	Semi-annual	15,938	15,938	31,876	63,750	63,750	1,323,750	1,451,250
BONO 144-A REG.S 2043	US$	5.76%	5.63%	Semi-annual	-	53,438	53,438	106,875	106,875	1,965,313	2,179,063
BONO 144-A REG.S 2044	US$	5.01%	4.88%	Semi-annual	-	47,775	47,775	95,550	95,550	1,935,500	2,126,600
BONO 144-A REG.S 2047	US$	4.73%	4.50%	Semi-annual	28,125	28,125	56,250	112,500	112,500	2,543,750	2,768,750
BONO 144 REG.S 2048	US$	4.91%	4.85%	Semi-annual	-	29,100	29,100	58,200	58,200	1,283,850	1,400,250
BONO 144-A REG.S 2049	US$	4.97%	4.38%	Semi-annual	28,438	28,438	56,876	113,750	113,750	2,693,438	2,920,938
BONO 144-A REG.S 2050	US$	3.78%	3.70%	Semi-annual	11,100	22,261	33,361	66,782	66,782	1,745,911	1,879,476
Oriente Copper Netherlands B.V.	US$	5.42%	3.25%	Semi-annual		72,705	72,705	141,137	135,320	537,640	814,097
				Total ThUS$	**469,816**	**1,216,735**	**1,686,551**	**3,151,442**	**1,543,889**	**20,680,379**	**25,375,711**
BONO BCODE-B 2025	U.F.	3.24%	4.00%	Semi-annual	138,000	138,000	276,000	552,000	552,000	7,038,000	8,142,000
BONO BCODE-C 2026	U.F.	2.48%	2.50%	Semi-annual	124,228	124,228	248,457	496,913	496,913	10,496,914	11,490,740
				Total U.F.	262,228	262,228	524,457	1,048,913	1,048,913	17,534,914	19,632,740
				Subtotal ThUS$	**9,915**	**9,915**	**19,830**	**39,661**	**39,660**	**662,997**	**742,318**
BONO 144-A REG.S 2024	EUR	2.48%	2.25%	Annual	-	13,500,000	13,500,000	27,000,000	27,000,000	600,000,000	654,000,000
				Subtotal ThUS$	**-**	**15,138**	**15,138**	**30,276**	**30,276**	**672,798**	**733,350**
REG.S 2039	AUD	3.65%	3.58%	Annual	-	2,506,000	2,506,000	5,012,000	5,012,000	107,590,000	117,614,000
				Subtotal ThUS$	**-**	**1,755**	**1,755**	**3,509**	**3,509**	**75,332**	**82,350**
REG.S 2034	HKD	2.92%	2.84%	Annual	-	14,238,904	14,238,904	28,400,000	28,438,904	642,077,808	698,916,712
				Subtotal ThUS$	**-**	**1,829**	**1,829**	**3,648**	**3,653**	**82,468**	**89,769**
				Total ThUS$	**479,731**	**1,245,372**	**1,725,103**	**3,228,536**	**1,620,987**	**22,173,974**	**27,023,498**

Nominal and effective interest rates presented above correspond to annual rates.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

The table below details changes in CODELCO's financing activities in the statement of cash flow, including both cash and non-cash changes for the years ended December 31, 2020 and 2019:

Break-out of financial activities	Initial Balance at 1/1/2020	Flows of cash			Changes that do not represent cash flow					Final Balance at 12/31/2020
		From	Used	Total	Financial Cost (1)	Exchange Difference	Fair Value Adjustment	Effective Interest accretion/amortization not cash flow related	Other	
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Loans with financial institutions	3,074,411	565,000	(2,146,160)	(1,581,160)	70,966	-	-	3,643	2,582	1,570,442
Bond Obligations	14,189,945	3,431,000	(1,829,394)	1,601,606	685,122	121,266	-	(91,725)	-	16,506,214
Hedge Obligations	157,826	-	(25,729)	(25,729)	23,202	(64,492)	37,634	-	767	129,208
Paid Dividends		-	(239,076)	(239,076)	-	-	-	-	-	-
Financial assets for hedge derivatives	(82,584)	-	-	-	-	(56,774)	11,175	-	681	(127,502)
Leases	432,871	-	(132,263)	(132,263)	19,572	18,603	-	-	146,225	485,008
Capital contribution		-	-	-	-	-	-	-	-	-
Other	58,864	-	(161,273)	(161,273)	-	-	-	-	158,878	56,469
Total break-out of financial activities	**17,831,333**	**3,996,000**	**(4,533,895)**	**(537,895)**	**798,862**	**18,603**	**48,809**	**(88,082)**	**309,133**	**18,619,839**

Break-out of financial activities	Initial Balance at 1/1/2019	Flows of cash			Changes that do not represent cash flow					Final Balance at 12/31/2019
		From	Used	Total	Financial Cost (1)	Exchange Difference	Fair Value Adjustment	Effective Interest accretion/amortization not cash flow related	Other	
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Loans with financial institutions	2,511,949	840,000	(386,625)	453,375	104,592	-	-	1,606	2,889	3,074,411
Bond Obligations	12,745,736	3,543,199	(2,610,321)	932,878	591,920	(45,137)	-	(35,452)	-	14,189,945
Hedge Obligations	116,132	-	(21,167)	(21,167)	21,556	13,142	27,575	-	588	157,826
Paid Dividends	-	-	-	-	-	-	-	-	-	-
Financial assets for hedge derivatives	(107,700)	-	-	-	-	31,438	(6,322)	-	-	(82,584)
Leases	107,839	-	(148,181)	(148,181)	31,416	(18,114)	-	-	459,911	432,871
Capital contribution	-	400,000	-	400,000	-	-	-	-	-	-
Other	64,343	-	(75,483)	(75,483)	51,082	-	-	-	18,922	58,864
Total break-out of financial activities	**15,438,299**	**4,783,199**	**(3,241,777)**	**1,541,422**	**800,566**	**(18,671)**	**21,253**	**(33,846)**	**482,310**	**17,831,333**

(1) The finance costs consider the capitalization of interest, which for the years ended December 31, 2020 and 2019, amounted to ThUS$223,931 and ThUS$367,548 respectively.

13. Fair Value of financial assets and liabilities

The carrying amount of financial assets is a reasonable approximation to their fair value, therefore, no additional disclosures are required in accordance with IFRS 7 with respect thereto.

Regarding financial liabilities, the following table shows a comparison as of December 31, 2020 between the carrying amount and the fair value of financial liabilities other than those whose carrying amount is a reasonable approximation of fair value, which fair value estimate complies with Level 1 definition in the hierarchy defined in Note 14.

Comparison value book vs fair value as of December 31, 2020	Accounting treatment for valuation	Carrying amount ThUS$	Fair value ThUS$
Financial liabilities:			
Bond Obligations	Amortized cost	16,506,214	19,389,790

14. Fair value hierarchy

The estimated fair value for the Corporation's portfolio of financial instruments is based on valuation techniques and observable inputs. Considering the hierarchy of the data used in these valuation techniques, the assets and liabilities measured at fair value can be classified into the following levels:

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the assets or liabilities, either directly (i,e, as prices) or indirectly (i,e, derived from prices).
- Level 3: Inputs are significant unobservable inputs for the asset or liability.

The following table presents financial assets and liabilities measured at fair value as of December 31, 2020:

Financial instruments measured at fair value	12/31/2020			
	Level 1 ThUS$	Level 2 ThUS$	Level 3 ThUS$	Total ThUS$
Financial Assets				
Provisional price sales contracts	-	915,454	-	915,454
Cross Currency Swap	-	127,502	-	127,502
Metal futures contracts	3,612	-	-	3,612
Financial Liabilities				
Metal futures contracts	1,812	1,001	-	2,813
Cross Currency Swap	-	129,208	-	129,208

There were no transfers between the different levels during the years ended December 31, 2020.

15. Trade and other payables

The detail of trade and other current payables as of December 31, 2020 and 2019, is as follows:

Items	Currents	
	12/31/2020 ThUS$	12/31/2019 ThUS$
Trade payables	1,176,101	1,150,047
Payables to employees	29,318	8,390
Withholdings	100,014	113,147
Withholding taxes	87,634	76,387
Other payables	105,218	72,944
Total	**1,498,285**	**1,420,915**

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

16. Other provisions

The detail of other current and non-current provisions as of December 31, 2020 and 2019, is as follows:

Other Provisions	Current		Non-current	
	12/31/2020 ThUS$	12/31/2019 ThUS$	12/31/2020 ThUS$	12/31/2019 ThUS$
Sales-related provisions (1)	8,734	2,932	-	-
Operating (2)	307,004	260,973	-	-
Law No. 13196	130,854	109,643	-	-
Other provisions	115,435	128,624	468	2,320
Decommissioning and restoration (3)	-	-	2,232,942	2,038,483
Legal proceedings	-	-	61,097	49,684
Total	**562,027**	**502,172**	**2,294,507**	**2,090,487**

(1) Corresponds to sales-related accruals, which includes charges for freight, loading, and unloading that were not invoiced at the end of the period.
(2) Corresponds to a provision for customs duties, freight on purchases, electricity, among others.
(3) Corresponds to a provision for future decommissioning and site restoration costs primarily related to tailing dams, closures of mine operations and other mining assets. The amount of the provision is the present value of future expected cash flows discounted at a pre-tax rate of 0.86% for the obligations in Chilean currency and 1.13% for the obligations in U.S. dollar. Both, discount rates reflect the corresponding assessments of the time value of money and the risks specific to the liability. The discount rate does not reflect risks for which future cash flow estimates have been made. The discount period varies between 10 and 62 years.

The Corporation determines and recognized this liability in accordance with the accounting policy described in Note 2, letter p) on Significant Accounting Policies.

Changes in Other provisions, were as follows:

Changes	1/1/2020 12/31/2020			
	Other Provisions, non-current ThUS$	Decommissioning and restoration ThUS$	Contingencies ThUS$	Total ThUS$
Opening balance	2,320	2,038,483	49,684	2,090,487
Cost / Capitalization of the period	-	486	-	486
Closing provision adjustment	-	83,949		83,949
Financial expenses	-	30,322	-	30,322
Payment of liabilities	-	-	(2,873)	(2,873)
Foreign currency translation	7	80,289	(25)	80,271
Provision decrease	(2,375)	-	-	(2,375)
Other increases (decreases)	516	(587)	14,311	14,240
Closing Balance	**468**	**2,232,942**	**61,097**	**2,294,507**

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

17. Employee benefits

a. Provisions for post-employment benefits and other long term benefits

Provision for post-employment benefits mainly corresponds to employee severance indemnities and medical care plans. The provision for severance indemnities recognizes the contractual obligation that the Corporation has with its employees/retirees regardless of the reason for employee's departure. The provision for medical care plans recognizes the contractual obligation that the Corporation has with its retirees to cover their medical care costs.

Both long-term employee benefits are stated in the terms of employment contracts and collective bargaining agreements as agreed to by the Corporation and its employees.

These defined benefit liabilities are recognized in the statement of financial position, at the present value of the defined benefit obligation. The discount rate applied is determined by reference to the market yields of government bonds in the same currency and estimated term of the post-employment benefit obligations.

The defined benefit obligations are denominated in Chilean pesos, therefore the Corporation is exposed to foreign exchange rate risk.

Actuarial gains and losses resulting from changes in actuarial assumptions and experience adjustments are recognized in other comprehensive income and are not subsequently reclassified to profit or loss.

For the years ended December 31, 2020 and 2019, there were no significant changes in post-employment benefits plans.

The following actuarial assumptions were used in the actuarial calculation of the defined benefit plans:

Assumptions	12/31/2020		12/31/2019	
	Retirement plan	Health plan	Retirement plan	Health plan
Annual Discount Rate	3.21%	3.21%	3.68%	3.68%
Voluntary Annual Turnover Rate for Retirement (Men)	5.00%	5.00%	5.00%	5.00%
Voluntary Annual Turnover Rate for Retirement (Women)	5.90%	5.90%	4.70%	4.70%
Salary Increase (real annual average)	3.06%	3.06%	3.26%	3.26%
Future Rate of Long-Term Inflation	2.80%	2.80%	3.00%	3.00%
Inflation Health Care	-	4.85%	-	5.05%
Mortality tables used for projections	CB14-RV14	CB14-RV14	CB14-RV14	CB14-RV14
Average duration of future cash flows (years)	7.85	17.96	7.21	17.13
Expected Retirement Age (Men)	60	60	60	60
Expected Retirement Age (Women)	59	59	59	59

The discount rates correspond to the rates in the secondary market of government bonds issued in Chile. The annual inflation corresponds to the long-term expectation set by the Central Bank of Chile and corresponds to the market expectation as of December 31, 2020. The turnover rates were determined using the past three years of historical experience of the Corporation's employee departure behavior. The expected rate of salary increases has been estimated using the long-term behavior of historical salaries paid by the Corporation. The mortality tables used were those issued by the CMF, which are considered an appropriate representation of the Chilean market given the lack of comparable statistical series to develop independent studies. The period over which the obligation is being amortized corresponds to the estimate of the period over which the cash flows will occur.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

b. The detail of current and non-current provisions for employment benefits as of December 31, 2020 and 2019, is as follows:

Accrual for employee benefits	Current		Non-current	
	12/31/2020 ThUS$	12/31/2019 ThUS$	12/31/2020 ThUS$	12/31/2019 ThUS$
Employees' collective bargaining agreements	182,905	181,040	-	-
Employee pension	28,840	21,904	620,940	704,877
Bonus	59,771	35,195	-	-
Vacation	155,069	143,971	-	-
Medical care programs (1)	591	497	607,403	561,709
Retirement plans (2)	20,694	37,479	8,994	8,181
Other	12,908	15,479	6,603	8,590
Total	**460,778**	**435,565**	**1,243,940**	**1,283,357**

(1) Corresponds to a provision recognized for the obligations with health care institutions as agreed with current and former employees.
(2) Correspond to the provision recognized for early retirement benefits provided to employees.

The reconciliation of the present value of the retirement plan and post-employment benefit obligation, is as follows:

Movements	1/1/2020 12/31/2020		1/1/2019 12/31/2019	
	Retirement plan ThUS$	Health plan ThUS$	Retirement plan ThUS$	Health plan ThUS$
Opening balance	**726,781**	**562,206**	**829,507**	**496,783**
Service cost	69,170	47,094	51,086	39,980
Financial cost	3,705	3,379	15,512	9,290
Paid contributions	(179,618)	(31,308)	(115,970)	(44,275)
Actuarial (gains)/losses	5,486	(5,845)	4,828	93,889
Subtotal	**625,524**	**575,526**	**784,963**	**595,667**
(Gains) Losses on foreign exchange rate	24,256	32,468	(58,182)	(33,461)
Final Total	**649,780**	**607,994**	**726,781**	**562,206**

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

The balance of the defined benefit liability as of December 31, 2020, comprises a short term portion of ThUS$28,840 and ThUS$591 for the severance indemnity and the medical care plan, respectively. The expected amount of the defined benefit liability projected at December 31, 2021, consists of ThUS$722,896 for the severance indemnity and ThUS$575,867 for the medical care plan. The expected monthly average future disbursements related to defined benefit plans are of ThUS$2,403 for severance indemnity and of ThUS$49 for medical care.

In relation to the actuarial loss (gain), its results are composed of the following concepts:

	12/31/2020		12/31/2019	
Technical remedies	**Retirement plan** ThUS$	**Health plan** ThUS$	**Retirement plan** ThUS$	**Health plan** ThUS$
Reassessment of demographic assumptions	159	18,644	(11,513)	-
Revaluation of financial assumptions	1,916	(25,890)	7,262	9,365
Reassessment by experience	3,411	1,401	9,079	84,524
Total net effect	**5,486**	**(5,845)**	**4,828**	**93,889**

The following table sets forth the sensitivity analysis of the value of each line item for a change in estimates, respectively, from the medium (used in the estimate recorded) to the low and from the medium to the high; the second to the last column represents the change between the low and medium and the last column represents the change between the medium and the high:

Severance Benefits for Years of Service	Low	Medium	High	Reduction	Increase
Financial effect on interest rates	2.965%	3.215%	3.465%	1.44%	-1.39%
Financial effect on the real increase in income	2.807%	3.057%	3.307%	-1.24%	1.27%
Demographic effect of job rotations	4.590%	5.090%	5.590%	0.15%	-0.13%
Demographic effect on mortality tables	-25.00%	CB14-RV14, Chile	25.00%	0.04%	-0.04%
Health Benefits and Other	Low	Medium	High	Reduction	Increase
Financial effect on interest rates	2.965%	3.215%	3.465%	1.04%	-1.00%
Financial effect on health inflation	2.711%	3.211%	3.711%	-11.31%	14.29%
Demographic effect, planned retirement age	58 / 57	60 / 59	62 / 61	3.55%	-3.61%
Demographic effect on mortality tables	-25.00%	CB14-RV14, Chile	25.00%	10.90%	-7.45%

c. Retirement benefits provision

The Corporation under its operational optimization programs seeks to reduce costs and increase labor productivity, and through the incorporation of modern technologies and/or best management practices has established employee retirement programs by making corresponding modifications to employment contracts or collective bargaining agreements, with benefits encouraging early retirement. The early retirement plans are recognized as a liability and expense as the Corporation can no longer withdraw the offer of those benefits.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

As of December 31, 2020 and 2019, the retirement plan provision current balance was ThUS$20,694 and ThUS$37,479, respectively, while the non-current balance was ThUS$8,994 and ThUS$8,181, respectively. The non-current amounts recognized have been determined using a discount rate equivalent to that used for calculating employee benefits provisions and whose outstanding balances are part of the balances as of December 31, 2020 and 2019.

d. Employee benefits expenses

The employee benefit expenses recognized for the years ended December 31, 2020 and 2019, are as follows:

Expense by Nature of Employee Benefits	1/1/2020 12/31/2020 ThUS$	1/1/2019 12/31/2019 ThUS$
Benefits - Short term	1,337,651	1,519,659
Benefits - Post employment	47,094	39,980
Benefits - Early retirement	106,168	100,747
Benefits by years of service	69,170	51,086
Total	**1,560,083**	**1,711,472**

18. Equity

The Corporation's total equity as of December 31, 2020 is ThUS$11,626,491 (ThUS$11,634,677 as of December 31, 2019).

In accordance with article 6 of Decree Law 1350 of 1976, it is established that, before March 30 of each year, the Board must approve the Corporation's Business and Development Plan for the next three-year period. Taking that plan as a reference, and keeping in mind the Corporation's balance sheet for the immediately preceding year and aiming to ensure its competitiveness, before June 30 of each year the amounts that the Corporation shall allocate to the formation of capitalization funds and reserves shall be determined by decree from the Ministries of Mining and Treasury.

Net income shown in the balance sheets, after deducting the amounts referred to in the previous paragraph, shall belong to the State and becomes part of the Nation's general income.

Pursuant to the Exempt Decree No. 184 of June 27, 2014 of the Ministry of Finance, the Corporation was authorized to capitalize US$200 million of the net profit of the financial statements as of December 31, 2013.

On October 24, 2014, the President of the Republic of Chile signed Law No. 20790. Such Law sets forth an extraordinary capital contribution of up to US$3 billion for the Corporation during the period of 2014-2018. The resources obtained from such capital contribution, together with the capitalization of the profits obtained during such period up to US$800 million. At December 31, 2014, there were no capitalized resources under such statute.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

On October 16, 2018, the Ministry of Finance issued Exempt Decree 311 in which it has an extraordinary capital contribution for Codelco pursuant to Law No. 20,790 of US$1,000 million, which will be made in a first part for US$600 million and in a second part for US$400 million, and which were received on December 26, 2018 and February 26, 2019 respectively.

During fiscal year 2020, payments were made to the Treasury for a total of ThUS$239,076 for dividends charged to 2020 profits. In fiscal year 2019 there were no dividend payments.

As of December 31, 2020, there is a balance in favor of Codelco of ThUS$159,223 for dividends paid in excess. As of December 31, 2019, the balance in favor is ThUS$163,140.

The consolidated statement of changes in equity discloses the changes in the Corporation's equity.

The movement and composition of other equity reserves is presented in the consolidated statement of changes in equity.

Reclassification adjustments from other comprehensive income to income for the years meant a loss of ThUS$877 and a gain of ThUS$3,337 for the years ended December 31, 2020 and 2019, respectively.

a) Other reserves

The detail of other reserves as of December 31, 2020 and 2019, is as follows:

Other Reserves	**12/31/2020** ThUS$	**12/31/2019** ThUS$
Reserve on exchange differences on translation	(2,939)	(6,672)
Reserve of cash flow hedges	2,988	19,506
Capitalization fund and reserves	4,962,393	4,962,393
Reserve of remeasurement of defined benefit plans	(305,556)	(305,770)
Other reserves	619,936	622,290
Total other reserves	**5,276,822**	**5,291,747**

b) Non-controlling interests

The detail of non-controlling interests, included in equity and profit or loss, as of and for each reporting period, is as follows:

Societies	**Non-controlling participation**		**Net equity**		**Gain (loss)**	
	12/31/2020 %	**12/31/2019** %	**12/31/2020** ThUS$	**12/31/2019** ThUS$	**1/1/2020 12/31/2020** ThUS$	**1/1/2019 12/31/2019** ThUS$
Inversiones Gacrux SpA	32.20%	32.20%	924,924	919,764	13,864	7,905
Other	-	-	18	(7)	24	(14)
Total			**924,942**	**919,757**	**13,888**	**7,891**

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

For the years ended December 31, 2020, Inversiones Gacrux SpA, made an equity distribution of ThUS$7,567 paid to non-controlling interests.

The percentage of non-controlling interest in Inversiones Mineras Becrux SpA (previously Inversiones Mineras Acrux SpA) generates a non-controlling interest in our subsidiary Inversiones Gacrux SpA, which presents the following figures relating to its statement of financial position, statement of comprehensive income and cash flows:

Assets and liabilities	12/31/2020 ThUS$	12/31/2019 ThUS$
Current Assets	325,385	227,367
Non-current assets	2,790,802	2,855,708
Current liabilities	221,242	157,345
Non-current liabilities	516,030	554,890

Results	1/1/2020 12/31/2020 ThUS$	1/1/2019 12/31/2019 ThUS$
Revenues	741,628	682,079
Expenses	(722,455)	(681,954)
Profit of the year	19,173	125

Cash flow	1/1/2020 12/31/2020 ThUS$	1/1/2019 12/31/2019 ThUS$
Net cash flow from operating activities	31,745	84,426
Net cash flow from (using) investing activities	90,781	(42,403)
Net cash flow using financing activities	(78,932)	(128,413)

19. Revenue

Revenues for the years ended December 31, 2020 and 2019, are as follows:

Item	1/1/2020 12/31/2020 ThUS$	1/1/2019 12/31/2019 ThUS$
Revenue from sales of own copper	11,771,832	10,392,975
Revenue from sales of third-party copper	1,234,329	1,006,199
Revenue from sales of molybdenum	527,058	595,967
Revenue from sales of other products	636,407	520,351
Gain in futures market	3,542	9,439
Total	**14,173,168**	**12,524,931**

The Corporation's revenue is recognized at a point in time.

The breakdown of revenue is presented in explanatory note No.24 Operating Segments.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

20. Expenses by nature

Expenses by nature for the years ended December 31, 2020 and 2019, are as follows:

Item	1/1/2020 12/31/2020 ThUS$	1/1/2019 12/31/2019 ThUS$
Short-term benefits to employees	1,337,651	1,519,659
Depreciation	2,452,786	2,217,265
Amortization	2,284	2,804
Total	**3,792,721**	**3,739,728**

21. Asset impairment

As of December 31, 2020, the Corporation made a calculation of the recoverable amount of its cash-generating unit, Ventanas Division, in order to verify the existence of an impairment in the value of the assets associated with said division. Said recoverable amount amounted to US$140 million, which when compared with the book value of the assets of the cash-generating unit of US$164 million, an impairment of US$24 million (before tax) was determined, which was recorded in the caption Other expenses by function, of the comprehensive income statements for the year 2020 (note 22b).

The recoverable amount determined corresponds to the value in use using a 7.09% annual discount rate before taxes. The main variables used to determine the recoverable amount of this asset correspond to the price of acid, cost of treatment and refining, exchange rates and discount rates.

As of December 31, 2020 and 2019, there are no indications of additional impairments or reversals of impairment recognized in previous years, for the rest of the cash-generating units, as well as for their associates.

22. Other income and expenses by function

Other income and expenses by function for the years ended December 31, 2020 and 2019, are as follows:

a) Other income by function

Item	1/1/2020 12/31/2020 ThUS$	1/1/2019 12/31/2019 ThUS$
Penalties to suppliers	9,062	27,954
Delegated Administration	3,975	4,713
Miscellaneous sales (net)	22,058	39,870
Insurance claims for claims	-	27,054
Customer recovery	-	7,836
Reversal of provisions	2,570	-
Gain on sale of shares of related companies (Note 9)	-	103,151
Material Return	6,642	43,510
Insurance case compensation	10,962	-
Reverse site closure update	-	33,993
Other miscellaneous income	42,052	72,609
Total	**97,321**	**360,690**

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

b) Other expenses by function

Item	1/1/2020 12/31/2020 ThUS$	1/1/2019 12/31/2019 ThUS$
Law No. 13196	(1,047,663)	(935,599)
Research expenses	(46,625)	(85,621)
Bonus for the end of collective bargaining	(18,395)	(109,651)
Expenses plan	(106,168)	(100,747)
Write-off of investment projects	(11,244)	(7,261)
Write-off of property, plant & equipment	(9,347)	(27,495)
Medical care plan	(47,093)	(39,979)
Impairment of assets (note 21)	(24,053)	-
Write-off inventories	(8,553)	(35,136)
Inventory obsolescence	(20,631)	-
Customer bad debt	-	(1,307)
Contingency expenses	(14,363)	(20,482)
Fixed indirect costs, low production level	(55,824)	(313,917)
Other	(46,862)	(70,643)
Total	**(1,456,821)**	**(1,747,838)**

c) Law No. 13196

The Corporation is subject to Law No. 13196, which mandates the payment of a 10% tax over the foreign currency return on the actual sale revenue of copper production, including its by-products.

On January 27, 2017, Law No. 20989, article 3, establishes changes in the application of Law No. 13196 as of January 1, 2018, through which the Corporation will deposit annually, no later than December 15 of each year, the funds established in article 1 in that law.

On September 26, 2019, Law No. 21174 was published, which repeals Law No. 13196 and establishes that the 10% tax to the tax benefit provided by the Corporation will subsist for a period of nine years, decreasing from the tenth year 2.5% per year until reaching 0% at the beginning of the thirteenth year. The validity of this law is as of January 1, 2020, maintaining the payment annually at a date no later than December 15 of each year.

On March 23, 2020, the Ministry of Finance issued Ordinary Letter No. 843, which modifies the payment method of the funds related to Law 13196, in order to address funds to meet national needs generated by the COVID-19 crisis. Said Official Letter establishes the payment of funds owed to the Treasury for the application of Law No. 13196, equivalent to ThUS$240,168 (contribution for December 2019, January and February 2020), before March 31 this year. Subsequently and from the month of April, the Corporation should carry out the monthly transfer of the corresponding resources according to their recordkeeping, within a period not exceeding the last day of the month following its booking.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

23. Finance costs

The detail of finance costs for the years ended December 31, 2020 and 2019, is as follows:

Item	1/1/2020 12/31/2020 ThUS$	1/1/2019 12/31/2019 ThUS$
Bond interest	(579,910)	(302,393)
Bank loan interest	(61,461)	(56,457)
Unwinding of discount on severance indemnity provision	(3,705)	(12,332)
Unwinding of discount on other non-current provisions	(33,538)	(43,798)
Other	(63,850)	(64,327)
Total	**(742,464)**	**(479,307)**

24. Operating segments

The Corporation has defined its Divisions as its operating segments in accordance with the requirements of IFRS 8, *Operating Segments*. The revenues and expenses of the Head Office are allocated among the defined operating segments.

The mining deposits in operation, where the Corporation conducts its extractive and processing activities are managed by the following Divisions: Chuquicamata, Radomiro Tomic, Ministro Hales, Gabriela Mistral, Salvador, Andina and El Teniente. In addition, the smelting and refining activities are managed at the Ventanas Division. All these Divisions have a separate operational management, which reports to the Chief Executive Officer, through the North and South Central Vice-President of Operations, respectively.
The information on each Division and their corresponding mining deposits is as follows:

Chuquicamata
Types of mine sites: Open pit mines and underground mines
Operating: since 1915
Location: Calama – Region II
Products: Electro refined and electrolytic (electro-obtained) copper cathodes and copper concentrate

Radomiro Tomic
Types of mine sites: Open pit mines
Operating: since 1997,
Location: Calama – Region II
Products: Electro refined and electrolytic (electro-obtained) copper cathodes and copper concentrate

Ministro Hales
Type of mine: Open pit mine
Operating: since 2014
Location: Calama – Region II
Products: Calcined copper, copper concentrates

Gabriela Mistral
Type of mine: Open pit mine
Operating: since 2008
Location: Calama – Region II
Products: Electrolytic (electro-obtained) cathodes

Salvador
Type of mine: Underground mine and open pit mine
Operating: since 1926
Location: Salvador – Region III
Products: Electro refined and electrolytic (electro-obtained) copper cathodes and copper concentrate

Andina
Type of mines: Underground and open pit mines
Operating: since 1970
Location: Los Andes – Region V
Product: Copper concentrate

El Teniente
Type of mine: Underground mine
Operating: since 1905
Location: Rancagua – Region VI
Products: Fire-refined copper and copper anodes

a) Allocation of Head Office revenue and expenses

Revenue and expenses controlled by the Head Office are allocated to the Divisions based on following criteria.

The main items are assigned based on the following criteria:

Revenue and Cost of Sales of Head Office commercial transactions

- Allocation to the operating segments is made in proportion to revenues of each Division.

Other income, by function

- Other income by function, associated and identified with each Division, is directly allocated.
- Recognition of realized profits and other income by way of subsidiaries are allocated in proportion to the revenues of each Division.
- The remaining other income is allocated in proportion to the aggregate of balances of “other income” and “finance income” of each Division.

Distribution costs

- Expenses associated and identified with each Division are directly allocated.
- Distribution costs of subsidiaries are allocated in proportion to the revenues of each Division.

Administrative Expenses

- Administrative expenses associated and identified with each Division are directly allocated.
- Administrative expenses recorded in cost centers associated with the sales function and administrative expenses of subsidiaries are allocated in proportion to the revenues of each Division.
- Administrative expenses recorded in cost centers associated with the supply function are allocated in proportion to inventory balances in warehouse in each Division.
- The remaining administrative expenses are allocated in proportion to operating cash outflows of each Division.

Other Expenses, by function

- Other expenses associated and identified with each Division are directly allocated.
- Expenses for pre-investment studies and other expenses by function of subsidiaries are allocated in proportion to the revenues of each Division.

Other gains

- Other gains associated and identified with each Division are directly allocated.
- Other gains of subsidiaries are allocated in proportion to the revenues of each Division.

Finance Income

- Finance income associated and identified with each Division is directly allocated.
- Finance income of subsidiaries is allocated in proportion to the revenues of each Division.
- The remaining finance income is allocated in relation to the operating cash outflows of each Division.

Finance costs

- Finance costs associated and identified with each Division are directly allocated.
- Finance costs of subsidiaries are allocated in proportion to the revenues of each Division.

Share in profit (loss) of associates and joint ventures accounted for using the equity method

- Share in profit or loss of associates and joint ventures identified for each Division is directly allocated.

Foreign exchange differences

- Foreign exchange differences identifiable with each Division are directly allocated.

- Foreign exchange difference of subsidiaries is allocated in proportion to the revenues of each Division.
- The remaining foreign exchange differences are allocated in relation to operating cash outflows of each Division.

Contribution to the Chilean Treasury under Law No. 13196

- The amount of the contribution is allocated and accounted for in proportion to the invoiced and recorded amounts for copper and sub-product exports of each Division, that are subject to the surcharge.

Income tax benefit (expense)

- Corporate income tax under D.L. 2398 and specific mining tax are allocated based on the income before income taxes of each Division, considering for this purpose the income and expenses allocation criteria of the Head Office and subsidiaries mentioned above.

- Other tax expenses are allocated in proportion to the corporate income tax, specific mining tax and tax under D.L. 2398 of each Division.

b) Transactions between segments

Transactions between segments mainly related to products processing services (or tolling services), are recognized as revenue for the segment rendering the tolling services and as the cost of sales for the segment that receives the service. Such recognition is made in the period in which these services are rendered, as well as its elimination in the consolidated corporate financial statements.

Additionally, the reallocation of the profit and loss assumed by Ventanas Division, associated with the corporate mineral processing contract between Codelco and Enami, in which a distribution is applied based on the revenue of each division is included as a transaction between segments.

c) Cash flows by segments

The operating segments defined by the Corporation, maintains a cash management function which refers mainly to operational activities that need to be covered periodically with funds constituted in each of these segments and whose amounts are not significant in relation to corporate balances of cash and cash equivalents.

Conversely, activities such as obtaining financing, investment and payment of relevant financial obligations are mainly based at the Head Office.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

The following tables details the financial information organized by operating segments:

	From 1/1/2020 12/31/2020										
Segments	**Chuquicamata**	**R. Tomic**	**Salvador**	**Andina**	**El Teniente**	**Ventanas**	**G. Mistral**	**M. Hales**	**Total Segments**	**Others**	**Total Consolidated**
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Revenue from sales of own copper	3,776,420	1,669,342	686,893	1,124,322	2,700,812	69,986	653,324	1,090,764	11,771,863	(31)	11,771,832
Revenue from sales of third-party copper	1,742	-	-	-	-	26,263	-	-	28,005	1,206,324	1,234,329
Revenue from sales of molybdenum	301,441	12,459	10,984	40,571	153,228	-	-	-	518,683	8,375	527,058
Revenue from sales of other products	181,447	-	78,108	4,715	84,947	206,626	5	71,222	627,070	9,337	636,407
Revenue from futures market	1,368	691	151	(415)	2,958	(1,457)	217	29	3,542	-	3,542
Revenue between segments	59,279	-	46,936	4,183	-	75,336	-	-	185,734	(185,734)	-
Revenue	**4,321,697**	**1,682,492**	**823,072**	**1,173,376**	**2,941,945**	**376,754**	**653,546**	**1,162,015**	**13,134,897**	**1,038,271**	**14,173,168**
Cost of sales of own copper	(2,829,128)	(1,198,292)	(654,375)	(891,082)	(1,584,552)	(61,077)	(544,491)	(853,395)	(8,616,392)	(1,347)	(8,617,739)
Cost of sales of copper third-party copper	(1,789)	-	-	-	-	(30,265)	-	-	(32,054)	(1,195,291)	(1,227,345)
Cost of sales of molybdenum	(79,422)	(5,162)	(5,393)	(21,888)	(50,077)	-	-	-	(161,942)	(26,540)	(188,482)
Cost of sales of other products	(157,263)	-	(79,527)	(673)	(50,216)	(219,034)	(418)	(11,127)	(518,258)	(13,355)	(531,613)
Cost of sales between segments	(125,628)	9,099	(44,530)	9,184	32,290	(101,071)	(1,463)	36,385	(185,734)	185,734	-
Cost of sales	**(3,193,230)**	**(1,194,355)**	**(783,825)**	**(904,459)**	**(1,652,555)**	**(411,447)**	**(546,372)**	**(828,137)**	**(9,514,380)**	**(1,050,799)**	**(10,565,179)**
Gross profit (loss)	**1,128,467**	**488,137**	**39,247**	**268,917**	**1,289,390**	**(34,693)**	**107,174**	**333,878**	**3,620,517**	**(12,528)**	**3,607,989**
Other income, by function	18,427	7,729	8,543	14,140	8,872	5,199	752	(7)	63,655	33,666	97,321
Impairment loss determined in accordance with IFRS 9	(3,291)	(16)	(373)	(197)	(646)	(892)	-	(1,080)	(6,495)	(2,968)	(9,463)
Distribution costs	(46,653)	(28,450)	(16,697)	(21,468)	(69,022)	(7,546)	(21,677)	(21,915)	(233,428)	(163,617)	(397,045)
Administrative expenses	(156,797)	(8,803)	(17,981)	(38,688)	(47,884)	(39,536)	(12,450)	(9,016)	(331,155)	(78,003)	(409,158)
Other expenses, by function	(334,480)	(144,876)	(67,101)	(109,604)	(229,409)	(23,339)	(64,251)	(74,603)	(1,047,663)	-	(1,047,663)
Law No. 13.196	-	-	-	-	-	-	-	-	-	30,425	30,425
Other gains (losses)	(511)	(28)	74	98	1,068	134	11	(262)	584	39,629	40,213
Finance income	(261,922)	(45,215)	(21,750)	(77,544)	(251,979)	(9,199)	(14,011)	(45,560)	(727,180)	(15,284)	(742,464)
Finance costs	-	-	-	-	-	-	-	-	-	(206)	(206)
Share in the profit of associates and joint ventures accounted by the equity method	-	-	659	1,058	3,431	-	-	-	5,148	34,288	39,436
Exchange differences	(40,738)	(12,644)	(12,084)	(20,825)	(50,827)	(6,214)	(9,002)	(10,002)	(162,336)	(3,165)	(165,501)
Income (loss) before taxes	**302,502**	**255,834**	**(87,463)**	**15,887**	**652,994**	**(116,086)**	**(13,454)**	**171,433**	**1,181,647**	**(137,763)**	**1,043,884**
Income tax expenses	**(224,032)**	**(176,627)**	**56,134**	**(14,672)**	**(451,651)**	**77,029**	**8,133**	**(118,807)**	**(844,493)**	**57,490**	**(787,003)**
Income (loss)	**78,470**	**79,207**	**(31,329)**	**1,215**	**201,343**	**(39,057)**	**(5,321)**	**52,626**	**337,154**	**(80,273)**	**256,881**

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

From 1/1/2019 12/31/2019											
Segments	**Chuquicamata**	**R. Tomic**	**Salvador**	**Andina**	**El Teniente**	**Ventanas**	**G. Mistral**	**M. Hales**	**Total Segments**	**Others**	**Total Consolidated**
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Revenue from sales of own copper	3,341,305	1,655,359	344,116	916,542	2,496,457	65,680	666,997	906,516	10,392,972	3	10,392,975
Revenue from sales of third-party copper	1,634	-	-	-	-	19,233	-	-	20,867	985,332	1,006,199
Revenue from sales of molybdenum	297,324	10,251	20,026	67,524	194,153	-	-	-	589,278	6,689	595,967
Revenue from sales of other products	138,935	-	35,741	2,107	109,344	192,567	3,520	31,229	513,443	6,908	520,351
Revenue from futures market	5,859	3,023	418	(69)	29	(733)	805	107	9,439	-	9,439
Revenue between segments	35,928	-	24,103	2,554	1,330	105,184	-	-	169,099	(169,099)	-
Revenue	**3,820,985**	**1,668,633**	**424,404**	**988,658**	**2,801,313**	**381,931**	**671,322**	**937,852**	**11,695,098**	**829,833**	**12,524,931**
Cost of sales of own copper	(2,842,594)	(1,244,908)	(355,946)	(918,185)	(1,594,596)	(55,974)	(675,313)	(731,320)	(8,418,836)	622	(8,418,214)
Cost of sales of copper third-party copper	(1,704)	-	-	-	-	(20,225)	-	-	(21,929)	(974,448)	(996,377)
Cost of sales of molybdenum	(83,780)	(13,937)	(9,241)	(25,982)	(47,803)	-	-	-	(180,743)	(25,256)	(205,999)
Cost of sales of other products	(130,612)	-	(20,442)	(597)	(60,816)	(197,169)	(3,390)	(10,616)	(423,642)	(7,209)	(430,851)
Cost of sales between segments	(102,971)	42,164	(26,515)	(1,589)	6,770	(98,331)	(1,720)	13,093	(169,099)	169,099	-
Cost of sales	**(3,161,661)**	**(1,216,681)**	**(412,144)**	**(946,353)**	**(1,696,445)**	**(371,699)**	**(680,423)**	**(728,843)**	**(9,214,249)**	**(837,192)**	**(10,051,441)**
Gross profit (loss)	**659,324**	**451,952**	**12,260**	**42,305**	**1,104,868**	**10,232**	**(9,101)**	**209,009**	**2,480,849**	**(7,359)**	**2,473,490**
Other income, by function	100,500	8,817	20,493	24,001	42,197	1,853	6,878	5,535	210,274	150,416	360,690
Impairment loss determined in accordance with IFRS 9	(5,680)	(214)	(826)	(270)	(1,761)	(1,262)	(90)	(1,323)	(11,426)	(5,643)	(17,069)
Distribution costs	(50,451)	(28,061)	(13,913)	(16,504)	(45,847)	(8,484)	(28,135)	(25,215)	(216,610)	(192,624)	(409,234)
Administrative expenses	(440,991)	(17,273)	(96,233)	(17,305)	(104,232)	(13,520)	(18,937)	(15,871)	(724,362)	(87,877)	(812,239)
Other expenses, by function	(304,321)	(148,096)	(32,023)	(89,524)	(222,475)	(18,931)	(64,906)	(55,323)	(935,599)	-	(935,599)
Law No. 13.196	-	-	-	-	-	-	-	-	-	22,672	22,672
Other gains (losses)	(1,209)	(97)	89	251	874	202	18	(347)	(219)	37,090	36,871
Finance income	(64,411)	(47,344)	(15,309)	(64,068)	(172,137)	(9,899)	(15,300)	(46,784)	(435,252)	(44,055)	(479,307)
Finance costs	-	-	-	-	-	-	-	-	-	378	378
Share in the profit (loss) of associates and joint ventures accounted by the equity method	-	-	(403)	(1,255)	(1,201)	-	-	-	(2,859)	16,062	13,203
Exchange differences	52,099	10,535	9,807	18,840	56,738	5,586	8,113	13,565	175,283	(21,366)	153,917
Income (loss) before taxes	**(55,140)**	**230,219**	**(116,058)**	**(103,529)**	**657,024**	**(34,223)**	**(121,460)**	**83,246**	**540,079**	**(132,306)**	**407,773**
Income tax expenses	**29,969**	**(162,974)**	**76,094**	**61,658**	**(479,456)**	**20,763**	**83,454**	**(59,847)**	**(430,339)**	**37,094**	**(393,245)**
Income (loss)	**(25,171)**	**67,245**	**(39,964)**	**(41,871)**	**177,568**	**(13,460)**	**(38,006)**	**23,399**	**109,740**	**(95,212)**	**14,528**

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

The assets and liabilities related to each operating segment, including the Corporation's head office as of December 31, 2020 and 2019, are detailed in the following tables:

12/31/2020										
Category	Chuquicamata	Radomiro Tomic	Salvador	Andina	El Teniente	Ventanas	G. Mistral	M. Hales	Others	Total Consolidated
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Current assets	1,525,225	734,895	593,497	320,903	967,649	55,640	262,057	521,154	2,777,102	7,758,122
Non-current assets	9,171,623	2,069,919	1,109,815	4,943,152	7,799,234	250,617	1,081,860	3,144,884	4,881,160	34,452,264
Current liabilities	801,185	231,953	208,235	235,889	436,916	86,373	93,817	141,957	1,203,582	3,439,907
Non-current liabilities	766,127	340,723	297,955	610,450	1,284,736	139,142	160,279	130,656	23,413,920	27,143,988

12/31/2019										
Category	Chuquicamata	Radomiro Tomic	Salvador	Andina	El Teniente	Ventanas	G. Mistral	M. Hales	Others	Total Consolidated
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Current assets	1,318,498	673,058	409,962	269,730	959,041	63,802	264,389	342,614	1,748,927	6,050,021
Non-current assets	9,079,665	2,097,006	1,022,033	4,828,805	7,521,778	268,457	1,149,763	3,247,562	5,079,521	34,294,590
Current liabilities	821,067	179,649	140,456	214,350	474,126	76,222	103,484	139,946	1,773,657	3,922,957
Non-current liabilities	765,850	262,729	255,063	588,841	1,257,577	138,455	152,528	115,909	21,250,035	24,786,987

The revenue segregated per geographical areas is the following:

Revenue per geographical areas	1/1/2020 12/31/2020 ThUS$	1/1/2019 12/31/2019 ThUS$
Total revenue from domestic customers	2,087,303	2,616,605
Total revenue from foreign customers	12,085,865	9,908,326
Total	**14,173,168**	**12,524,931**

Revenue per geographical areas	1/1/2020 12/31/2020 ThUS$	1/1/2019 12/31/2019 ThUS$
China	3,404,994	2,315,772
Rest of Asia	1,896,307	1,673,357
Europe	4,761,323	3,673,299
America	3,425,289	3,932,012
Other	685,255	930,491
Total	**14,173,168**	**12,524,931**

During the periods January - December 2020 and 2019, there is no income from ordinary activities from transactions with a single client, representing 10 percent or more of the income of ordinary activities of the Corporation.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

25. Foreign exchange differences

The detail of foreign exchange differences for the years ended December 31, 2020 and 2019, is as follows:

Gain (loss) from foreign exchange differences recognized in income	1/1/2020 12/31/2020 ThUS$	1/1/2019 12/31/2019 ThUS$
Gain from foreign exchange differences	97,221	254,314
Loss from foreign exchange differences	(262,722)	(100,397)
Total exchange difference, net	**(165,501)**	**153,917**

26. Statement of cash flows

The following table shows the items that comprise other collections and payments from operating activities in the Statement of Cash Flows:

Other collections from operating activities	1/1/2020 12/31/2020 ThUS$	1/1/2019 12/31/2019 ThUS$
VAT Refund	1,261,769	1,580,041
Sales hedge	3,340	12,357
Other	595,862	234,866
Total	**1,860,971**	**1,827,264**

Other payments from operating activities	1/1/2020 12/31/2020 ThUS$	1/1/2019 12/31/2019 ThUS$
Contribution to Chilean treasury Law N°13.196	(1,024,751)	(917,632)
VAT and other similar taxes paid	(1,352,266)	(1,319,723)
Total	**(2,377,017)**	**(2,237,355)**

During the period January – December 2020, no capital contributions were received.
During the years ended December 31, 2019, as indicated in the equity note, capital contributions were received for a total of ThUS$400,000, which are presented in other cash inflows (outflows) corresponding to the net cash flows provided by (used in) activities of financing.

27. Financial risk management, objectives and policies

Codelco has committees within its organization to set out strategies allowing to reduce the financial risks to which it may be exposed.

The risks to which Codelco is exposed and a brief description of the management procedures that are carried out in each case, are described below:

a. Financial risks

- Exchange rate risk:

  According to IFRS 7, exchange rate risk is understood to be the risk that arises from financial instruments that are denominated in foreign currencies, that is, a currency other than the Corporation's functional currency (US dollar).

  Codelco's activities that generate this exposure correspond to funding in UF, accounts payable and receivable in Chilean pesos, other foreign currencies used in its business operations and obligations with employees.

  Most transactions in currencies other than US$ are denominated in Chilean pesos. Also, there is another portion in Euro, which corresponds mainly to a long-term loan issued through the international market, which exchange rate risk is mitigated with hedging instruments (Swap).

  Taking into consideration the financial assets and liabilities as of December 31, 2020 as the base, a fluctuation (positive or negative) of 10 Chilean pesos against the U.S. dollar (keeping the other variables constant), could affect profits before taxes by US$42 million in net income, respectively. This result is obtained by identifying the main items (including assets and financial liabilities) denominated in foreign currencies in order to measure the impact on profit or loss that a variation of +/- 10 Chilean pesos would have in terms of US$, with respect to the closing exchange rate at the end of the reporting period.

- Interest rate risk:

  This risk arises from interest rate fluctuations in Codelco's investment and financing activities. This movement can affect future cash flows or the market value of fixed rate financial instruments.

  These rate variations refer to U.S. dollar variations, mostly with respect to the LIBOR rate. To manage this risk, Codelco maintains an adequate combination of fixed and variable rate debt, which is complemented by the possibility of using interest-rate derivatives to meet the strategic guidelines defined by Codelco's Corporate Finance Department.

  It is estimated that, on the basis of net debt balance as of December 31, 2020, a 1% change in interest rates on the financial liabilities subject to variable interest rates would mean approximately a US$21 million change in finance costs, before tax. This estimation is made by identifying the liabilities assigned variable interest, accrued at the end of the financial statements, which may vary with a change of one percentage point in variable interest rates.

Total fixed and variable interest rate obligations maintained by Codelco as of December 31, 2020 correspond to amounts of ThUS$17,057,965 and ThUS$1,018,691, respectively.

b. Market risks

- Commodity price risk:

As a result of its commercial operations and activities, the Corporation's income is mainly exposed to the volatility of copper prices and certain sub-products such as gold and silver.

Copper and molybdenum concentrate sale agreements and copper cathode sale agreements generally provide for provisional pricing of sales at the time of shipment, with final pricing based on the monthly average market price for specified future periods. At the reporting date, the provisionally priced metal sales are marked-to-market, with adjustments (both gains and losses) being recorded in revenues in the consolidated statement of comprehensive income. Forward prices at the period-end are used for copper sales, while period-end average prices are used for molybdenum concentrate sales due to the absence of an assets futures market. (See Note 2.r) "Income from Activities Ordinary Procedures from Contracts with Customers "of section II" Main policies countable ").

For the years ended December 31, 2020, if the future price of copper fluctuates by + / - 5% (with the other variables constant), the result would be US$221 million before taxes as a result of setting the mark to market of sales revenue to provisional prices in effect as of December 31, 2020 (593 thousands of dry metric tons). For the estimate indicated, all of those physical sales contracts were valued according to the monthly average immediately following the close of the financial statements, and proceeds to be estimated regarding what the final settlement price would be if there is a difference of + / - 5% with respect to the future price known to date for this period.

In order to protect cash flow and adjust, where necessary, its sales contracts to its trade policy, the Corporation holds operations in futures markets. At the end of the reporting period, these contracts are adjusted to fair value, recording this effect, at the settlement date of the hedging transactions as part of net product sales.

The Corporation has not entered into any hedging transactions with the specific purpose of hedging the price risk caused by fluctuations in prices of production inputs.

c. Liquidity risk

The Corporation ensures that it has sufficient resources, such as pre-approved credit lines (including refinancing), in order to meet short-term requirements, after considering the necessary working capital for its operations and any other commitments it has.

In this sense, the Corporation maintains resources at its disposal sufficient to meet its obligations, whether in cash, liquid financial instruments or credit facilities.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

In addition, the Finance Department constantly monitors the Corporation's cash flow projections based on short and long term projections and available financing alternatives. In addition, the Corporation estimates that it has enough headroom to increase the level of borrowing for the normal requirements of its operations and investments established in its development plan.

In this context, according to current existing commitments with creditors, the cash requirements to cover financial liabilities classified by maturity and presented in the statement of financial position are detailed as follows:

Maturity of financial liabilities as of 12/31/2020	Less than one year ThUS$	Between one and five years ThUS$	More than five years ThUS$
Loans from financial institutions	81,218	217,967	1,271,257
Bonds	438,301	2,406,095	13,661,818
Derivatives	10,427	-	121,594
Other financial liabilities	-	56,469	-
Total	**529,946**	**2,680,531**	**15,054,669**

d. Credit risk

This risk comprises the possibility that a third party does not fulfill its contractual obligations, thereby causing a loss for the Corporation.

Given the Corporation's sales policy, principally with cash and advance payments and bank letters of credit, the uncollectability of client debt balances is minimal. This is complemented by the familiarity the Corporation has with its clients and the length of time it has operated with them. Therefore, the credit risk of these transactions is not significant.

The indications with respect to the payment conditions to the Corporation are detailed in every sales contract and the negotiation management is under the charge of the Vice Presidency of Marketing.

In general, the Corporation's other accounts receivable have a high credit quality according to the Corporation's evaluations, based on each debtor's solvency analysis and payment history.

The maximum exposure to credit risk as of December 31, 2020 is represented by the financial asset items presented in the Corporation's Statement of Financial Position.

The Corporation's accounts receivable do not include customers with balances that could be classified as a significant concentration of debt and would represent a material exposure for Codelco. This exposure is distributed among a large number of clients and other counterparties.

In the customer items, the provisions, which are not significant, are included based on the review of the outstanding balances and characteristics of the clients, destined to cover eventual insolvencies.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

In explanatory note 2, trade and other receivables', past due balances that have not been impaired are presented.

The Corporation estimates that unimpaired amounts overdue over 30 days are recoverable based on clients' historical payment behavior and their existing credit ratings.

As of December 31, 2020 and 2019, there are no receivable balances that have been renegotiated.

Codelco works with major banks, which have high national and international ratings, and continually assesses them; therefore, the risk that could affect the availability of the Corporation's funds and financial instruments is not significant.

Also, in some cases, to minimize credit risk, the Corporation has contracted credit insurance policies through which it transfers to third parties the commercial risk associated with some aspects of its business.

During the years ended December 31, 2020 and 2019, no guarantees have been executed to ensure the collection of third party debt.

Personnel loans mainly relate to mortgage loans, according to programs included in union agreements, which are paid for through payroll discounts.

28. Derivatives contracts

The Corporation has entered into transactions to hedge cash flows, to minimize the risk of foreign exchange rate variations and sales price variations, detailed as follows:

a. Hedges

The Corporation maintains an exposure associated with its hedging operations against exchange rate and interest rate variations, whose positive fair value, net of taxes, amounts to ThUS$2,709 as of December 31, 2020.

The following table summarizes the detail of the financial hedges contracted by the Corporation:

December 31, 2020

Hedged item	Bank	Type of derivative contract	Maturity	Currency	Amount Hedged (Spot) ThUS$	Financial obligation: hedging instrument (Spot) ThUS$	Derivative Asset/(Liability) ThUS$	Fair value hedged item ThUS$	Fair value hedging instrument ThUS$
Bond UF Mat. 2025	Credit Suisse (USA)	Swap	4/1/2025	US$	282,137	208,519	96,981	356,507	(259,526)
Bond EUR Mat. 2024	Santander (Chile)	Swap	7/9/2024	US$	368,505	409,650	(59,079)	408,058	(467,137)
Bond EUR Mat. 2024	BNP Paribas (USA)	Swap	7/9/2024	US$	368,505	409,680	(58,824)	408,022	(466,846)
Bond UF Mat. 2026	Santander (Chile)	Swap	8/24/2026	US$	408,894	406,212	28,013	507,154	(479,141)
Bond AUD Mat. 2039	JP Morgan London Branch (England)	Swap	7/22/2039	US$	53,747	49,266	2,507	71,746	(69,239)
Bond HKD Mat. 2034	HSBC Bank USA N.A. (USA)	Swap	11/7/2034	US$	64,500	63,792	(2,689)	79,180	(81,869)
Total					**1,546,288**	**1,547,119**	**6,909**	**1,830,667**	**(1,823,758)**

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

December 31, 2019

Hedged item	Bank	Type of derivative contract	Maturity	Currency	Amount Hedged (Spot)	Financial obligation: hedging instrument (Spot)	Derivative Asset/(Liability)	Fair value hedged item	Fair value hedging instrument
					ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Bond UF Mat. 2025	Credit Suisse (USA)	Swap	4/1/2025	US$	260,890	208,519	75,608	329,480	(253,872)
Bond EUR Mat. 2024	Santander (Chile)	Swap	7/9/2024	US$	336,399	409,650	(73,114)	380,570	(453,684)
Bond EUR Mat. 2024	Deustche Bank (England)	Swap	7/9/2024	US$	336,399	409,680	(72,756)	380,583	(453,339)
Bond UF Mat. 2026	Santander (Chile)	Swap	8/24/2026	US$	378,101	406,212	6,976	461,581	(454,605)
Bond AUD Mat. 2039	Santander (Chile)	Swap	7/22/2039	US$	49,013	49,266	(1,558)	54,509	(56,067)
Bond HKD Mat. 2034	HSBC Bank USA N.A. (USA)	Swap	11/7/2034	US$	64,220	63,792	(703)	64,220	(64,923)
Total					**1,425,022**	**1,547,119**	**(65,547)**	**1,670,943**	**(1,736,490)**

As of December 31, 2020, the Corporation no maintains cash deposit guarantee balances.

The current methodology for valuing currency swaps is to use the bootstrapping technique from the mid - swap rate to construct the curves (zero) in UF and US$ respectively, from market information.

The notional amounts are detailed below:

December 31, 2020	Notional amount of contracts with final maturity							
	Currency	Less than 90 days	More than 90 days	Current Total	1 to 3 years	3 to 5 years	More than 5 years	Non-current Total
		ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Currency derivatives	ThUS$	13,156	48,151	61,306	122,611	1,113,279	577,064	1,812,954

b. Cash flows hedging contracts and commercial policy adjustment

The Corporation enters into metals hedging activities. Such results increase or decrease the total sales revenue based on the market prices of the metals. As of December 31, 2020, these operations generated a loss of ThUS$654.

b.1. Commercial flexibility operations of copper contracts

The purpose of these contracts is to adjust the price of shipments to the price defined in the Corporation's related policy, defined in accordance with the London Metal Exchange (LME). As of December 31, 2020, the Corporation performed derivative market transactions of copper that represent 448,565 metric tons of fine copper. These hedging operations are performed as part of the Corporation's commercial policy.

The current contracts as of December 31, 2020, present a positive fair value of ThUS$977 and their final result will only be known at their maturity, offsetting the hedging transactions with revenue from the sale of the hedged products.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

The transactions settled as of years ended December 31, 2020 resulted in a net positive effect on net income of ThUS$572, which is comprised of the amounts received for sales contracts for ThUS$4,768 and the amounts net off against purchases contracts for ThUS$4,196.

b.2. Commercial Transactions of Current Gold and Silver Contracts

As of December 31, 2020, the Corporation maintains derivative contracts for the sale of gold of ThOZ 7,973.

The contracts in force as of December 31, 2020, present a negative fair value of ThUS$177, the final result of which can only be known at the expiration of these operations, after the compensation between the hedging operations and the income from the sale of the protected products. These hedging operations expire up to February 2021.

The operations completed between January 1 and December 31, 2020, generated a negative effect on results of ThUS$1,226, corresponding to values per physical sales contracts.

b.3. Cash flow hedging operations backed by future production

The Corporation does not hold cash flow hedges backed by future production as of December 31, 2020.

The following tables set forth the maturities of metal hedging activities, as referred to in point b above:

December 31, 2020	Maturity date						
ThUS$	2021	2022	2023	2024	2025	Upcoming	Total
Flex Com Cobre (Asset)	3,612	(850)	(150)	-	-	-	2,612
Flex Com Cobre (Liability)	(1,635)	-	-	-	-	-	(1,635)
Flex Com Gold/Silver	(177)	-	-	-	-	-	(177)
Price setting	-	-	-	-	-	-	-
Metal options	-	-	-	-	-	-	-
Total	1,800	(850)	(150)	-	-	-	800

December 31, 2019	Maturity date						
ThUS$	2020	2021	2022	2023	2024	Upcoming	Total
Flex Com Cobre (Asset)	1,315	525	-	-	-	-	1,840
Flex Com Cobre (Liability)	(1,799)	(844)	(12)	-	-	-	(2,655)
Flex Com Gold/Silver	(1)	-	-	-	-	-	(1)
Price setting	-	-	-	-	-	-	-
Metal options	-	-	-	-	-	-	-
Total	(485)	(319)	(12)	-	-	-	(816)

December 31, 2020			Maturity date				
All figures in thousands of metric tons ounces	2021	2022	2023	2024	2025	Upcoming	Total
Copper Futures [MT]	315.010	123.660	9.900	-	-	-	448.570
Gold/Silver Futures [ThOZ]	7.970	-	-	-	-	-	7.970
Copper price setting [MT]	-	-	-	-	-	-	-
Copper Options [MT]	-	-	-	-	-	-	-

December 31, 2019			Maturity date				
All figures in thousands of metric tons ounces	2020	2021	2022	2023	2024	Upcoming	Total
Copper Futures [MT]	335.650	96.650	0.500	-	-	-	432.800
Gold/Silver Futures [ThOZ]	2.720	-	-	-	-	-	2.720
Copper price setting [MT]	-	-	-	-	-	-	-
Copper Options [MT]	-	-	-	-	-	-	-

29. Contingencies and restrictions

a) Litigations and contingencies

There are various lawsuits and legal actions initiated by or against the Corporation, which derive from its operations and the industry in which it operates. In general, these are civil, tax, labor and mining litigations, all related to the Corporation's activities.

In the opinion of Management and its legal advisors, the lawsuits where the Corporation is being sued and could have negative results do not represent significant loss contingencies or cash flows. Codelco defends its rights and employs all corresponding relevant legal instances, resources and procedures.
The most significant lawsuits that involve Codelco are related to the following matters:

- Tax proceedings: There is a tax proceeding for liquidation No.141 of tax year 2015 and Exempt Resolution No. 89 of 2016 issued by the Internal Revenue Service (SII), for which the Corporation presented the corresponding appeals, which were received and resolved in favor of the Tax and Customs Courts, a resolution that was appealed by the SII.

- Labor proceedings: Labor proceedings brought by the workers of the Andina Division against the Corporation with regard to occupational diseases (silicosis).

- Mining proceedings and others arising from the Operation: The Corporation has been participating, and will probably continue to participate, as plaintiff and defendant in given court proceedings involving its mining operation and activities, through which it seeks to exercise certain actions or set up certain defenses in relation to given mining concessions that have been established or are in the process of being established, as well as also with regard to its other activities. These proceedings currently do not involve any given amount and do not have any essential effect on Codelco's development.

  Some procedures pending final judgment are the simultaneous claim for arbitration between Codelco, Santa Elvira S.A., Mining Services Group S.A. and Sociedad de Servicios para la Minería Limitada (collectively "Santa Elvira") and the arbitration procedure between Codelco and Colbún regarding the sale of energy between them, among others.

- At the date of issuance of these financial statements, the Codelco faces various lawsuits and legal actions against it for a total of approximately US$436 million corresponding to 838 cases. According to the estimate made by the legal advisors of the Corporation, 624 cases, which represent 74.46% of the universe, have associated probable loss results amounting to ThUS$60,863. (Additionally, with the same probable outcome, there are 11 causes for ThUS$234 from subsidiaries).
  There are also 60 cases, representing 7.16% for an amount of ThUS$33,844, for which it is more likely than not, that the ruling will not be against the Corporation. For the remaining 154 cases, representing 18.38% for an amount of ThUS$1.881, the Corporation's legal advisors consider an unfavorable result remote.

- Lawsuit under administrative law: On August 2, 2017, a Nullity in Public Law claim was filed in the 25th Civil Court of Santiago against Audit Report No. 900 of 2016, issued by the General Comptrollership of the Republic on May 10, 2017.

  Once the discussion and evidence stage concluded, the Santiago Civil Court, on September 11, 2020, delivered its judgment in which it dismissed the annulment action filed by the Corporation, condemning it to the respective costs of said lawsuit. The Corporation announces that it will appeal said judgment.

  On October 27, 2020, the Corporation filed appeals and cassation in the form of the sentence of the 25th Civil Court of Santiago, which dismissed the Public Law nullity action filed by the Codelco against Report No. 900 of 2016 of the Comptroller General of the Republic.

For litigation with a probable unfavorable outcome for the Corporation, the necessary provisions have been recognized as “provisions for legal proceedings.”

b) Other Commitments

i. On May 31, 2005, Codelco, through its subsidiary Codelco International Ltd. signed an agreement with Minmetals to form a company, CuPIC, in which both companies have an equal equity interest. A 15-year copper cathode sales contract to that associated company was agreed upon, as well as a purchase contract from Minmetals to CupiC for the same period and for equal monthly shipments to complete a total of 836,250 metric tons. Each shipment shall be paid for by the buyer at a price formed by a fixed re-adjustable component plus a variable component, which depends on current copper prices at the time of shipment.

   During the first quarter of 2006 and on the basis of the negotiated financial terms, financing contracts were formalized with the China Development Bank allowing CuPIC to make the US$550 million advance payment to Codelco in March 2006.

   With regard to financial obligations incurred by the associate CuPIC with the China Development Bank, Codelco Chile and Codelco International Ltd, must meet certain commitments, mainly relating to the delivery of financial information. In addition, Codelco Chile must maintain 51% ownership of Codelco International Limited.

According to the Sponsor Agreement, dated March 8, 2006, the Codelco International Ltd. subsidiary gave its participation in CuPIC as a guarantee to the China Development Bank.

Subsequently, on March 14, 2012, CuPIC paid off its debt to the abovementioned bank. As of December 31, 2017. Codelco does not hold any indirect guarantee regarding its participation in this associated company.

On December 17, 2015, the Company´s management presented a restructuring for the Supply Contract, which implies the removal of its share in CUPIC.

On April 7, 2016, the Corporation formalized the removal of its share in CUPIC, of which Codelco retained 50% ownership through the subsidiary Codelco International. Until that date, Codelco shared the ownership of the Company in the same proportion with the company Album Enterprises Limited (a subsidiary of Minmetals).

In order to realize the above mentioned term of the shareholding, Codelco signed a set of agreements which formalized primarily the following issues:

- Copper sales contract modifications from Codelco to CUPIC signed in 2006, which establishes the reduction of half of the outstanding tonnage to deliver to this company and in which Codelco pays to CUPIC the amount of ThUS$99,330.

- Reduction of share capital in CuPIC, equivalent to the 50% of the Codelco International shares in said company and by which CuPIC repays to Codelco the amount of ThUS$99,330.

- Waiver of Codelco to any dividends associated with the profits generated by CuPIC from January 1, 2016 and the date of signing the agreement.

- Additionally, the cessation of dividends reception as a consequence of the removal of the Codelco share in the ownership of CuPIC since 2016, led to a reduction of the net profit estimated by Codelco until the end of the contract signed with that company (May 2021).

ii. Regarding the financing agreement signed on August 23, 2012, between the subsidiary, Gacrux Inversiones SpA and Mitsui & Co. Ltd. for the acquisition of the 24.5% stake in Anglo American Sur S.A. which was subsequently amended on October 31, 2012, a pledge is included over the shares that the subsidiary has on Acrux Inversiones SpA (shared participation with Mitsui and minority shareholder in Anglo American Sur S.A.), in order to ensure compliance with the obligations that the financial agreement contemplates.

This pledge extends to the right to collect and receive from Acrux dividends which have been agreed in the corresponding meetings of shareholders of the company and any other distributions paid or payable to Gacrux respect of the pledged shares.

On December 22, 2017 according to archive No. 12326 / 2017, it was established that, Gacrux, the Creditor and the Guarantee Agent, the latter representing the Guaranteed Parties, modified , by virtue of the Merger (see Note 2d), the Contract of Pledge and the Modified Pledge Agreement as to the pledge on transferable securities and the commercial pledge, as well as the restrictions and prohibitions established in the Pledge Contract and in the Modified Pledge Contract, making it subject to , by virtue of the Merger, two thousand thirteen million two hundred and forty-five thousand four hundred and seventy-three shares pledge issued by Becrux, owned by Gacrux, hereinafter the "Pledged Becrux Shares."

iii. Law 19.993 dated December 17, 2004, authorized the purchase of the Refinery and Smelter Las Ventanas assets from ENAMI, establishing that the Corporation must ensure that the smelting and refining capacity required is maintained, without any restriction and limitation, for treating the products of the small and medium mining sector sent by ENAMI, under the form of toll production or another form agreed upon by the parties.

iv. Obligations with the public for bond issues means that the Corporation must meet certain restrictions related to limits on pledges and leaseback transactions on its principal assets and on its ownership interest in subsidiaries.

The Corporation has complied with these conditions as of December 31, 2020 and 2019.

v. On January 20, 2010, the Corporation signed two energy supply contracts with Colbún S.A., which includes energy and power sales and purchases for a total of 510 MW of power. The contract provides a discount for that unconsumed energy from Codelco's SIC divisions with respect to the amount of contracted power. The discount is equivalent to the value of the sale of that energy on the spot market.

The contracted power for supplying these Divisions is comprised by two contracts:
- Contract No.1 for 176 MW, current until December 2029
- Contract No.2 for 334 MW, current until December 2044. This contract is based on energy production from Colbún's Santa María thermal power station, which is currently in operation. This plant is coal-fired, and therefore the electric energy tariff rate applied for the energy supplied to Codelco is linked to the price of coal.

Both of these contracts comply with Codelco's long-term energy and power requirements from the SIC of approximately 510 MW.

Through these contracts, which operate through take or pay, the Corporation agrees to pay for the contracted energy and Colbún undertakes to reimburse at market price the energy not consumed by Codelco.

These contracts have maturity dates in 2029 and 2044.

vi. On November 6, 2009, Codelco signed the following long-term electric energy supply contracts with ELECTROANDINA S.A. (associate until January 2011), which matured in August 2017.
For the electric power supply of the Chuquicamata's work center, there are three contracts:
- Engie for a 15-year term from January 2010, that is maturing in December 2024, for 200 MW capacity, and another contract for a 200 MW capacity which was signed in January 2018 and will be effective as of January 2025 with maturity in December 2035.
- CTA effective from 2012 for 80 MW capacity, maturity in 2032.

vii. On August 26, 2011, Codelco signed two energy supply contracts with AESGener. The first one for the Minister Hales division for a 99 MW capacity and the second contract for the Radomiro Tomic work center, for a maximum capacity of 145 MW. Both contracts will mature in 2028.

viii. On November 11, 2011, Law No. 20551 was published in the Official Journal, which regulates the tasks and closure of mining facilities. Additionally, on November 22, 2012, the Supreme Decree No. 41 of the Minister of Mining, which approves the Regulations of this Law, was published in the Diario Oficial.

This law requires the Corporation, among other requirements, to provide financial guarantees to the State to ensure the implementation of closure plans. It also establishes the obligation to make contributions to a fund which aims to cover the costs of post-closure activities.

The Corporation, in accordance with the mentioned regulation, provided to SERNAGEOMIN the Mine Closure Plan (ARO) for all of the Codelco operating divisions in 2014, which were approved in 2015 in accordance with the provisions of the Act.

The mine closure plans delivered to SERNAGEOMIN were developed by invoking the transitional regime of the Act, which was specified for the affected mining companies under the general application procedure (extraction capacity > 10,000 tons per month), and which, at the date of enactment of the Law, will abide in operation and move forward with a mine closure plan previously approved under Mine Safety Regulations Supreme Decree No. 132.

The Corporation considers that the accounting liability recorded caused by this obligation differs from the law's requirement, mainly by differences concerning the horizon that is considered for the projection of flows, in which the law requires the determination of the obligations in terms of mineral reserves, while the financial-accounting approach incorporates some of its mineral resources. Therefore, the discount rate established by law, may differ from that used by the Corporation under the criteria set out in IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" and described in Note 2, letter p) of Main Accounting Policies.

As of December 31, 2020, the Corporation has agreed guarantees for an annual amount of U.F. 33,100,482 to comply with the aforementioned Law No. 20551. The following table details the main given guarantees:

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Transmitter	Mine site	Amount	Currency	Date	Maturity date	Emission rate %	ThUS$
Liberty	Radomiro Tomic	3,791,167	UF	11/10/2020	11/10/2021	0.25	155,019
Liberty	Ministro Hales	2,251,252	UF	11/13/2020	11/13/2021	0.25	92,052
Banco de Chile	Chuquicamata	3,731,732	UF	11/20/2020	11/26/2021	0.23	152,588
Banco Bci	Chuquicamata	1,200,000	UF	11/20/2020	11/26/2021	0.22	49,067
Aspor	Teniente	2,273,000	UF	12/1/2020	12/3/2021	0.15	92,942
Banco Santander	Teniente	5,000,000	UF	12/1/2020	12/2/2021	0.20	204,447
Banco Santander	Teniente	250,000	UF	11/27/2020	12/2/2021	0.20	10,222
Banco Estado	Teniente	3,169,500	UF	11/30/2020	12/2/2021	0.21	129,599
Banco Bci	Teniente	57,236	UF	11/27/2020	12/2/2021	0.21	2,340
Banco Estado	Gabriela Mistral	2,457,185	UF	12/10/2020	12/15/2021	0.21	100,473
Banco Itau	Salvador	1,300,000	UF	2/12/2020	2/18/2021	0.11	53,156
Banco Bci	Salvador	2,643,667	UF	2/12/2020	2/18/2021	0.18	108,098
Banco Estado	Andina	3,310,724	UF	4/28/2020	5/3/2021	0.35	135,374
Banco Bci	Andina	663,655	UF	4/28/2020	5/3/2021	0.70	27,136
Banco Santander	Ventana	1,001,364	UF	10/7/2020	10/7/2021	0.30	40,945
Total		**33,100,482**					**1,353,458**

ix. On August 24, 2012, Codelco through its subsidiary Inversiones Mineras Nueva Acrux SpA (Nueva Acrux) (whose minority shareholder is Mitsui), signed a contract with Anglo American Sur S.A. Under this contract, Codelco agreed to sell a portion of its annual copper production to the mentioned subsidiary, who in turn agrees to purchase such production.

Such annual portion is determined by the share of Codelco's indirect subsidiary, Inversiones Mineras Becrux SpA (also shared ownership with Mitsui), maintained for the shares of Anglo American Sur S.A.

In turn, the subsidiary Nueva Acrux agrees to sell to Mitsui, the products purchased under the agreement described in the preceding paragraphs.
The contract expiration will occur when the shareholders agreement of Anglo American Sur S.A ends or other events related to the completion of mining activities of the company take place.

On June 11, 2019, Codelco and Anglo American Sur S.A. signed an agreement that ensures and optimizes the operation of their respective copper mines, Andina and Los Bronces, respectively. This agreement is similar to others that the same parties have signed during the last 40 years and that favor the independent, safe and sustainable operation of these neighboring mines.

x. On March 11, 2020, the World Health Organization characterized the outbreak of a strain of the new coronavirus ("COVID-19") as a pandemic that has resulted in a series of public health and emergency measures that have been put in place and are underway to combat the spread of the virus. The duration and impact of COVID-19 are unknown at this time and it is not possible to reliably estimate the impact of the duration and severity of these developments in future periods. Codelco is permanently monitoring the aforementioned outbreak, its constant evolution, eventual impact on the Corporation's financial and operational indicators. additional possible effects on our workers, clients, suppliers, as well as continuing collaborating with the government actions that are being taken to reduce its spread, with no material impact observed to date on its ability to meet its financial, production or sale commitments. The foregoing is without prejudice to the impact on world demand for copper, which has meant a decrease in the price, which is public knowledge.

Due to the above, as of December 31, 2020 Codelco has taken a series of restrictive measures in its operation and development of investment projects, in order to protect the health of its workers, which are indicated below:

- March 25, 2020, the Corporation announced the temporary suspension of the projects: the remaining works of the Chuquicamata Underground Mine Project, Early Works of Rajo Inca and Assembly Works of Traspaso Andina. The suspension was carried out gradually as of March 25 for a period of 15 days.

- April 8, 2020, the Corporation announced the decision to partially or totally suspend some third-party services both for projects and for operations support (which involves around 30% of the total contractor workers), for a period of 30 days, extendable. With this decision, Codelco asked the contracting companies to take steps with their respective unions to benefit from the benefits of the Employment Protection Law No. 21227. The conditions in which the total or partial suspension was implemented was agreed independently with each of the contracting companies.

- June 20, 2020, the Corporation announced the stoppage of construction of all its projects in the Antofagasta Region and to maintain operational continuity of the Chuquicamata Division only with workers from Calama. With this measure, the construction of underground Chuquicamata and other divisional projects were completely suspended. The activities were resumed in the month of August 2020.

- June 25, 2020, the Corporation announced the temporary halt of activities in the Chuquicamata Division smelter and refinery managements, a measure that reduces the participation in work of about 400 people, together with the detention of equipment and reduction of the productive rhythms in both areas. The measure considered the continuity of minor operations and preventive maintenance. The activities were resumed in the month of August 2020.

The aforementioned measures have not significantly affected Codelco Chile's accounting results for the January-December 2020 period, nor the value of its assets as of December 31, 2020.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

30. Guarantees

The Corporation as a result of its activities has received and given guarantees.

The following tables list the main guarantees given to financial institutions and others:

Direct Guarantees provided to Financial Institutions						
		12/31/2020				12/31/2019
Creditor of the Guarantee	**Type of Guarantee**	**Currency**	**Maturity**	**Number of documents**	**ThUS$**	**ThUS$**
Viability management	Building project	UF	2/18/2020	1	-	1
Viability management	Building project	UF	3/1/2020	4	-	4
Viability management	Building project	UF	3/10/2020	3	-	8
Viability management	Building project	UF	4/22/2020	1	-	4
Viability management	Building project	UF	1/25/2021	1	1	-
Viability management	Building project	UF	1/27/2021	1	2	-
Viability management	Building project	UF	4/3/2021	3	33	-
Viability management	Building project	UF	4/15/2021	2	22	-
Viability management	Building project	UF	4/29/2021	1	56	-
Viability management	Building project	UF	6/25/2021	2	9	-
Viability management	Building project	UF	7/2/2021	1	15	-
Viability management	Building project	UF	4/8/2024	1	4	4
General Directorate of Maritime Territory and Merchant Marine	Maritime concession	CLP	3/1/2020	1	-	1,409
General Directorate of Maritime Territory and Merchant Marine	Maritime concession	CLP	6/30/2020	1	-	2
General Directorate of Maritime Territory and Merchant Marine	Maritime concession	CLP	7/15/2020	1	-	230
General Directorate of Maritime Territory and Merchant Marine	Maritime concession	CLP	3/1/2021	1	1,484	-
Minera Doña Ines de Collahuasi	Offer to purchase an asset	US$	1/2/2021	1	8	-
Ministry of national goods	Project of exploitation	CLP	2/28/2020	22	-	154
Ministry of national goods	Project of exploitation	CLP	2/25/2021	22	176	-
Ministry of national goods	Project of exploitation	UF	6/9/2021	3	24	24
Ministry of national goods	Project of exploitation	UF	6/23/2021	3	24	-
Minestry of Public Works	Building project	UF	12/31/2019	1	-	22,364
Minestry of Public Works	Building project	UF	1/2/2021	1	24,186	-
Minestry of Public Works	Building project	UF	10/2/2021	1	559	516
Minestry of Public Works	Building project	UF	12/31/2021	1	180	-
Minestry of Public Works	Building project	UF	7/29/2022	1	42	-
Oriente Copper Netherlands B.V.	Pledge on shares	US$	11/1/2032	1	877,813	877,813
Sernageomin	Environmental	UF	2/18/2020	2	-	125,213
Sernageomin	Environmental	UF	5/3/2020	1	-	125,179
Sernageomin	Environmental	UF	10/7/2020	2	-	32,321
Sernageomin	Environmental	UF	11/10/2020	1	-	122,239
Sernageomin	Environmental	UF	11/13/2020	1	-	69,796
Sernageomin	Environmental	UF	11/26/2020	1	-	158,485
Sernageomin	Environmental	UF	12/2/2020	3	-	346,606
Sernageomin	Environmental	UF	12/15/2020	1	-	74,795
Sernageomin	Environmental	UF	2/18/2021	2	161,254	-
Sernageomin	Environmental	UF	5/3/2021	2	162,510	-
Sernageomin	Environmental	UF	10/7/2021	1	40,945	-
Sernageomin	Environmental	UF	11/10/2021	1	155,019	-
Sernageomin	Environmental	UF	11/13/2021	1	92,052	-
Sernageomin	Environmental	UF	11/26/2021	2	201,655	-
Sernageomin	Environmental	UF	12/2/2021	4	346,608	-
Sernageomin	Environmental	UF	12/3/2021	1	92,942	-
Sernageomin	Environmental	UF	12/15/2021	1	100,473	-
Total general					**2,258,096**	**1,957,167**

As for the documents received as collateral, they cover mainly obligations of suppliers and contractors related to the various development projects. Below are given the amounts received as collateral, grouped according to the Operating Divisions that have received these amounts:

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Guarantees received from third parties		
Division	**12/31/2020 ThUS$**	**12/31/2019 ThUS$**
Andina	135	418
Chuquicamata	82	375
Casa Matriz	713,404	887,051
Salvador	-	387
El Teniente	427	447
Ventanas	50	52
Total	**714,098**	**888,730**

31. Balances in foreign currency

a) Assets by of Currency

	12/31/2020					
Assets national and Foreign currrency	**US Dollars**	**Euros**	**Other currencies**	**Non-indexed Ch$**	**U.F.**	**TOTAL**
Current Assets						
Cash and cash equivalents	1,908,543	52,168	5,079	138,898	2,805	2,107,493
Other current financial assets	283,806	-	-	22	62	283,890
Other current non-financial assets	29,997	421	177	2,030	9	32,634
Trade and other current receivables	2,542,742	157,668	321	548,586	-	3,249,317
Accounts receivable from related parties, current	98,396	-	-	1	-	98,397
Inventories	1,912,067	-	-	-	-	1,912,067
Current tax assets	71,849	965	-	1,510	-	74,324
Total current assets	**6,847,400**	**211,222**	**5,577**	**691,047**	**2,876**	**7,758,122**
Non-current assets						
Investments accounted for using equity method	3,418,958	-	-	-	-	3,418,958
Property, plant and equipment	29,010,721	-	72	540,754	358	29,551,905
Non-current tax assets	41,215	-	9	4,684	-	45,908
Others assets	894,980	-	57,269	356,571	126,673	1,435,493
Total non-current assets	**33,365,874**	**-**	**57,350**	**902,009**	**127,031**	**34,452,264**
Total Assets	**40,213,274**	**211,222**	**62,927**	**1,593,056**	**129,907**	**42,210,386**

	31-12-2019					
Assets national and Foreign currrency	**US Dollars**	**Euros**	**Other currencies**	**Non-indexed Ch$**	**U.F.**	**TOTAL**
Current Assets						
Cash and cash equivalents	1,212,657	49,773	4,674	34,348	1,653	1,303,105
Other current financial assets	172,794	-	-	19	138	172,951
Other current non-financial assets	20,762	-	3	196	8	20,969
Trade and other current receivables	2,006,046	112,649	384	450,304	18,885	2,588,268
Accounts receivable from related parties, current	20,874	-	-	-	-	20,874
Inventories	1,921,135	-	-	-	-	1,921,135
Current tax assets	20,960	2	19	1,738	-	22,719
Total current assets	**5,375,228**	**162,424**	**5,080**	**486,605**	**20,684**	**6,050,021**
Non-current assets						
Investments accounted for using equity method	3,483,523	-	-	-	-	3,483,523
Property, plant and equipment	29,268,012	-	-	-	-	29,268,012
Non-current tax assets	43,736	-	-	-	-	43,736
Others assets	611,426	189	65,692	181,627	640,385	1,499,319
Total non-current assets	**33,406,697**	**189**	**65,692**	**181,627**	**640,385**	**34,294,590**
Total Assets	**38,781,925**	**162,613**	**70,772**	**668,232**	**661,069**	**40,344,611**

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

b) Liability by type of currency:

	31-12-2020					
National and foreign currency liabilities	US Dollars	Euros	Other currencies	Non-indexed Ch$	U.F.	**TOTAL**
Current liabilities						
Other current financial liabilities	529,998	(28)	7	-	(31)	**529,946**
Currrent lease liabilities	36,063	-	865	95,091	13,385	**145,404**
Trade and other current payables	1,068,185	4,268	282	425,482	68	**1,498,285**
Accounts payable to related parties, current	197,304	-	-	1,620	-	**198,924**
Other current provisions	552,536	937	-	8,554	-	**562,027**
Current tax liabilities	1,587	5,024	243	1,540	51	**8,445**
Current provisions for employee benefits	2,201	-	320	457,981	276	**460,778**
Other current non-financial liabilities	32,836	-	145	3,059	58	**36,098**
Total current liabilities	**2,420,710**	**10,201**	**1,862**	**993,327**	**13,807**	**3,439,907**
Non-current liabilities						
Other non-current financial liabilities	16,931,003	(6,016)	53,257	-	756,956	**17,735,200**
Non-current lease liabilities	124,274	-	2,481	162,685	50,164	**339,604**
Non-current payables	-	-	460	-	-	**460**
Other non-current provisions	1,212,543	-	-	79,586	1,002,378	**2,294,507**
Deferred tax liabilities	5,521,956	-	-	5,839	-	**5,527,795**
Non-current provisions for employee benefits	13,010	-	592	1,230,338	-	**1,243,940**
Other non-current non-financial liabilities	2,203	-	-	279	-	**2,482**
Total non-current liabilities	**23,804,989**	**(6,016)**	**56,790**	**1,478,727**	**1,809,498**	**27,143,988**
Total liabilities	**26,225,699**	**4,185**	**58,652**	**2,472,054**	**1,823,305**	**30,583,895**

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

	31-12-2019					
National and foreign currency liabilities	US Dollars	Euros	Other currencies	Non-indexed Ch$	U.F.	**TOTAL**
Current liabilities						
Other current financial liabilities	1,244,765	(2)	5,721	370	(264)	**1,250,590**
Currrent lease liabilities	36,702	-	272	74,109	16,678	**127,761**
Trade and other current payables	886,390	12,439	1,300	520,470	316	**1,420,915**
Accounts payable to related parties, current	135,281	-	-	1,953	-	**137,234**
Other current provisions	356,871	64,664	8,167	61,545	10,925	**502,172**
Current tax liabilities	-	-	-	13,857	-	**13,857**
Current provisions for employee benefits	-	-	-	435,565	-	**435,565**
Other current non-financial liabilities	27,223	-	-	7,582	58	**34,863**
Total current liabilities	**2,687,232**	**77,101**	**15,460**	**1,115,451**	**27,713**	**3,922,957**
Non-current liabilities						
Other non-current financial liabilities	15,462,011	(6,414)	112,112	3	665,401	**16,233,113**
Non-current lease liabilities	113,062	-	378	118,701	72,969	**305,110**
Non-current payables	8,346	-	-	-	-	**8,346**
Other non-current provisions	1,481,547	-	410	26,624	581,906	**2,090,487**
Deferred tax liabilities	4,860,881	-	-	-	-	**4,860,881**
Non-current provisions for employee benefits	14,699	-	-	1,260,559	8,099	**1,283,357**
Other non-current non-financial liabilities	5,447	-	-	246	-	**5,693**
Total non-current liabilities	**21,945,993**	**(6,414)**	**112,900**	**1,406,133**	**1,328,375**	**24,786,987**
Total liabilities	**24,633,225**	**70,687**	**128,360**	**2,521,584**	**1,356,088**	**28,709,944**

32. Sanctions

As of December 31, 2020 and 2019, neither Codelco Chile nor its Directors and Managers have been sanctioned by the CMF or any other administrative authorities.

33. Environmental Expenditures

Each of Codelco's operations is subject to national, regional and local regulations related to protection of the environment and natural resources, including standards relating to water, air, noise and disposal and transportation of dangerous residues, among others. Chile has introduced environmental regulations that have obligated companies, including Codelco, to carry out programs to reduce, control or eliminate relevant environmental impacts. Codelco has executed and shall continue to execute a series of environmental projects to comply with these regulations.

Pursuant to the Letter of Values approved in 2010, Codelco is governed by a series of internal policies and regulations that frame its commitment to the environment, among which is the Corporate Sustainable Development Policy (2016).

The environmental management systems of the divisions, structure their efforts in order to comply with the commitments assumed by the corporation's environmental policies, incorporating elements of planning, operating, verifying and reviewing activities. As of December 31, 2020, Codelco is implementing a strategic change process in all divisions to manage the aspects and risks associated with environmental matters, under a corporate management system issued by Head Office, seeking to obtain the ISO 14001: 2015 certification.

To comply with the Circular No. 1901 of 2008 of the CMF, the details of the Corporation's main expenditures related to the environment during the years ended December 31, 2020 and 2019, respectively, and the projected future expenses are stated below.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Entity	Proyect name	Disbursements 12/31/2020				12/31/2019	Future committed	
		Proyect Status	Amount ThUS$	Asset/ Expense	Asset / Expenditure Item	Amount ThUS$	Amount ThUS$	Estimated date
	Chuquicamata							
Codelco Chile	Talambre dam capacity extension, 8th stage	In Progress	35,560	Asset	P, P & E	76,611	-	2020
Codelco Chile	Replacement of circulation pot 1A and 2A	Finished	-	Asset	P, P & E	14,033	-	2019
Codelco Chile	Construction installation surplus management	Finished	-	Asset	P, P & E	761	-	2019
Codelco Chile	Replacement of water treatment plant	Finished	-	Asset	P, P & E	8,944	-	2019
Codelco Chile	Replacement gas management system	Finished	-	Asset	P, P & E	9,671	-	2019
Codelco Chile	Acid plant tranformation 3-4 DC/DA	In Progress	966	Asset	P, P & E	160,546	-	2020
Codelco Chile	Enablement refining gas treatment system	In Progress	16,607	Asset	P, P & E	50,009	-	2020
Codelco Chile	Dryer replacement n ° 5 fuco	In Progress	8,386	Asset	P, P & E	39,136	-	2020
Codelco Chile	Construction Relle Res Dom-Asim Montec	In Progress	4,271	Asset	P, P & E	2,181	-	2020
Codelco Chile	Construction IX stage Talabre tranque	Finished	-	Asset	P, P & E	9,542	-	2019
Codelco Chile	Construction 8 Seg Montecristo	In Progress	804	Asset	P, P & E	11,393	-	2020
Codelco Chile	Acid plants	In Progress	17,406	Expenditure	Operational expenses	35,823	-	2020
Codelco Chile	Solid waste	In Progress	1,745	Expenditure	Operational expenses	2,388	25	2021
Codelco Chile	Tailings	In Progress	22,518	Expenditure	Operational expenses	23,153	-	2020
Codelco Chile	Water treatment plant	In Progress	24,843	Expenditure	Operational expenses	25,143	-	2020
Codelco Chile	Environmental monitoring	In Progress	1,470	Expenditure	Operational expenses	2,152	-	2020
Codelco Chile	Normalization drainage system drill hole	In Progress	89	Asset	P, P & E	4,551	2,483	2021
Codelco Chile	Standard handling / feeding / transport powder	In Progress	6,441	Asset	P, P & E	61	13,736	2021
Codelco Chile	Construction talabres thickened tailings	In Progress	8,058	Asset	P, P & E	-	18,902	2022
	Total Chuquicamata		**149,164**			**476,098**	**35,146**	
	Salvador							
Codelco Chile	Improved integration of the gas process	In Progress	9,871	Asset	P, P & E	87,710	18,132	2021
Codelco Chile	Tailings	In Progress	4,426	Expenditure	Operational expenses	3,141	-	2020
Codelco Chile	Acid plants	In Progress	62,293	Expenditure	Operational expenses	51,131	-	2020
Codelco Chile	Solid waste	In Progress	1,500	Expenditure	Operational expenses	1,472	-	2020
Codelco Chile	Water treatment plant	In Progress	671	Expenditure	Operational expenses	855	-	2020
Codelco Chile	Overhaul thickeners tailings sal-proy	Finished	-	Asset	P, P & E	3,413	-	2019
Codelco Chile	Dangerous substances warehouse	Finished	-	Asset	P, P & E	301	-	2019
Codelco Chile	Bell replacement	In Progress	639	Asset	P, P & E	23,639	3,340	2021
Codelco Chile	Ditch hazardous waste	Finished	-	Asset	P, P & E	785	-	2019
Codelco Chile	DRPA Emergency	In Progress	4,766	Asset	P, P & E	4,564	14,269	2021
Codelco Chile	Compliance DS 43 storage dangerous substances	In Progress	243	Asset	P, P & E	68	712	2021
	Total Salvador		**84,409**			**177,079**	**36,453**	
	Andina							
Codelco Chile	Construction site emergency plan	Finished	-	Asset	P, P & E	3,886	-	2019
Codelco Chile	Improved water internal tip E2	Finished	-	Asset	P, P & E	256	-	2019
Codelco Chile	Catchment water drainage hill black	Finished	-	Asset	P, P & E	306	-	2019
Codelco Chile	Construction canal outline DL east	In Progress	3,092	Asset	P, P & E	5,133	2,101	2021
Codelco Chile	Construction site emergency plan	In Progress	2,469	Asset	P, P & E	4,436	-	2020
Codelco Chile	Expansion dam	In Progress	36,753	Asset	P, P & E	49,430	-	2020
Codelco Chile	Construction Structure and instruments	In Progress	1,827	Asset	P, P & E	378	-	2020
Codelco Chile	Water injection system	Finished	-	Asset	P, P & E	761	-	2019
Codelco Chile	construction of pits containment of spills	In Progress	320	Asset	P, P & E	441	-	2020
Codelco Chile	Valve and works rating	In Progress	1,580	Asset	P, P & E	1,097	1,512	2021
Codelco Chile	Construction of catchment tower N.5	Finished	-	Asset	P, P & E	336	-	2019
Codelco Chile	Solid waste	In Progress	2,351	Expenditure	Operational expenses	2,833	-	2020
Codelco Chile	Water treatment plant	In Progress	3,945	Expenditure	Operational expenses	4,063	-	2020
Codelco Chile	Trailing	In Progress	74,700	Expenditure	Operational expenses	65,557	-	2020
Codelco Chile	Acid drainage	In Progress	33,288	Expenditure	Operational expenses	27,615	-	2020
Codelco Chile	Environmental monitoring	In Progress	808	Expenditure	Operational expenses	882	-	2020
Codelco Chile	Sustainability and external matters management	In Progress	1,750	Expenditure	Operational expenses	2,410	-	2020
Codelco Chile	DLN conditioning works	In Progress	11,086	Asset	P, P & E	8	2,054	2021
Codelco Chile	Construction works mitigation water shortage	In Progress	7,952	Asset	P, P & E	7,605	-	2020
Codelco Chile	Excavation operation improvement	In Progress	824	Asset	P, P & E	34	2,679	2021
Codelco Chile	Water dispatch tunnel modification	In Progress	1,350	Asset	P, P & E	34	5,841	2021
Codelco Chile	Implementation of the catchment system for rafts tove	In Progress	45	Asset	P, P & E	-	12,044	2022
Codelco Chile	Dam Ovejeria: longitudinal drainage stage 8	In Progress	459	Asset	P, P & E	-	43,196	2021
Codelco Chile	North extended ballast deposit	In Progress	13,669	Asset	P, P & E	-	283,335	2024
	Total Andina		**198,268**			**177,501**	**352,762**	
Subtotal			**431,841**			**830,678**	**424,361**	

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Entity	Proyect name	Disbursements 12/31/2020				12/31/2019	Future committed	
			Amount ThUS$	Asset/ Expense	Asset / Expenditure Item	Amount ThUS$	Amount ThUS$	Estimated date
	El Teniente							
Codelco Chile	Construction of 7th phase of Carén	In Progress	52,765	Asset	P, P & E	58,357	275,427	2023
Codelco Chile	Construction of slag treatment plant	In Progress	31,987	Asset	P, P & E	122,158	2,108	2021
Codelco Chile	Smelting emissions network	Finished	-	Asset	P, P & E	26,393	-	2020
Codelco Chile	Smoke capacity reduction	Finished	-	Asset	P, P & E	11,412	-	2019
Codelco Chile	Construction of slag treatment plant	In Progress	969	Asset	P, P & E	843	-	2020
Codelco Chile	Acid plants	In Progress	60,007	Expenditure	Operational expenses	66,348	-	2020
Codelco Chile	Solid waste	In Progress	2,887	Expenditure	Operational expenses	2,929	-	2020
Codelco Chile	Water treatment plant	In Progress	15,021	Expenditure	Operational expenses	13,786	-	2020
Codelco Chile	Tailings	In Progress	63,641	Expenditure	Operational expenses	65,003	-	2020
Codelco Chile	Well construction and hydrogeology modification Colihue-	In Progress	145	Asset	P, P & E	18	4,551	2022
Codelco Chile	Improvement of the container washing system for filter pla	In Progress	33	Asset	P, P & E	231	-	2020
Codelco Chile	Land acquisition	In Progress	6,791	Asset	P, P & E	-	-	2020
	Total El Teniente		**234,246**			**367,478**	**282,086**	
	Gabriela Mistral							
Codelco Chile	Environmental monitoring	In Progress	75	Expenditure	Operational expenses	54	-	2020
Codelco Chile	Solid waste	In Progress	2,350	Expenditure	Operational expenses	2,031	-	2020
Codelco Chile	Environmental consultancy	In Progress	172	Expenditure	Operational expenses	131	-	2020
Codelco Chile	Water treatment plant	In Progress	3	Expenditure	Operational expenses	1	-	2020
Codelco Chile	Garbage dump extension	Finished	-	Asset	P, P & E	25,270	-	2020
Codelco Chile	Improved dust collection system	Finished	-	Asset	P, P & E	382	-	2019
	Total Gabriela Mistral		**2,600**			**27,869**	**-**	
	Ventanas							
Codelco Chile	Acid plants	In Progress	28,740	Expenditure	Operational expenses	24,694	-	2020
Codelco Chile	Solid waste	In Progress	1,463	Expenditure	Operational expenses	1,689	-	2020
Codelco Chile	Environmental monitoring	In Progress	1,442	Expenditure	Operational expenses	1,362	-	2020
Codelco Chile	Water treatment plant	In Progress	5,639	Expenditure	Operational expenses	5,573	-	2020
Codelco Chile	Distribution system replacement	Finished	-	Asset	P, P & E	770	-	2019
Codelco Chile	Main chimney implementation	In Progress	327	Asset	P, P & E	474	-	2020
Codelco Chile	Implementation of abatement water system	In Progress	79	Asset	P, P & E	239	-	2020
Codelco Chile	Stockpile improvement	In Progress	97	Asset	P, P & E	525	-	2020
Codelco Chile	Improvement closure facilities and crusher belts	In Progress	131	Asset	P, P & E	219	-	2020
Codelco Chile	Stabilized road operations	In Progress	76	Asset	P, P & E	211	-	2020
Codelco Chile	Improves gas abatement capture	In Progress	34	Asset	P, P & E	-	1,125	2021
Codelco Chile	Critical Var monitoring implementation	In Progress	128	Asset	P, P & E	-	801	2021
	Total Ventanas		**38,156**			**35,756**	**1,926**	
	Radomiro Tomic							
Codelco Chile	Solid waste	In Progress	880	Expenditure	Operational expenses	2,031	-	2020
Codelco Chile	Environmental monitoring	In Progress	387	Expenditure	Operational expenses	54	-	2020
Codelco Chile	Water treatment plant	In Progress	1,087	Expenditure	Operational expenses	1	-	2020
Codelco Chile	Obras preliminares suministro agua	In Progress	266	Asset	P, P & E	-	4,781	2021
	Total Radomiro Tomic		**2,620**			**2,086**	**4,781**	
	Ministro Hales							
Codelco Chile	Solid waste	In Progress	1,948	Expenditure	Operational expenses	1,961	-	2020
Codelco Chile	Water treatment plant	In Progress	175	Expenditure	Operational expenses	159	-	2020
Codelco Chile	Pit drainage wells mine	In Progress	191	Asset	P, P & E	3,148	-	2020
Codelco Chile	Implementation monitoring acuifero pit	In Progress	1,547	Asset	P, P & E	173	1,561	2021
Codelco Chile	Silice barn extension and dome control room	In Progress	19	Asset	P, P & E	45	3,955	2022
	Total Ministro Hales		**3,880**			**5,486**	**5,516**	
	Ecometales Limited							
Codelco Chile	Smelting powders leaching plant	In Progress	566	Expenditure	Operational expenses	730	685	2019
Codelco Chile	Smelting powders leaching plant	In Progress	8	Expenditure	Operational expenses	7	89	2019
	Total Ecometales Limited		**574**			**737**	**774**	
Subtotal			**282,076**			**439,412**	**295,083**	
Total			**713,917**			**1,270,090**	**719,444**	

34. Subsequent events

- On January 26, 2021, it was reported as an essential fact that on this date Mr. Rodrigo Cerda Norambuena has submitted his resignation as Director of the National Copper Corporation of Chile, in accordance with the provisions of article 8C letter b) of the Decree Law No. 1350.

  Considering the provisions of the same Decree Law No. 1350 in article 8, ithe President of the Republic appoints the new member of the Board.

- On January 29, 2021, it was reported as an essential fact that on this date Mr. Raúl Alejandro Puerto Mendoza has been appointed as Codelco's Auditor General as of March 11, 2021.

  As of that same date, Rodrigo Miranda S., who continues to act as Audit Manager of the Corporation, ceases to act as Interim Auditor General.

- On February 18, 2021, it was reported as an essential fact that it has been decided to make organizational adjustments in Codelco's higher-level structure, consisting of the elimination of the Productivity and Costs Vice Presidency and its corresponding position, distributing its functions in other areas of the Corporation . In consideration of the above, the Vice Presidency of Supply is created, reporting to the Executive President. As Vice President in charge of the same, Mr. Mauricio Acuña Sapunar was appointed, as of April 5, 2021.

  As of that same date, Alejandro Rivera S. will cease to act as Interim Vice President of Productivity and Costs, who will continue to serve as Vice President of Administration and Finance of the Corporation.

- On February 25, 2021, it was reported as an essential fact that Francisco Balsebre Olarán has been appointed as titular General Manager of the Ministro Hales Division, as of March 1, 2021, who to date was acting as interim in the same charge.

Management of the Corporation is not aware of other significant events of a financial nature or of any other nature that could affect these financial statements, occurring between January 1, 2021 and the date of issue of these consolidated financial statements as of February 25, 2021.

Octavio Araneda Osés Chief Executive Officer	Alejandro Rivera Stambuk Chief Financial Officer
Juan Ogas Cabrera Accounting Manager	Cristóbal Parrao Cartagena Accounting Director

Execution version

CORPORACIÓN NACIONAL DEL COBRE DE CHILE

U.S.$900,000,000

5.125% Notes Due 2033

Purchase Agreement

New York, New York
January 30, 2023

BofA Securities, Inc.
One Bryant Park
New York, New York 10036

BNP Paribas Securities Corp.
787 Seventh Avenue,
New York, New York 10019

Santander Investment Securities Inc.
437 Madison Avenue, 7th floor
New York, New York 10022

and

Scotia Capital (USA) Inc.
250 Vesey Street
New York, New York 10281

As Representatives of the Initial Purchasers

Ladies and Gentlemen:

Corporación Nacional del Cobre de Chile, a state-owned enterprise organized under the laws of Chile (the "**Company**"), proposes to issue and sell to the several purchasers named in SCHEDULE I hereto (the "**Initial Purchasers**"), for which you (the "**Representatives**") are acting as representatives, U.S.$900,000,000 principal amount of its 5.125% Notes Due 2033, (the "**Securities**"), to be issued pursuant to the indenture (the "**Original Indenture**"), dated February 5, 2019, among the Company, The Bank of New York Mellon, as trustee, paying agent, transfer agent and registrar (the "**Trustee**"), and The Bank of

New York Mellon (Luxembourg) S.A., as Luxembourg paying agent (the "**Luxembourg Agent**"), as supplemented by the eleventh supplemental indenture to be dated February 2, 2023 (the "**Eleventh Supplemental Indenture**" and, together with the Original Indenture, the "**Indenture**"). Unless otherwise specified, defined terms used herein shall have the meanings set forth in Section 21 hereof.

The sale of the Securities to the Initial Purchasers will be made without registration of the Securities under the Act in reliance upon exemptions from the registration requirements of the Act.

In connection with the sale of the Securities, the Company has prepared a preliminary offering memorandum, dated January 30, 2023 (including any and all exhibits thereto, the "**Preliminary Memorandum**"), and a final offering memorandum, dated January 30, 2023 (as amended or supplemented at the Execution Time, including any and all exhibits thereto, the "**Final Memorandum**"). For the purposes of this purchase agreement (this "**Agreement**"), "**Additional Written Offering Communication**" means any written communication (as defined in Rule 405 under the Act) that constitutes an offer to sell or a solicitation of an offer to buy the Securities other than the Preliminary Memorandum or the Final Memorandum, and "**Time of Sale Memorandum**" means the Preliminary Memorandum together with the pricing term sheet prepared by the Company substantially in the form of Exhibit B hereto and any Additional Written Offering Communications identified in SCHEDULE II hereto. Each of the Preliminary Memorandum, the Time of Sale Memorandum and the Final Memorandum sets forth certain information concerning the Company and the Securities. The Company hereby confirms that it has authorized the use of the Preliminary Memorandum, the Time of Sale Memorandum, the Final Memorandum and any Additional Written Offering Communications identified in SCHEDULE II hereto, and any amendment or supplement thereto, in connection with the offer and sale of the Securities by the Initial Purchasers.

1. <u>Representations and Warranties</u>. The Company represents and warrants to each Initial Purchaser as set forth below in this Section 1.

(a) The Time of Sale Memorandum, at the Execution Time, does not and, on the Closing Date, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. The Preliminary Memorandum, at the date thereof, did not, and the Final Memorandum, at the date thereof, did not and, on the Closing Date, will not (and any amendment or supplement thereto, at the date thereof, and at the Closing Date, will not), contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; *provided*, *however*, that the Company makes no representation or warranty as to any information contained in the Preliminary Memorandum, the Time of Sale Memorandum or the Final Memorandum, or any amendment or supplement thereto, in reliance upon and in conformity with information furnished in writing to the Company by or on behalf of the Initial Purchasers through the Representatives specifically for inclusion therein, it being understood that the only such information is set forth in Section 7(b) hereof.

(b) Except for the Additional Written Offering Communications, if any, identified in SCHEDULE II hereto, and electronic road shows, if any, furnished to you before first use, the Company has not prepared, used or referred to, and will not, without your prior consent, prepare, use or refer to, any Additional Written Offering Communication.

(c) Neither the Company, nor any of its Affiliates, nor any person acting on its or their behalf has, directly or indirectly, made offers or sales of any "security" (as defined in the Act), or solicited offers to buy or otherwise negotiated in respect of any security, which is or will be integrated with the sale of the Securities in a manner that would require the registration of the Securities under the Act.

(d) Neither the Company, nor any of its Affiliates, nor any person acting on its or their behalf, has, directly or indirectly, offered or sold the Securities in Chile or to any resident of Chile, except as permitted by applicable Chilean law.

(e) Neither the Company, nor any of its Affiliates, nor any person acting on its or their behalf has, directly or indirectly, offered, solicited offers to buy or sell any of the Securities by any form of general solicitation or general advertising (within the meaning of Regulation D) or in any manner involving a public offering (within the meaning of Section 4(a)(2) of the Act).

(f) The Securities satisfy the eligibility requirements of Rule 144A(d)(3) under the Act.

(g) The Company is a "foreign issuer" (as defined in Regulation S), and neither the Company, nor any of its Affiliates, nor any person acting on its or their behalf has engaged in any "directed selling efforts" (as defined in Regulation S) with respect to the Securities, except no such representation, warranty or agreement is made by the Company with respect to the Initial Purchasers.

(h) It is not necessary in connection with the offer, sale and delivery of the Securities to the Initial Purchasers in the manner contemplated by this Agreement to register the Securities under the Act or to qualify the Indenture under the Trust Indenture Act.

(i) Each of the Company and its Affiliates, and any person acting on its or their behalf, has complied with the offering restrictions requirement of Regulation S.

(j) The Company is not, and after giving effect to the offering and sale of the Securities and the application of the proceeds thereof as described in each of the Time of Sale Memorandum and the Final Memorandum will not be, required to register as an "investment company" within the meaning of the Investment Company Act.

(k) The Company has not paid or agreed to pay to any person any compensation for soliciting another to purchase any securities of the Company (except as contemplated by this Agreement).

(l) The Company has not taken, directly or indirectly, any action designed to cause or result in, or that has constituted or which might reasonably be expected to constitute or cause or result in, under the Exchange Act or otherwise, the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Securities.

(m) Except as disclosed in each of the Time of Sale Memorandum and the Final Memorandum, there are no transaction, stamp or other issuance or transfer taxes or duties or other similar fees or withholdings or charges required to be paid in connection with the execution and delivery of this Agreement, the Indenture, the issuance or sale by the Company of the Securities or the enforcement of the Securities, other than (i) a 0.8% stamp tax on the incurrence of the indebtedness evidenced by the Securities, which will be paid by the Company upon the issuance of the Securities, (ii) a 4% withholding tax on interest payments, and all other payments deemed to be interest payments, with respect to the Securities to the extent paid to a person domiciled or residing outside of Chile, and (iii) the value added tax (*impuesto al valor agregado* or VAT) that may be payable on fees and commissions paid or to be paid to non-domiciled and/or non-resident individuals or entities. If thin capitalization rules apply, as described in the Time of Sale Memorandum and the Final Memorandum, such interest payments would be subject to a 35% penalty tax that would be payable by the Company. The withholding tax applicable to the interest payments made by the Company can be credited against such 35% penalty tax. Payments of fees, compensations and reimbursement of costs contemplated in this Agreement or in the Indenture, made to persons domiciled or residing outside of Chile are (or may be, in the case of reimbursement of costs) subject to a withholding tax at a rate of up to 35%; *provided, however*, that any such payment (A) is exempted from withholding tax if it is deemed a "*comisión mercantil*" pursuant to the Commercial Code of Chile and the interpretation of the Chilean Internal Revenue Service (*Servicio de Impuestos Internos*, or the "**SII**") or (B) subject to a 15% withholding tax if it is deemed payment for a professional or technical assistance service, *provided* that the payment is not made to a party organized, domiciled or resident in one of the countries which falls under the scope of article 41H of the Chilean Income Tax Law in which case the withholding tax rate would be 20%. The withholding tax rate applicable to payments of fees, compensation, services and reimbursement of costs to a person not domiciled in, or resident of, Chile may be reduced or may be exempted if there is a double taxation treaty in force between Chile and the country of such person's residency that contemplates a reduced or exempt regime applicable to such payments. Capital gains arising from the sale or other dispositions of the Securities made by a person domiciled or residing outside of Chile will not be deemed as Chilean source income, and therefore, not subject to withholding tax in Chile.

(n) Any information provided by the Company pursuant to Section 5(j) hereof will not, at the date thereof, contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(o) The Company has been duly created and is validly existing as a state-owned enterprise under the laws of Chile with corporate power and authority to issue and sell the

Securities as contemplated hereby. Each of the Company's subsidiaries has been duly organized and is validly existing and in good standing under the laws of their respective jurisdictions of organization and, together with the Company, have the corporate power to own or lease, as the case may be, and to operate their properties and conduct their business as described in the Time of Sale Memorandum and the Final Memorandum, and are duly qualified to transact business in each jurisdiction which requires such qualification, except to the extent that the failure to be so qualified to transact business would not have a current or prospective material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Company and its subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business.

(p) The Company has no "significant subsidiary" as defined in Rule 1-02 of Regulation S-X pursuant to the Act.

(q) This Agreement has been duly authorized, executed and delivered by the Company; the Original Indenture has been duly authorized, executed and delivered by the Company and, assuming due authorization, execution and delivery thereof by the Trustee, constitutes a valid and binding instrument enforceable against the Company in accordance with its terms (subject, as to the enforcement of remedies, to applicable bankruptcy, liquidation, reorganization, insolvency, moratorium or other laws affecting creditors' rights generally and general principles of equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing (regardless of whether considered in a proceeding in equity or at law)); and the Supplemental Indenture and the Securities have been duly authorized and, when executed and authenticated in accordance with the provisions of the Indenture and delivered to and paid for by the Initial Purchasers under this Agreement, will have been duly executed and delivered by the Company and will constitute valid and binding obligations of the Company enforceable against the Company in accordance with their terms and entitled to the benefits of the Indenture (subject, as to the enforcement of remedies, to applicable bankruptcy, liquidation, reorganization, insolvency, moratorium or other laws affecting creditors' rights generally and general principles of equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing (regardless of whether considered in a proceeding in equity or at law)).

(r) The Securities and the Indenture will conform in all material respects to the descriptions thereof in the Final Memorandum.

(s) No consent, approval, authorization, filing with or order of any court or governmental agency or body is required in connection with the transactions contemplated herein, in the Indenture or in the Securities, except (i) such as may be required under the blue sky or securities laws of any jurisdiction in connection with the purchase and distribution of the Securities by the Initial Purchasers in the manner contemplated herein and in each of the Time of Sale Memorandum and the Final Memorandum; and (ii) the following authorizations and registrations required by Chilean law, which have been obtained and remain in full force and effect: (A) authorization granted by the President of Chile and by Decree of the Minister of Finance, whether general or specific, pursuant to Article 4 of Decree Law No. 2,349 of 1978 and pursuant to Decree No. 1,009 issued by the Ministry of Finance, published in the Official Gazette on December 23, 1978, as renewed by Decree No. 2,327 dated December 22, 2022 and published in the Official Gazette on January 28, 2023; (B) authorization granted by the Minister of Finance to the Company to enter into negotiations relating to the issue of the Securities, pursuant to Decree Law No. 1,350 of 1976, as amended and pursuant to Ordinary Resolution No. 1,978 issued by the Ministry of Finance on November 9, 2022; (C) authorization granted by the Minister of Finance to the Company to issue the Securities, pursuant to Decree Law No. 1,350 of 1976, as amended and pursuant to Ordinary Resolution No. 221 issued by the Ministry of Finance on January 27, 2023; and (D) the delivery to the Ministry of Finance and the Ministry of Mining for approval and possible review of the proposed annual budget and a debt amortization budget pursuant to Decree Law No. 1,350 of 1976, as amended;

(t) Neither the execution and delivery of the Indenture or this Agreement, the issue and sale of the Securities, nor the consummation of any other of the transactions herein or therein contemplated, nor the fulfillment of the terms hereof, thereof or of the Securities has conflicted or will conflict with, or has resulted or will result in, a default, breach or violation of or imposition of any lien, charge or encumbrance upon, any property or assets of the Company or any of its subsidiaries (except, in the case of (i), (iii) or (iv) below, for any such conflict, default, breach, violation or imposition as would not have a current or prospective material adverse effect on (x) the consummation of the transactions contemplated hereby or the rights of the holders of the Securities or (y) the condition (financial or otherwise), earnings, business or properties of the Company and its subsidiaries, taken as a whole) pursuant to (i) any provision of applicable law; (ii) Decree Law No. 1,350 of 1976, as amended from time to time, and the Company's by-laws, as restated in Decree No. 3 of January 13, 2012 and published in the Official Gazette on July 4, 2012, or the *Estatutos* of the Company; (iii) the terms of any indenture, contract, lease, mortgage, deed of trust, note agreement, loan agreement or other agreement, obligation, condition, covenant or instrument to which the Company or any of its subsidiaries is a party or bound or to which its respective property is subject; or (iv) any statute, law, rule, regulation, judgment, order or decree applicable to the Company or any of its subsidiaries of any court, regulatory body, administrative agency, governmental body, arbitrator or other authority having jurisdiction over the Company, any of its subsidiaries or their respective properties.

(u) The consolidated historical financial statements and schedules of the Company and its consolidated subsidiaries included in each of the Time of Sale Memorandum and the Final Memorandum present fairly in all material respects the financial condition, results of operations and cash flows of the Company as of the dates and for the periods indicated and have been prepared in conformity with International Financial Reporting Standards as adopted by the International Accounting Standards Board ("**IFRS**") in respect of full year periods for 2019, 2020 and 2021 and interim periods, in each case applied on a consistent basis throughout the periods involved (except as otherwise noted therein); the selected financial data set forth under the captions "Summary Consolidated Financial Data" and "Selected Consolidated Financial Data" in each of the Time of Sale Memorandum and the Final Memorandum fairly present, on the basis stated in each of the Time of Sale Memorandum and the Final Memorandum, the information included therein and have been prepared in conformity with IFRS in respect of full year periods for 2019, 2020 and 2021 and interim periods, in each case applied on a consistent basis throughout the periods involved (except as otherwise noted therein).

(v) There is no pending or threatened action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries or its or their property that is not described in each of the Time of Sale Memorandum and the Final Memorandum (exclusive of any amendment or supplement thereto), except for such proceedings that, if the subject of an unfavorable decision, ruling or finding would not, singly or in the aggregate, have a current or prospective material adverse effect (i) on the condition (financial or otherwise), earnings, business or properties of the Company and its subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business, or (ii) on the power or ability of the Company to perform its obligations under this Agreement, the Indenture or the Securities or to consummate the transactions contemplated in each of the Time of Sale Memorandum and the Final Memorandum.

(w) No circumstance or other event has arisen that has caused or, with the giving of notice or the lapse of time, or both, would cause the Company to be in violation or default of: (i) any provision of Decree Law No. 1,350 of 1976, as amended, or its *Estatutos*; (ii) the terms of any agreement or other instrument binding upon the Company or any of its subsidiaries that is material to the Company and its subsidiaries, taken as a whole; or (iii) any judgment, order or decree of any governmental body, agency or court having jurisdiction over the Company or any subsidiary, except for such contraventions as would not have a current or prospective material adverse effect on the Company or its subsidiaries, taken as a whole.

(x) The Company and its subsidiaries possess all concessions, licenses, certificates, permits and other authorizations issued by the appropriate government and other regulatory authorities necessary to conduct their respective businesses, as described in each of the Time of Sale Memorandum and the Final Memorandum, and neither the Company nor any such subsidiary has received any notice of proceedings relating to the revocation or modification of any such concession, certificate, authorization or permit which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would have a current or prospective material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Company and its subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business.

(y) The Company and each of its subsidiaries maintain a system of internal accounting controls sufficient to provide reasonable assurance that: (i) transactions are executed in accordance with management’s general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with IFRS and to maintain asset accountability; (iii) access to assets is permitted only in accordance with management’s general or specific authorization; and

(iv) the recorded accountability for assets is compared to existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(z) The Company and its subsidiaries have good and marketable title to all real property owned by them and good title to all other properties owned by them, including the Company's mining concessions, mining rights and water rights, in each case, free and clear of all mortgages, pledges, liens, security interests, claims, restrictions or encumbrances of any kind except (i) such as are set forth in or contemplated by each of the Time of Sale Memorandum and the Final Memorandum (exclusive of any amendment or supplement thereto) or (ii) where the failure to have good title would not have a current or prospective material adverse effect on the condition (financial or otherwise), earnings business or properties of the Company and its subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business; all of the leases and subleases material to the business of the Company and its subsidiaries, taken as a whole, and under which the Company or any of its subsidiaries holds properties described in each of the Time of Sale Memorandum and the Final Memorandum, are in full force and effect, except (i) where the failure to be in full force and effect would not have a current or prospective material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Company and its subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business, or (ii) such as are set forth in or contemplated by each of the Time of Sale Memorandum and the Final Memorandum (exclusive of any amendment or supplement thereto); and none of the Company or its subsidiaries has any notice of any material claim of any sort that has been asserted by anyone adverse to the rights of the Company or any of its subsidiaries under any of the leases or subleases mentioned above, or affecting or questioning the rights of the Company or any of its subsidiaries to the continued possession of the leased or subleased premises under any such lease or sublease, except (i) claims which are being contested by the Company or its subsidiaries in good faith and which would not have a current or prospective material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Company and its subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business, or (ii) such as are set forth in or contemplated by each of the Time of Sale Memorandum and the Final Memorandum (exclusive of any amendment or supplement thereto).

(aa) Deloitte Auditores y Consultores Limitada, who have audited the full-year 2019 and 2020 financial statements of the Company included in each of the Time of Sale Memorandum and the Final Memorandum, are an independent audit firm with respect to the Company. PricewaterhouseCoopers Consultores Auditores SpA, who have audited the full-year 2021 financial statements of the Company included in each of the Time of Sale Memorandum and the Final Memorandum, and conducted a limited review of the interim unaudited financial statements of the Company as of September 30, 2022 and for the nine-month period ended September 30, 2022 and 2021 included in each of the Time of Sale Memorandum and the Final Memorandum, are an independent audit firm with respect to the Company.

(bb) The Company and its subsidiaries (i) are in compliance with any and all applicable laws, regulations and approvals relating to the protection of human health and safety, the environment or hazardous or toxic substances or wastes, pollutants or contaminants ("**Environmental Laws**"); (ii) have received and are in compliance with all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct their respective businesses; and (iii) have not received notice of any actual or potential liability for the investigation or remediation of any disposal or release of hazardous or toxic substances or wastes, pollutants or contaminants, except (x) where such non-compliance with Environmental Laws, failure to receive required permits, licenses or other approvals, or liability would not, individually or in the aggregate, have a current or prospective material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Company and its subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business, and (y) as described in each of the Time of Sale Memorandum and the Final Memorandum (exclusive of any amendment or supplement thereto).

(cc) In the ordinary course of its business, the Company periodically reviews the effect of Environmental Laws on the business, operations and properties of the Company and its subsidiaries, in the course of which it identifies and evaluates associated costs and liabilities (including, without limitation, any capital or operating expenditures required for clean-up, closure of properties or compliance with Environmental Laws, or any permit, license or approval, any related constraints on operating activities and any potential liabilities to third parties); on the basis of such review, the Company has reasonably concluded that such associated costs and liabilities would not, singly or in the aggregate, have a current or prospective material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Company and its subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business, except as set forth in or contemplated in each of the Time of Sale Memorandum and the Final Memorandum (exclusive of any amendment or supplement thereto).

(dd) Since the respective dates as of which information is given in each of the Time of Sale Memorandum and the Final Memorandum, nothing has occurred giving rise to a current or prospective material adverse change in the condition (financial or otherwise), earnings, business or properties of the Company and its subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business, except as set forth in or contemplated in each of the Time of Sale Memorandum and the Final Memorandum (exclusive of any amendment or supplement thereto).

(ee) Pursuant to Article 52 of Law No. 18,840 of 1989, the Organic Law of the Central Bank of Chile, as amended, and Decree Law No. 1,350 of 1976, as amended, the Company is exempt from the Central Bank of Chile's exchange regulations in connection with the issuance, placement and payments upon the Securities. The Company is entitled to make payments under the Securities with its own available foreign currency obtained from its export operations and deposited with the Central Bank of Chile.

(ff) The Company has validly and irrevocably submitted to the non-exclusive jurisdiction of any state or federal court located in the City of New York, New York, has validly and irrevocably waived, to the extent permitted by law, any objection to the venue of a proceeding in any such court and has validly and irrevocably appointed Cogency Global Inc. in New York, New York as its authorized agent for service of process.

(gg) The Company has validly and irrevocably waived, pursuant to Section 17 hereof, and will have validly and irrevocably waived pursuant to the Indenture and the Securities, for itself and its revenues and assets, to the extent permitted by applicable law, any immunity from suit, jurisdiction, attachment in aid or execution of a judgment or prior to a judgment, execution of a judgment or any other legal process with respect to its obligations, respectively, under this Agreement, the Indenture and the Securities to which it may be entitled or become entitled whether or not claimed, including sovereign immunity, except that (i) for the attachment and judicial sale of mining concessions and installations and other goods permanently dedicated to exploration or extraction of minerals relating to such mining concessions, except with respect to mortgages, the consent of the Company will be required and shall be given in the same judicial proceeding in which the attachment and sale is sought (as set forth in Article 226 of the Mining Code of Chile); and (ii) pursuant to the Chilean Constitution, the mining concessions corresponding to mining deposits exploited by the Company upon its creation in 1976 cannot be subject to attachment nor to any act of disposition by the Company. Each such waiver is binding under Chilean law and remains in full force and effect.

(hh) The Company has an authorized capitalization as set forth in each of the Time of Sale Memorandum and the Final Memorandum under the heading "Capitalization"; and all the outstanding shares of capital stock or other equity interests of each subsidiary of the Company have been duly and validly authorized and issued, are fully paid and non-assessable and are owned directly or indirectly by the Company, free and clear of any lien, charge, encumbrance, security interest, restriction on voting or transfer or any other claim of any third party.

(ii) Neither the Company nor any of its subsidiaries nor, to the best knowledge of the Company, any director, officer, agent, employee or other person associated with or acting on behalf of the Company or any of its subsidiaries has: (i) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (ii) made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds; (iii) taken any action, directly or indirectly, that violated or is in violation of any provision of any applicable anti-bribery or anti-corruption law or regulation enacted in any jurisdiction, including, without limitation, the Foreign Corrupt Practices Act of 1977, as amended, or any applicable law or regulation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, or under the Bribery Act of 2010 of the United Kingdom, or any other applicable anti-bribery or anti-corruption laws; or (iv) made any unlawful bribe, influence payment, kickback or other unlawful payment or gift of money or anything of value prohibited under any applicable law or regulation in connection with the Company. The Company has instituted, and maintains, policies and procedures designed to promote and achieve the Company and its subsidiaries' compliance with all applicable anti-bribery and anti-corruption laws.

(jj) The operations of the Company and its subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, and applicable money laundering statutes of all jurisdictions, rules and regulations thereunder and related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental agency (collectively, the "**Money Laundering Laws**"), and no action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries with respect to the Money Laundering Laws is pending or, to the best knowledge of the Company, threatened or contemplated.

(kk) Neither the Company, any of its subsidiaries, nor any director or officer of the Company or any of its subsidiaries, nor to the knowledge of the Company, any agent, employee or affiliate (other than the Republic of Chile) of the Company or any of its subsidiaries (i) is currently an individual or entity that is, or is owned or controlled or is acting on behalf of, one or more individuals or entities (other than the Republic of Chile) that are currently the subject of any sanctions administered or enforced by the United States (including administered or enforced by the Office of Foreign Assets Control of the U.S. Department of the Treasury ("**OFAC**") or the U.S. Department of State), the European Union, His Majesty's Treasury or the United Nations Security Council (collectively, the "**Sanctions**"), (ii) organized, located or a resident in a country or territory that is currently the subject of territorial Sanctions broadly prohibiting dealing with such country or territory (each such country, a "**Sanctioned Country**," currently the Crimea region, the so-called Donetsk People's Republic and the so-called Luhansk People's Republic regions of Ukraine, Cuba, Iran, North Korea or Syria, and such persons, "**Sanctioned Persons**" and each such person, a "**Sanctioned Person**"), or (iii) will, directly or indirectly, use the proceeds of the offering of the Securities hereunder, or lend, contribute or otherwise make available such proceeds to any subsidiary, joint venture partner or other person or entity in any manner that would result in a violation of any Sanctions by, or would reasonably be expected to result in the imposition of Sanctions against, any individual or entity participating in the offering, whether as underwriter, advisor, investor or otherwise. Neither the Company nor any of its subsidiaries has, to the knowledge of the Company, engaged in any dealings or transactions with or for the benefit of a Sanctioned Person, or with or in a Sanctioned Country, in the preceding three years, that have resulted in a violation of Sanctions by, or the imposition of Sanctions against, the Company or the Initial Purchasers, nor does the Company or any of its subsidiaries have any plans to engage in dealings or transactions with or for the benefit of a Sanctioned Person, or with or in a Sanctioned Country, that would result in a violation of Sanctions by, or would reasonably be expected to result in the imposition of Sanctions against, the Company or the Initial Purchasers.

(ll) No labor disturbance by or dispute with employees of the Company or any of its subsidiaries exists or, to the best knowledge of the Company, is contemplated or threatened, and the Company is not aware of any existing or imminent labor disturbance by, or dispute with, the employees of any of the Company's subsidiaries' principal suppliers, contractors or customers, except (x) as would not have a material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Company and its subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business and (y) as set forth in or contemplated in each of the Time of Sale Memorandum and the Final Memorandum (exclusive of any amendment or supplement thereto).

(mm) The Company and its subsidiaries have insurance covering their respective properties, operations, personnel and businesses, which insurance is in amounts and insures against such losses and risks as are adequate to protect the Company and its subsidiaries and their respective businesses, except where any failure to have such insurance would not result in a material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Company and its subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business; and neither the Company nor any of its subsidiaries has (i) received notice from any insurer or agent of such insurer that capital improvements or other expenditures are required or necessary to be made in order to continue such insurance or (ii) any reason to believe that it will not be able to renew its existing insurance coverage as and when such coverage expires or to obtain similar coverage at reasonable cost from similar insurers as may be necessary to continue its business at a cost that would not result in a material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Company and its subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business.

Any certificate signed by any officer of the Company and delivered to the Representatives or counsel for the Initial Purchasers in connection with the offering of the Securities shall be deemed a representation and warranty by the Company, as to matters covered thereby, to each Initial Purchaser.

2. Purchase and Sale. (a) Subject to the terms and conditions and in reliance upon the representations and warranties herein set forth, the Company agrees to sell to each Initial Purchaser, and each Initial Purchaser agrees, severally and not jointly, to purchase from the Company, at a purchase price of 99.858% of the principal amount of the Securities, plus accrued interest from February 2, 2023 to the Closing Date (as defined below), the principal amount of Securities set forth opposite such Initial Purchaser's name in SCHEDULE I hereto.

(b) The Company acknowledges and agrees that the Initial Purchasers are acting solely in the capacity of an arm's length contractual counterparty to the Company with respect to the offering of Securities contemplated hereby (including in connection with determining the terms of the offering) and not as a financial advisor or a fiduciary to, or an agent of, the Company or any other person. Additionally, no Initial Purchaser is advising the Company or any other person as to any legal, tax, investment, accounting or regulatory matters in any jurisdiction. The Company shall consult with its own advisors concerning such matters and shall be responsible for making its own independent investigation and appraisal of the transactions contemplated hereby, and the Initial Purchasers shall have no responsibility or liability to the Company with respect thereto.

Any review by the Initial Purchasers of the Company, the transactions contemplated hereby or other matters relating to such transactions will be performed solely for the benefit of the Initial Purchasers and shall not be on behalf of the Company. The Company acknowledges that none of the activities of the Initial Purchasers in connection with the offering of Securities constitutes a recommendation, investment advice or solicitation or any action by the Initial Purchasers with respect to the Company.

3. Delivery and Payment. Delivery of and payment for the Securities shall be made at 10:00 A.M., New York City time, on February 2, 2023 or at such time on such later date as the Representatives shall designate, which date and time may be postponed by agreement between the Representatives and the Company or as provided in Section 8 hereof (such date and time of delivery and payment for the Securities, including as so postponed, being herein called the "**Closing Date**"). Delivery of the Securities shall be made to the Representatives for the respective accounts of the several Initial Purchasers against payment by the several Initial Purchasers through the Representatives of the purchase price thereof to or upon the order of the Company by wire transfer payable in same-day funds to the account specified by the Company. Delivery of the Securities shall be made through the facilities of The Depository Trust Company ("**DTC**") unless the Representatives shall otherwise instruct.

4. Offering by the Initial Purchasers. Each Initial Purchaser, severally and not jointly, represents and warrants to and agrees with the Company that:

(a) It has not offered or sold, and will not offer or sell, any Securities except (i) to persons it reasonably believes to be qualified institutional buyers (as defined in Rule 144A under the Act) and that, in connection with each such sale, it has taken or will take reasonable steps to ensure that the purchaser of such Securities is aware that such sale is being made in reliance on Rule 144A; or (ii) in accordance with the restrictions set forth in Exhibit A hereto.

(b) Neither it nor any person acting on its behalf has made or will make offers or sales of the Securities in the United States by means of any form of general solicitation or general advertising (within the meaning of Regulation D) in the United States or in any manner involving a public offering within the meaning of Section 4(a)(2) of the Act.

(c) Unless it has obtained or will obtain the prior written consent of the Company, it has not used, and will not use, or authorize use of, any written communication that constitutes an offer to sell or the solicitation of an offer to buy the Securities other than: (i) the Preliminary Memorandum; (ii) the Time of Sale Memorandum; (iii) the Final Memorandum; (iv) any Additional Written Offering Communications identified in SCHEDULE II hereto; and (v) any Bloomberg or other customary electronic communications providing certain ratings or proposed terms of the Securities or relating to marketing, administrative or procedural matters in connection with the offering of the Securities.

5. Covenants of the Company. The Company agrees with each Initial Purchaser that:

(a) The Company will furnish to each Initial Purchaser and to counsel for the Initial Purchasers, without charge, during the period referred to in paragraph (d) below, electronic copies of the materials contained in the Time of Sale Memorandum, the Final Memorandum and any amendments and supplements thereto as they may reasonably request.

(b) Before amending or supplementing the Preliminary Memorandum, the Time of Sale Memorandum or the Final Memorandum, the Company will furnish to the Initial Purchasers a copy of each such proposed amendment or supplement and will not use any such proposed amendment or supplement to which the Initial Purchasers reasonably object.

(c) The Company will furnish to each Initial Purchaser a copy of each proposed Additional Written Offering Communication to be prepared by or on behalf of, used by, or referred to by the Company and agrees not to use or refer to any proposed Additional Written Offering Communication to which the Initial Purchasers reasonably object.

(d) If at any time prior to the completion of the sale of the Securities by the Initial Purchasers (as determined by the Representatives), any event occurs as a result of which the Time of Sale Memorandum or the Final Memorandum, as then amended or supplemented, would include any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if it should be necessary to amend or supplement the Time of Sale Memorandum or the Final Memorandum to comply with applicable law, the Company promptly: (i) will notify the Representatives of any such event; (ii) subject to the requirements of paragraph (b) of this Section 5, will prepare an amendment or supplement that will correct such statement or omission or effect such compliance; and (iii) will supply any supplemented or amended Time of Sale Memorandum or the Final Memorandum to the several Initial Purchasers and counsel for the Initial Purchasers without charge in such quantities as they may reasonably request.

(e) The Company will arrange, if necessary, for the qualification of the Securities for sale by the Initial Purchasers under the laws of such jurisdictions as the Initial Purchasers may reasonably designate and will maintain such qualifications in effect so long as required for the sale of the Securities; *provided* that in no event shall the Company be obligated to qualify to do business in any jurisdiction where it is not now so qualified or to take any action that would subject it to service of process in suits, other than those arising out of the offering or sale of the Securities, in any jurisdiction where it is not now so subject. The Company will promptly advise the Representatives of the receipt by the Company of any notification with respect to the suspension of the qualification of the Securities for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose.

(f) During the period of one year after the Closing Date, the Company will not resell, and will not permit any person that is an affiliate (as defined in Rule 144 under the Act) at the time of any contemplated resale or that has been an affiliate within the three months preceding such time to resell, any of the Securities that have been reacquired by any of them, except for Securities purchased by the Company or any of its affiliates and resold in a transaction registered under the Act or in reliance of Regulation S.

(g) Neither the Company, nor any of its Affiliates, nor any person acting on its or their behalf will, directly or indirectly, make offers or sales of any security, or solicit offers to buy any security, under circumstances that would require the registration of the Securities under the Act.

(h) Neither the Company, nor any of its Affiliates, nor any person acting on its or their behalf will, directly or indirectly, make offers or sales of the Securities in Chile or to any resident of Chile, except as permitted by applicable Chilean law.

(i) Neither the Company, nor any of its Affiliates, nor any person acting on its or their behalf will engage in any form of general solicitation or general advertising (within the meaning of Regulation D) in connection with any offer or sale of the Securities in the United States or in any manner involving a public offering within the meaning of Section 4(a)(2) of the Act.

(j) So long as any of the Securities are "restricted securities" within the meaning of Rule 144(a)(3) under the Act, the Company will, unless it becomes subject to and complies with Section 13 or 15(d) of the Exchange Act, or becomes exempt from such reporting requirements pursuant to, and complies with, Rule 12g3-2(b) under the Exchange Act, provide to each holder of such restricted securities and to each prospective purchaser (as designated by such holder) of such restricted securities, upon the request of such holder or prospective purchaser, any information required to be provided by Rule 144A(d)(4) under the Act. This covenant is intended to be for the benefit of the holders, and the prospective purchasers designated by such holders, from time to time of such restricted securities.

(k) Neither the Company, nor any of its Affiliates, nor any person acting on its or their behalf will engage in any directed selling efforts (as defined in Regulation S) with respect to the Securities.

(l) The Company will cooperate with the Representatives and use its best efforts to permit the Securities to be eligible for clearance and settlement through DTC, including its indirect participants, Euroclear Bank S.A./N.V. ("**Euroclear**") and Clearstream Banking, S.A., Luxembourg ("**Clearstream**").

(m) The Company will use its best efforts to effect the listing of the Securities on the Euro MTF market of the Luxembourg Stock Exchange and for so long as the Securities are outstanding, will file with the Euro MTF market of the Luxembourg Stock Exchange and any other governmental agency, authority or instrumentality in Luxembourg as may be required, such reports, documents, agreements and other information which may, from time to time, be required to be so filed; *provided* that the Company may, in its reasonable discretion, de-list the Securities in the event that any European or national legislation becomes effective in Luxembourg in a manner that would require the Company to publish or produce financial statements according to accounting principles or standards that are different from IFRS or that would otherwise impose requirements that the Company determines, in its reasonable discretion, are not reasonable.

(n) The Company will not for a period of 30 days following the Execution Time, without the prior written consent of the Representatives, offer, sell or contract to sell, or otherwise dispose of (or enter into any transaction which is designed to, or might reasonably be expected to, result in the disposition (whether by actual disposition or effective economic disposition due to cash settlement or otherwise) by the Company or any Affiliate of the Company or any person in privity with the Company or any Affiliate of the Company), directly or indirectly, or announce any public or broadly marketed offering of, any U.S. dollar-denominated debt securities issued or guaranteed by the Company in the international capital markets (other than the Securities).

(o) The Company will not take, directly or indirectly, any action designed to cause or result in, or that has constituted or which might reasonably be expected to constitute or cause or result in, under the Exchange Act or otherwise, the stabilization or manipulation of the price of any security of the Company to facilitate the sale or resale of the Securities.

(p) The Company agrees either to pay directly or to reimburse the Initial Purchasers, as the case may be, for the reasonable and documented expenses relating to the following matters: (i) the issuance of the Securities and the fees and expenses of the Trustee (including, without limitation, the fees of counsel for such trustee); (ii) the preparation, printing and reproduction of each of the Preliminary Memorandum and Final Memorandum and each amendment or supplement to either of them, including the pricing term sheet prepared by the Company and any Additional Written Offering Communications identified in SCHEDULE II hereto; (iii) the printing (and reproduction) and delivery (including postage, air freight charges and charges for counting and packaging) of such copies of each of the Preliminary Memorandum and Final Memorandum, and all amendments or supplements to either of them, as may, in each case, be reasonably requested for use in connection with the offering and sale of the Securities; (iv) the preparation, printing, authentication, issuance and delivery of certificates for the Securities, including any stamp or transfer taxes in connection with the original issuance and sale of the Securities; (v) the printing (and reproduction) and delivery of this Agreement, any blue sky memorandum and all other agreements or documents printed (or reproduced) and delivered in connection with the offering of the Securities; (vi) any registration or qualification of the Securities for offer and sale under the securities or blue sky laws of the several states (including filing fees and the reasonable fees and expenses of counsel for the Initial Purchasers relating to such registration and qualification); (vii) the listing of the Securities with the Euro MTF market of the Luxembourg Stock Exchange (including the fees of the agent retained in connection with such listing); (viii) the approval of the Securities for book-entry transfer by DTC, Euroclear and Clearstream; (ix) the rating of the Securities by rating agencies; (x) the expenses incurred by the Company or the Initial Purchasers in connection with presentations to prospective purchasers of the Securities; (xi) the fees and expenses of the Company's accountants; (xii) the fees and expenses of counsel (including local and special United States and Chilean counsels) for the Company; (xiii) all other reasonable and documented expenses incurred by the Initial Purchasers in connection with the offering and sale of the Securities, except for the fees and expenses of counsels (including United States and Chilean counsels) for the Initial Purchasers; and (xiv) all other fees and expenses incident to the performance by the Company and the Initial Purchasers of their obligations hereunder; *provided* that, if the offering of the Securities (A) is not completed within twelve months because any condition to the obligations of the Initial Purchasers set forth in Section 6 hereof is not satisfied, because of any termination pursuant to Section 9 hereof or because of any refusal, inability or failure on the part of the Company to perform any agreement herein or comply with any provision hereof other than by reason of a default by any of the Initial Purchasers, the Company shall pay directly all costs and expenses contemplated by this Section 5(p) or, to the extent the Initial Purchasers have borne such costs and expenses, shall reimburse the Initial Purchasers severally through the Representatives; and (B) is completed, the Initial Purchasers shall pay for all such costs and expenses of this Section 5(p) *pro rata* in proportion to each Initial Purchaser's commitment to purchase Securities as listed in SCHEDULE I hereto in accordance with Section 2(a) and this Section 5(p) (except for the costs and expenses contemplated by 5(p)(ix), 5(p)(xi)and 5(p)(xii), which shall be paid directly by the Company whether or not the offering of the Securities is completed), and the Company shall cover such costs and expenses of this Section 5(p) pursuant to Section 2(a).

(q) The Company will apply the net proceeds from the sale of the Securities substantially in accordance with the description set forth under the heading "Use of Proceeds" in each of the Time of Sale Memorandum and the Final Memorandum.

(r) The Company will not take any action or omit to take any action (such as issuing any press release relating to any Securities without an appropriate legend) which may result in the loss by any of the Initial Purchasers of the ability to rely on any stabilization safe harbor provided by the Financial Conduct Authority under the U.K. Financial Services and Markets Act 2000 (the "**FSMA**").

6. Conditions to the Obligations of the Initial Purchasers. The obligations of the Initial Purchasers to purchase the Securities on the Closing Date shall be subject to the accuracy of the representations and warranties of the Company contained herein at the Execution Time and the Closing Date, to the accuracy of the statements of the Company made in any certificates pursuant to the provisions hereof, to the performance by the Company of its obligations hereunder and to the following additional conditions:

(a) The Company shall have requested and caused Cleary Gottlieb Steen & Hamilton LLP, U.S. counsel for the Company, to furnish to the Representatives its opinion, dated the Closing Date and addressed to the Representatives, substantially to the effect that:

(i) the Indenture has been duly executed and delivered by the Company under the laws of the State of New York and is a valid, binding and enforceable agreement of the Company; the Securities, when delivered to and paid for by the

Initial Purchasers in accordance with this Agreement, will be the valid, binding and enforceable obligations of the Company, entitled to the benefits of the Indenture pursuant to which such Securities are to be issued; the statements set forth under the headings "Description of Notes" and "Transfer Restrictions" in the Time of Sale Memorandum and the Final Memorandum, insofar as such statements purport to summarize certain provisions of the Securities and the Indenture, provide a fair summary of such provisions; and the statements in Final Memorandum under the heading "Plan of Distribution," insofar as such statements purport to summarize certain provisions of this Agreement, provide a fair summary of such provisions;

(ii) this Agreement has been duly executed and delivered by the Company under the law of the State of New York;

(iii) the statements made in each of the Time of Sale Memorandum and the Final Memorandum under the heading "Taxation— U.S. Federal Income Taxation", insofar as such statements purport to summarize certain federal income tax laws of the United States, constitute a fair summary of the principal U.S. federal income tax consequences of an investment in the Securities by a U.S. Holder (as defined in each of the Time of Sale Memorandum and the Final Memorandum);

(iv) the issuance and the sale of the Securities to the Initial Purchasers pursuant to this Agreement and the execution and delivery of this Agreement and the Indenture do not, and the performance by the Company of its obligations under this Agreement, the Indenture and the Securities will not, (A) require any consent, approval, authorization, registration or qualification of or with any governmental authority of the United States or the State of New York that in such counsel's experience normally would be applicable to general business entities with respect to such issuance, sale or performance (but such counsel need express no opinion relating to United States federal securities laws or any state securities or blue sky laws other than as set forth in (v) below); or (B) result in a violation of any United States federal or New York State law or published rule or regulation that in such counsel's experience normally would be applicable to general business entities with respect to such issuance, sale or performance (but such counsel need not express any opinion relating to the United States federal securities laws or any state securities or blue sky laws, except as set forth in (v) below);

(v) no registration of the Securities under the Act, and no qualification of the Indenture under the Trust Indenture Act, are required for the offer and sale of the Securities by the Company to the Initial Purchasers pursuant to and in the manner contemplated by this Agreement or by the Initial Purchasers as contemplated by this Agreement, the Time of Sale Memorandum and the Final Memorandum;

(vi) no registration of the Company under the Investment Company Act is required for the offer and sale of the Securities by the Company in the manner contemplated herein and by each of the Time of Sale Memorandum and the Final Memorandum; and

(vii) under the laws of the State of New York relating to submission to jurisdiction, the Company, pursuant to Section 14 of this Agreement, Section 1.12 of the Indenture and the provisions of the Securities, has (a) validly and irrevocably submitted to the non-exclusive personal jurisdiction of any New York state or U.S. federal court located in the Borough of Manhattan, the City of New York, in any action arising out of or related to this Agreement that is brought by an Initial Purchaser or by any person who controls any Initial Purchaser, or in any action arising out of or related to the Indenture or the Securities that is brought by the holder of any Securities; (b) to the fullest extent permitted by law, validly and irrevocably waived any objection to the venue of a proceeding in any such court and (c) validly appointed Cogency Global Inc., as its authorized representative in the United States, and as its authorized agent for the purpose described in Section 14 hereof, the Indenture and the Securities; and service of process upon such agent in a manner permitted by applicable law will be effective to confer valid personal jurisdiction over the Company in any action arising under this Agreement, the Indenture or the Securities.

(b) The Company shall have requested and caused Cleary Gottlieb Steen & Hamilton LLP, U.S. counsel for the Company, to furnish to the Representatives its letter, dated the Closing Date and addressed to the Representatives, substantially to the effect that no information has come to such counsel's attention that causes it to believe that:

(i) the Time of Sale Memorandum (except the financial statements and schedules and other financial and statistical data included therein, the information therein relating to the Company’s ore reserves, as to which such counsel expresses no view), as of the Execution Time, contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, and

(ii) the Final Memorandum (except the financial statements and schedules and other financial and statistical data included therein, the information therein relating to the Company’s ore reserves, as to which such counsel expresses no view), as of the Closing Date and the Execution Time, contained or contains an untrue statement of a material fact or omitted or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

In rendering its opinion under Section 6(a) hereof and furnishing its letter under Section 6(b) hereof, such counsel may rely (A) as to matters involving the application of laws of any jurisdiction other than the State of New York or federal laws of the United States, to the extent they deem proper and specified in such opinion, upon the opinion of other counsel of good standing whom they believe to be reliable and who are satisfactory to counsel for the Initial Purchasers; and (B) as to matters of fact, to the extent they deem proper, on certificates of responsible officers of the Company and public officials. References to the Final Memorandum in Section 6(a) and Section 6(b) include any amendment or supplement thereto at the Closing Date.

(c) The Company shall have requested and caused Carey y Cía. Ltda., Chilean counsel for the Company, to furnish to the Representatives its opinion, dated the Closing Date and addressed to the Representatives, substantially to the effect that:

(i) the Company has been duly created and is validly existing as a state-owned company under the laws of Chile, with full corporate power and authority to own or lease, as the case may be, and to operate its properties, exercise its mining concessions, mining rights and water rights, and conduct its business as described in each of the Time of Sale Memorandum and the Final Memorandum, and is duly qualified to do business under the laws of each jurisdiction which requires such qualification;

(ii) the Indenture has been duly authorized, executed and delivered, and constitutes a legal, valid and binding instrument enforceable against the Company in accordance with its terms (subject, as to the enforcement of remedies, to applicable bankruptcy, liquidation, reorganization, insolvency, moratorium or other laws affecting creditors' rights generally and general principles of equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing (regardless of whether considered in a proceeding in equity or at law)); and the Securities have been duly and validly authorized and, when executed and authenticated in accordance with the provisions of the Indenture and delivered to and paid for by the Initial Purchasers under this Agreement, will have been duly executed and delivered by the Company and will constitute legal, valid, binding and enforceable obligations of the Company entitled to the benefits of the Indenture (subject, as to the enforcement of remedies, to applicable bankruptcy, liquidation, reorganization, insolvency, moratorium or other laws affecting creditors' rights generally and general principles of equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing (regardless of whether considered in a proceeding in equity or at law));

(iii) the statements in each of the Time of Sale Memorandum and the Final Memorandum under the captions "Presentation of Financial and Statistical Information", "Enforceability of Civil Liabilities", "Exchange Rates", "Risk Factors—Risks Relating to CODELCO's Operations—CODELCO's compliance with environmental, health and safety laws may require increased costs, including capital commitments, and non-compliance may subject it to significant penalties", "Risk Factors—Risks Relating to CODELCO's Operations—Future compliance with a changing and complex regulation scheme may require changes in CODELCO's business", "Risk Factors—Risks Relating to CODELCO's Operations—Labor disruptions involving CODELCO's employees or the employees of its independent contractors could affect CODELCO's production levels and costs", "Risk Factors—Risks Relating to CODELCO's Operations—CODELCO is subject to an extensive labor reform law –in effect since 2017- promulgated by the Government of Chile that could affect its business and operating results", "Risk Factors—Risks Relating to CODELCO's Relationship with the Government of Chile", "Management's Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations for the Three Years Ended December 31, 2021 —Other expenses", "Management's Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations for the Nine-Month Periods Ended September 30, 2021 and 2022—Foreign exchange differences", "Management's Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations for the Nine-Month Periods Ended September 30, 2021 and 2022—Income tax expense", "Management's Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations for the Three Years Ended December 31, 2021—Other expenses", "Management's Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations for the Three Years Ended December 31, 2021—Income tax expense", "Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Distributions to the Chilean Treasury", "Regulatory Framework", "Management", "Related Party Transactions", "Foreign Investment and Exchange Controls in Chile" and "Taxation—Chilean Taxation", insofar as such statements constitute summaries of Chilean legal matters, documents or proceedings referred to therein, fairly summarize the matters therein;

(iv) such counsel has no reason to believe that (A) at the Execution Time, the Time of Sale Memorandum contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading or (B) at the Execution Time and on the Closing Date, the Final Memorandum contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (in each case, other than the financial statements and other financial information contained therein, as to which such counsel need express no opinion);

(v) this Agreement has been duly authorized, executed and delivered by the Company;

(vi) the Company has all requisite corporate power and authority, has taken all requisite corporate action and has received and is in compliance with all /governmental, judicial and other authorizations, approvals and orders necessary to enter into and perform its obligations under this Agreement and the Indenture and to issue and perform its obligations under the Securities, and no consent, approval, authorization, filing with or order of any Chilean court or governmental agency or body is required in connection with the transactions contemplated herein, in the Indenture or in the Securities, except (i) such as may be required under the blue sky or securities laws of any jurisdiction in connection with the purchase and sale of the Securities by the Initial Purchasers in the manner contemplated in this Agreement, the Time of Sale Memorandum and the Final Memorandum, and (ii) the following authorizations and registrations required by Chilean law, which have been obtained and remain in full force and effect: (A) authorization granted by the President of Chile and by Decree of the Minister of Finance, whether general or specific, pursuant to Article 4 of Decree Law No. 2,349 of 1978 and pursuant to Decree No. 1,009 issued by the Ministry of Finance, published in the Official Gazette on December 23, 1978, as renewed by Decree No. 2,327 dated December 22, 2022 and published in the Official Gazette on January 28, 2023; (B) authorization granted by the Minister of Finance to the Company to enter into negotiations relating to the issue of the Securities, pursuant to Decree Law No. 1,350 of 1976, as amended and pursuant to Ordinary Resolution No. 1,978 issued by the Ministry of Finance on November 9, 2022; (C) authorization granted by the Minister of Finance to the Company to issue the Securities, pursuant to Decree Law No. 1,350 of 1976, as amended and pursuant to Ordinary Resolution No. 221 issued by the Ministry of Finance on January 27, 2023; and (D) the delivery to the Ministry of Finance and the Ministry of Mining for approval and possible review of the proposed annual budget and a debt amortization budget pursuant to Decree Law No. 1,350 of 1976, as amended;

(vii) neither the execution and delivery of the Indenture or this Agreement, the issue and sale of the Securities, nor the consummation of any other of the transactions herein or therein contemplated, nor the fulfillment of the terms hereof, thereof or of the Securities will conflict with, or result in, a default, breach or violation of, or imposition of any lien, charge or encumbrance upon any property or asset of the Company or its subsidiaries pursuant to, (i) any provision of applicable Chilean law; (ii) Decree Law No. 1,350 of 1976, as amended from time to time, and the Company’s by-laws, as restated in Decree No. 3 of January 13, 2012 and published in the Official Gazette on July 4, 2012, or the *Estatutos* of the Company; or (iii) any statute, law, rule, regulation, judgment, order or decree applicable to the Company or any of its subsidiaries of any Chilean court, regulatory body, administrative agency, governmental body, arbitrator or other authority having jurisdiction over the Company, any of its subsidiaries or any of their respective properties;

(viii) pursuant to Article 52 of the Organic Law of the Central Bank of Chile and Decree Law No. 1,350 of 1976, as amended, the Company is exempt from the Central Bank of Chile’s regulations in connection with the issuance, placement and payments upon the Securities. The Company is entitled to make payments under the Securities with its own available foreign currency obtained from its export operations and deposited with the Central Bank of Chile;

(ix) except as disclosed in each of the Time of Sale Memorandum and the Final Memorandum, there are no transaction, stamp or other issuance or transfer taxes or duties or other similar fees or withholdings or charges required to be paid in connection with the execution and delivery of this Agreement, the Indenture, the issuance or sale by the Company of the Securities or the enforcement of the Securities, other than (i) a 0.8% stamp tax on the incurrence of the indebtedness evidenced by the Securities, (ii) a 4% withholding tax on interest payments, and all other payments deemed to be interest payments, with respect to the Securities to the extent paid to a person domiciled or residing outside of Chile, and (iii) the value added tax (*impuesto al valor agregado* or VAT) that may be payable on fees and commissions paid or to be paid to non-domiciled and/or non-resident individuals or entities. If thin capitalization rules apply, as described in the Time of Sale Memorandum and the Final Memorandum, such interest payments would be subject to a 35% penalty tax that would be payable by the Company. The withholding tax applicable to the interest payments made by the Company can be credited against such 35% penalty tax. Payments of fees, compensations and reimbursement of costs contemplated in this Agreement or in the Indenture, made to persons domiciled or residing outside of Chile are (or may be, in the case of reimbursement of costs) subject to a withholding tax at a rate of up to 35%; *provided, however*, that any such payment (A) is exempted from withholding tax if it is deemed a "*comisión mercantil*" pursuant to the Commercial Code of Chile and the interpretation of the Chilean Internal Revenue Service (*Servicio de Impuestos Internos*, or the "**SII**") or (B) subject to a 15% withholding tax if it is deemed payment for a professional or technical assistance service, *provided* that the payment is not made to a party organized, domiciled or resident in one of the countries which falls under the scope of article 41H of the Chilean Income Tax Law, in which case the withholding tax rate would be 20%. The withholding tax rate applicable to payments of fees, compensation, services and reimbursement of costs to a person not domiciled in, or resident of, Chile may be reduced or may be exempted if there is a double taxation treaty in force between Chile and the country of such person's residency that contemplates a reduced or exempt regime applicable to such payments. Capital gains arising from the sale or other dispositions of the Securities made by a person domiciled or residing outside of Chile will not be deemed as Chilean source income, and therefore not subject to withholding tax in Chile.

(x) except for the Chilean value added tax (*impuesto al valor agregado or VAT*) that may be payable by the Company on fees and commissions paid or to be paid to non-domiciled and/or non-resident individuals or entities, none of the holders of the Securities, the Initial Purchasers or the Trustee will be deemed resident, domiciled, carrying on business or subject to any tax liability in Chile solely by reason of the holding of the Securities or the execution, delivery, performance or enforcement of this Agreement, the Indenture or the Securities, assuming that none of such persons is domiciled or is a resident of Chile or has a permanent establishment in Chile;

(xi) the choice of law provisions set forth in Section 15 hereof, in the Indenture and in the Securities are legal, valid and binding under the laws of Chile and such counsel knows of no reason why the courts of Chile would not give effect to the choice of New York law as the proper law of this Agreement, of the Indenture and of the Securities; the Company has the legal capacity to sue and be sued in its own name under the laws of Chile; the Company has been empowered by Decree No. 1,009 issued by the Ministry of Finance, published in the Official Gazette on December 23, 1978, as renewed by Decree No. 2,327 dated December 22, 2022 and published in the Official Gazette on January 27, 2023, to submit, and has irrevocably submitted, to the non-exclusive jurisdiction of the New York courts and has validly and irrevocably appointed Cogency Global Inc. as its authorized agent for the purpose described in Section 14 hereof, in the Indenture and in the Securities under the laws of Chile; the irrevocable submission of the Company to the non-exclusive jurisdiction of the New York courts and the waivers by the Company of any objection to the venue of the proceeding in a New York court herein, in the Indenture and in the Securities are legal, valid and binding under the laws of Chile and such counsel knows of no reason why the courts of Chile would not give effect to such submission and waivers; service of process in the manner set forth in Section 14 hereof, in the Indenture and in the Securities will be effective to confer valid personal jurisdiction over the Company under the laws of Chile; and the courts in Chile will recognize as valid and final, and will enforce, any final and conclusive judgment against the Company obtained in a New York court arising out of or in relation to the obligations of the Company under this Agreement, the Indenture or the Securities, subject only to the conditions and qualifications described in each of the Time of Sale Memorandum and the Final Memorandum under the caption "Enforceability of Civil Liabilities";

(xii) the Company has validly and irrevocably waived, pursuant to Section 17 hereof and to the provisions of the Indenture and the Securities for itself and its revenues and assets, to the full extent permitted by Chilean law, any immunity from suit, jurisdiction, attachment in aid or execution of a judgment or prior to a judgment, execution of a judgment or any other legal process with respect to its obligations, respectively, under this Agreement, the Indenture and the Securities to which it may be entitled or become entitled whether or not claimed, including sovereign immunity, except that (i) for the attachment and judicial sale of mining concessions and installations and other goods permanently dedicated to exploration or extraction of minerals relating to such mining concessions, except with respect to mortgages, the consent of the Company will be required and shall be given in the same judicial proceeding in which the attachment and sale is sought (as set forth in Article 226 of the Mining Code of Chile); and (ii) pursuant to the Chilean Constitution, the mining concessions corresponding to mining deposits exploited by the Company upon its creation in 1976 cannot be subject to attachment nor to any act of disposition by the Company. Each such waiver is binding under Chilean law and remains in full force and effect; and

(xiii) this Agreement, the Indenture and the Securities are in proper legal form under the laws of Chile for the enforcement thereof against the Company in Chile without the need to obtain any other consent, approval or authorization, to file any notification or to take any further action on the part of the Initial Purchasers or the Trustee and to ensure the legality, validity, enforceability or admissibility in evidence of any of this Agreement, the Indenture and the

Securities, and except for their translation into Spanish for their presentation to a Chilean court and subject to the payment of the applicable stamp tax, if any (and applicable readjustments and penalties, if any), it is not necessary that any other document be filed or recorded with any court or other authority in Chile or that any stamp or similar tax be paid on or in respect of any such document or the Securities.

In rendering such opinion, such counsel may rely (A) as to matters involving the application of laws of any jurisdiction other than Chile, to the extent they deem proper and specified in such opinion, upon the opinion of other counsel of good standing whom they believe to be reliable and who are satisfactory to counsel for the Initial Purchasers; and (B) as to matters of fact, to the extent they deem proper, on certificates of responsible officers of the Company and public officials. References to the Final Memorandum in this Section 6(c) include any amendment or supplement thereto at the Closing Date.

(d) The Company shall have requested and caused María Susana Rioseco, General Counsel of the Company, to furnish to the Representatives her opinion, dated the Closing Date and addressed to the Representatives, substantially to the effect that:

(i) the Company has been duly created and is validly existing as a state-owned company under the laws of Chile, with full corporate power and authority to own or lease, as the case may be, and to operate its properties, exercise its mining concessions, mining rights and water rights, and conduct its business as described in each of the Time of Sale Memorandum and the Final Memorandum, and is duly qualified to do business under the laws of each jurisdiction which requires such qualification;

(ii) the Indenture has been duly authorized, executed and delivered, and constitutes a legal, valid and binding instrument enforceable against the Company in accordance with its terms (subject, as to the enforcement of remedies, to applicable bankruptcy, liquidation, reorganization, insolvency, moratorium or other laws affecting creditors' rights generally and general principles of equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing (regardless of whether considered in a proceeding in equity or at law)); and the Securities have been duly and validly authorized and, when executed and authenticated in accordance with the provisions of the Indenture and delivered to and paid for by the Initial Purchasers under this Agreement, will have been duly executed and delivered by the Company and will constitute legal, valid, binding and enforceable obligations of the Company entitled to the benefits of the Indenture (subject, as to the enforcement of remedies, to applicable bankruptcy, liquidation, reorganization, insolvency, moratorium or other laws affecting creditors' rights generally and general principles of equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing (regardless of whether considered in a proceeding in equity or at law));

(iii) to the knowledge of such counsel, there is no pending or threatened action, suit or proceeding by or before any court or governmental agency, authority or body or any arbitrator involving the Company or any of its subsidiaries or its or their property that is not set forth in or contemplated by each of the Time of Sale Memorandum and the Final Memorandum (exclusive of any amendment or supplement thereto), except for such proceedings that, if the subject of an unfavorable decision, ruling or finding, would not, singly or in the aggregate, have a current or prospective material adverse effect (i) on the condition (financial or otherwise), earnings, business or properties of the Company and its subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business, or (ii) on the power or ability of the Company to perform its obligations under this Agreement, the Indenture or the Securities or to consummate the transactions contemplated in each of the Time of Sale Memorandum and the Final Memorandum;

(iv) the Company has an authorized capitalization as set forth in each of the Time of Sale Memorandum and the Final Memorandum under the heading "Capitalization"; and all the outstanding shares of capital stock or other equity interests of each subsidiary of the Company have been duly and validly authorized and issued, are fully paid and non-assessable and are owned directly or indirectly by the Company, free and clear of any lien, charge, encumbrance, security interest, restriction on voting or transfer or any other claim of any third party;

(v) such counsel has no reason to believe that (i) at the Execution Time, the Time of Sale Memorandum contained any untrue statement of a material fact or omitted to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; or (ii) at the Execution Time and on the Closing Date, the Final Memorandum contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (in each case, other than the financial statements and other financial information contained therein, as to which such counsel need express no opinion);

(vi) this Agreement has been duly authorized, executed and delivered by the Company;

(vii) the Company has all requisite corporate power and authority, has taken all requisite corporate action and has received and is in compliance with all governmental, judicial and other authorizations, approvals and orders necessary to enter into and perform its obligations under this Agreement and the Indenture and to issue and perform its obligations under the Securities, and no consent, approval, authorization, filing with or order of any Chilean court or governmental agency or body is required in connection with the transactions contemplated herein, in the Indenture or in the Securities, except (i) such as may be required under the blue sky or securities laws of any jurisdiction in connection with the purchase and sale of the Securities by the Initial Purchasers in the manner contemplated in this Agreement, the Time of Sale Memorandum and the Final Memorandum; and (ii) the following authorizations and registrations required by

Chilean law, which have been obtained and remain in full force and effect: (A) authorization granted by the President of Chile and by Decree of the Minister of Finance, whether general or specific, pursuant to Article 4 of Decree Law No. 2,349 of 1978, and pursuant to Decree No. 1,009 issued by the Ministry of Finance, published in the Official Gazette on December 23, 1978, as renewed by Decree No. 2,327 dated December 22, 2022 and published in the Official Gazette on January 27, 2023; (B) authorization granted by the Minister of Finance to the Company to enter into negotiations relating to the issue of the Securities, pursuant to Decree Law No. 1,350 of 1976, as amended and pursuant to Ordinary Resolution No. 1978 issued by the Ministry of Finance on November 9, 2022; (C) authorization granted by the Minister of Finance to the Company to issue the Securities, pursuant to Decree Law No. 1,350 of 1976, as amended and pursuant to Ordinary Resolution No. 221 issued by the Ministry of Finance on January 27, 2023; and (D) the delivery to the Ministry of Finance and the Ministry of Mining for approval and possible review of the proposed annual budget and a debt amortization budget pursuant to Decree Law No. 1,350 of 1976, as amended

(viii) pursuant to Article 52 of the Organic Law of the Central Bank of Chile and Decree Law No. 1,350 of 1976, as amended, the Company is exempt from the Central Bank of Chile's regulations in connection with the issuance, placement and payments upon the Securities. The Company is entitled to make payments under the Securities with its own available foreign currency obtained from its export operations and deposited with the Central Bank of Chile;

(ix) neither the execution and delivery of the Indenture or this Agreement, the issue and sale of the Securities, nor the consummation of any other of the transactions herein or therein contemplated, nor the fulfillment of the terms hereof or thereof will conflict with, result in a breach or violation of, or imposition of any lien, charge or encumbrance upon any property or asset of the Company or any of its subsidiaries pursuant to: (i) any provision of applicable law; (ii) Decree Law No. 1,350 of 1976, as amended from time to time, and the Company's by-laws, as restated in Decree No. 3 of January 13, 2012, or the *Estatutos* of the Company; (iii) the terms of any indenture, contract, lease, mortgage, deed of trust, note agreement, loan agreement or other agreement, obligation, condition, covenant or instrument to which the Company or any of its subsidiaries is a party or bound or to which its respective property is subject; or (iv) any statute, law, rule, regulation, judgment, order or decree applicable to the Company or any of its subsidiaries of any court, regulatory body, administrative agency, governmental body, arbitrator or other authority having jurisdiction over the Company, any of its subsidiaries or any of their respective properties;

(x) the statements in each of the Time of Sale Memorandum and the Final Memorandum under the captions "Presentation of Financial and Statistical Information", "Enforceability of Civil Liabilities", "Exchange Rates", "Risk Factors—Risks Relating to CODELCO's Operations—CODELCO's compliance with environmental, health and safety laws may require increased costs, including capital commitments, and non-compliance may subject it to significant penalties", “Risk Factors—Risks Relating to CODELCO’s Operations—Future compliance with a changing and complex regulation scheme may require changes in CODELCO’s business”, “Risk Factors—Risks Relating to CODELCO’s Operations—Labor disruptions involving CODELCO’s employees or the employees of its independent contractors could affect CODELCO’s production levels and costs”, “Risk Factors—Risks Relating to CODELCO’s Operations—CODELCO is subject to an extensive labor reform law –in effect since 2017- promulgated by the Government of Chile that could affect its business and operating results”, “Risk Factors—Risks Relating to CODELCO’s Relationship with the Government of Chile”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations for the Three Years Ended December 31, 2021 —Other expenses”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations for the Nine-Month Periods Ended September 30, 2021 and 2022—Foreign exchange differences”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations for the Nine-Month Periods Ended September 30, 2021 and 2022—Income tax expense”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations for the Three Years Ended December 31, 2021—Other expenses”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations for the Three Years Ended December 31, 2021—Income tax expense”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Distributions to the Chilean Treasury”, “Regulatory Framework”, “Management”, “Related Party Transactions”, “Foreign Investment and Exchange Controls in Chile” and “Taxation—Chilean Taxation”, insofar as such statements constitute summaries of Chilean legal matters, documents or proceedings referred to therein, fairly summarized the matters therein;

(xi) no subsidiary of the Company is currently prohibited, directly or indirectly, from paying any dividends to the Company, from making any other distribution on such subsidiary’s capital stock, from repaying to the Company any loans or advances to such subsidiary from the Company or from transferring any of such subsidiary’s property or assets to the Company or any other subsidiary of the Company, except as described in or contemplated by each of the Time of Sale Memorandum and the Final Memorandum (exclusive of any amendment or supplement thereto);

(xii) the Company and its subsidiaries possess all concessions, licenses, certificates, permits and other authorizations issued by the appropriate government and other regulatory authorities necessary to conduct their respective businesses, and neither the Company nor any such subsidiary has received any notice of proceedings relating to the revocation or modification of any such concession, certificate, authorization or permit which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would have a current or prospective material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Company and its subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business;

(xiii) the Company and its subsidiaries have good and marketable title to all real property owned by them and good title to all other properties owned by them, including the Company's mining concessions, mining rights and water rights, in each case, free and clear of all mortgages, pledges, liens, security interests, claims, restrictions or encumbrances of any kind except (i) such as are set forth in or contemplated by each of the Time of Sale Memorandum and the Final Memorandum (exclusive of any amendment or supplement thereto) or (ii) where the failure to have good title would not have a current or prospective material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Company and its subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business; all of the leases and subleases material to the business of the Company and its subsidiaries, taken as a whole, and under which the Company or any of its subsidiaries holds properties described in each of the Time of Sale Memorandum and the Final Memorandum, are in full force and effect, except (i) where the failure to be in full force and effect would not have a current or prospective material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Company and its subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business, or (ii) such as are set forth in or contemplated by each of the Time of Sale Memorandum and the Final Memorandum (exclusive of any amendment or supplement thereto); and none of the Company or its subsidiaries has any notice of any material claim of any sort that has been asserted by anyone adverse to the rights of the Company or any of its subsidiaries under any of the leases or subleases mentioned above, or affecting or questioning the rights of the Company or any of its subsidiaries to the continued possession of the leased or subleased premises under any such lease or sublease, except (i) claims which are being contested by the Company or its subsidiaries in good faith and which would not have a current or prospective material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Company and its subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business, or (ii) such as are set forth in or contemplated by each of the Time of Sale Memorandum and the Final Memorandum (exclusive of any amendment or supplement thereto);

(xiv) the choice of law provisions set forth in Section 15 hereof, in the Indenture and in the Securities are legal, valid and binding under the laws of Chile and such counsel knows of no reason why the courts of Chile would not give effect to the choice of New York law as the proper law of this Agreement, of the Indenture and of the Securities; the Company has the legal capacity to sue and be sued in its own name under the laws of Chile; the Company has been empowered by Decree No. 1,009 issued by the Ministry of Finance, published in the Official Gazette on December 23, 1978, as renewed by Decree No. 2,327 dated December 22, 2022 and published in the Official Gazette on January 27, 2023, to submit, and has irrevocably submitted, to the non-exclusive jurisdiction of the New York courts and has validly and irrevocably appointed Cogency Global Inc. as its authorized agent for the purpose described in Section 14 hereof, in the Indenture and in the Securities under the laws of Chile; the irrevocable submission of the Company to the non-exclusive jurisdiction of the New York courts and the waivers by the Company of any objection to the venue of the proceeding in a New York court herein, in the Indenture and in the Securities are legal, valid and binding under the laws of Chile and such counsel knows of no reason why the courts of Chile would not give effect to such submission and waivers; service of process in the manner set forth in Section 14 hereof, in the Indenture and in the Securities will be effective to confer valid personal jurisdiction over the Company under the laws of Chile; and the courts in Chile will recognize as valid and final, and will enforce, any final and conclusive judgment against the Company obtained in a New York court arising out of or in relation to the obligations of the Company under this Agreement, the Indenture or the Securities, subject only to the conditions and qualifications described in each of the Time of Sale Memorandum and the Final Memorandum under the caption "Enforceability of Civil Liabilities";

(xv) to the knowledge of such counsel, the Company and its subsidiaries (i) are in compliance with any and all Environmental Laws, (ii) have received all permits, licenses or other approvals required of them under applicable Environmental Laws to conduct their respective businesses and (iii) are in compliance with all terms and conditions of any such permit, license or approval, except where such noncompliance with Environmental Laws, failure to receive required permits, licenses or other approvals or failure to comply with the terms and conditions of such permits, licenses or approvals would not, singly or in the aggregate, have a material adverse effect on the condition (financial or otherwise), earnings, business or properties of the Company and its subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business;

(xvi) except as disclosed in each of the Time of Sale Memorandum and the Final Memorandum, there are no transaction, stamp or other issuance or transfer taxes or duties or other similar fees or withholdings or charges required to be paid in connection with the execution and delivery of this Agreement, the Indenture, the issuance or sale by the Company of the Securities or the enforcement of the Securities, other than (i) a 0.8% stamp tax on the incurrence of the indebtedness evidenced by the Securities, which will be paid by the Company upon the issuance of the Securities, (ii) a 4% withholding tax on interest payments, and all other payments deemed to be interest payments, with respect to the Securities to the extent paid to a person domiciled or residing outside of Chile, and (iii) the value added tax (*impuesto al valor agregado* or VAT) that may be payable on fees and commissions paid or to be paid to non-domiciled and/or non-resident individuals or entities. If thin capitalization rules apply, as described in the Time of Sale Memorandum and the Final Memorandum, such interest payments would be subject to a 35% penalty tax that would be payable by the Company. The withholding tax applicable to the interest payments made by the Company can be credited against such 35% penalty tax. Payments of fees, compensations and reimbursement of costs contemplated in this Agreement or in the Indenture, made to persons domiciled or residing outside of Chile are (or may be, in the case of reimbursement of costs) subject to a withholding tax at a rate of up to 35%; *provided, however*, that any such payment (A) is exempted from withholding tax if it is deemed a "*comisión mercantil*" pursuant to the Commercial Code of Chile and the interpretation of the SII or (B) subject to a 15% withholding tax if it is deemed payment for a professional or technical assistance service, *provided* that the payment is not made to a party organized, domiciled or resident in one of the countries which falls under the scope of article 41H of the Chilean Income Tax Law in which case the withholding tax rate would be 20%. The withholding tax rate applicable to payments of fees, compensation, services and reimbursement of costs to a person not domiciled in, or resident of, Chile may be reduced or may be exempted if there is a double taxation treaty in force between Chile and the country of such person's residency that contemplates a reduced or exempt regime applicable to such payments. Capital gains arising from the sale or other dispositions of the Securities made by a person domiciled or residing outside of Chile will not be deemed as Chilean source income, and therefore not subject to withholding tax in Chile.

(xvii) none of the holders of the Securities, the Initial Purchasers or the Trustee will be deemed resident, domiciled, carrying on business or subject to any tax liability in Chile solely by reason of the holding of the Securities or the execution, delivery, performance or enforcement of this Agreement, the Indenture or the Securities, assuming that none of such persons is domiciled or is a resident of Chile or has a permanent establishment in Chile;

(xviii) the Company has validly and irrevocably waived pursuant to Section 17 hereof and to the provisions of the Indenture and the Securities for itself and its revenues and assets, to the full extent permitted by Chilean law, any immunity from suit, jurisdiction, attachment in aid or execution of a judgment or prior to a judgment, execution of a judgment or any other legal process with respect to its obligations, respectively, under this Agreement, the Indenture and the Securities that it may be entitled or become entitled whether or not claimed, including sovereign immunity, except that (i) for the attachment and judicial sale of mining concessions and installations and other goods permanently dedicated to exploration or extraction of minerals relating to such mining concessions, except with respect to mortgages, the consent of the Company will be required and shall be given in the same judicial proceeding in which the attachment and sale is sought (as set forth in Article 226 of the Mining Code of Chile); and (ii) pursuant to the Chilean Constitution, the mining concessions corresponding to mining deposits exploited by the Company upon its creation in 1976 cannot be subject to attachment nor to any act of disposition by the Company. Each such waiver is binding under Chilean law and remains in full force and effect; and

(xix) this Agreement, the Indenture and the Securities are in proper legal form under the laws of Chile for the enforcement thereof against the Company in Chile without the need to obtain any other consent, approval or authorization, to file any notification or to take any further action on the part of the Initial Purchasers or the Trustee and to ensure the legality, validity, enforceability or admissibility in evidence of any of this Agreement, the Indenture and the Securities, and except for their translation into Spanish for their presentation to a Chilean court and subject to the payment of the applicable stamp tax, if any (and applicable readjustments and penalties, if any), it is not necessary that any other document be filed or recorded with any court or other authority in Chile or that any stamp or similar tax be paid on or in respect of any such document or the Securities.

In rendering such opinion, such counsel may rely (A) as to matters involving the application of laws of any jurisdiction other than Chile, to the extent they deem proper and specified in such opinion, upon the opinion of other counsel of good standing whom they believe to be reliable and who are satisfactory to counsel for the Initial Purchasers; and (B) as to matters of fact, to the extent they deem proper, on certificates of responsible officers of the Company and public officials. References to the Final Memorandum in this Section 6(d) include any amendment or supplement thereto at the Closing Date.

(e) The Representatives shall have received from Linklaters LLP, U.S. counsel for the Representatives, such opinion or opinions, dated the Closing Date and addressed to the Representatives, with respect to the issuance and sale of the Securities, the Indenture, the Time of Sale Memorandum and the Final Memorandum (as amended or supplemented at the Closing Date) and other related matters as the Representatives may reasonably require, and the Company shall have furnished to such counsel such documents as they request for the purpose of enabling them to pass upon such matters.

(f) The Representatives shall have received from Garrigues Chile SpA, special Chilean counsel for the Representatives, such opinion or opinions, dated the Closing Date and addressed to the Representatives, with respect to the issuance and sale of the Securities, the Indenture, the Time of Sale Memorandum, the Final Memorandum (as amended or supplemented at the Closing Date) and other related matters as the Representatives may reasonably require, and the Company shall have furnished to such counsel such documents as they request for the purpose of enabling them to pass upon such matters.

(g) The Company shall have furnished to the Representatives a certificate of the Company, signed by the Head of Finance of the Company, dated the Closing Date, to the effect that the signatory of such certificate has carefully examined each of the Time of Sale Memorandum, the Final Memorandum, any amendment or supplement to the Final Memorandum and this Agreement and that:

(i) the representations and warranties of the Company in this Agreement are true and correct in all material respects on and as of the Closing Date with the same effect as if made on the Closing Date, and the Company has complied with all the agreements and satisfied all the conditions on its part to be performed or satisfied hereunder at or prior to the Closing Date; and

(ii) since the date of the most recent financial statements included in each of the Time of Sale Memorandum and the Final Memorandum (exclusive of any amendment or supplement thereto), there has been no development giving rise to a current or prospective material adverse change in the condition (financial or otherwise), earnings, business or properties of the Company and its subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business, except as set forth in or contemplated by each of the Time of Sale Memorandum and the Final Memorandum (exclusive of any amendment or supplement thereto).

(h) At the Execution Time and at the Closing Date, the Company shall have requested and caused (i) Deloitte Auditores y Consultores Ltda., independent audit firm with respect to the Company, to furnish to the Representatives letters, dated respectively as of the Execution Time and as of the Closing Date, in form and substance satisfactory to the Representatives, containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the full-year 2019 and 2020 financial statements, and certain financial and other information contained in each of the Preliminary Memorandum and the Final Memorandum; *provided* that the letter delivered on the Closing Date shall use a "cut-off date" not earlier than three business days prior to the date thereof; and (ii) PricewaterhouseCoopers Consultores Auditores SpA, independent audit firm with respect to the Company, to furnish to the Representatives letters, dated respectively as of the Execution Time and as of the Closing Date, in form and substance satisfactory to the Representatives, containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the full-year 2021, the interim unaudited consolidated financial statements as of and for the nine months ended September 30, 2022 and 2021, and certain financial and other information contained in each of the Preliminary Memorandum and the Final Memorandum; *provided* that the letter delivered on the Closing Date shall use a "cut-off date" not earlier than three business days prior to the date thereof.

References to the Final Memorandum in this Section **Error! Reference source not found.** include any amendment or supplement thereto at the date of the applicable letter.

(i) Subsequent to the Execution Time or, if earlier, the dates as of which information is given in each of the Time of Sale Memorandum and the Final Memorandum (exclusive of any amendment or supplement thereto), there shall not have been (i) any change or decrease specified in the letter or letters referred to in paragraph **Error! Reference source not found.** of this Section 6; or (ii) any change, or any development involving a prospective change, in or affecting the condition (financial or otherwise), business or properties of the Company and its subsidiaries, taken as a whole, whether or not arising from transactions in the ordinary course of business, except as set forth or contemplated in the Time of Sale Memorandum and the Final Memorandum (exclusive of any amendment or supplement thereto) the effect of which, in any case referred to in clause (i) or (ii) above, is, in the reasonable judgment of the Representatives, so material and adverse as to make it impractical or inadvisable to proceed with the offering, sale or delivery of the Securities as contemplated by the Time of Sale Memorandum and the Final Memorandum (exclusive of any amendment or supplement thereto).

(j) Subsequent to the Execution Time, there shall not have been any decrease in the rating accorded the Company or any of the Company's foreign-currency denominated debt securities by any "nationally recognized statistical rating organization" (as such term is defined in Section 3(a)(62) of the Exchange Act) or any notice given of any intended or potential decrease in any such rating or of a possible change in any such rating that does not indicate the direction of the possible change.

(k) At the Execution Time and on the Closing Date, the Representatives shall have received a written certificate executed by the Chief Financial Officer of the Company, in form and substance reasonably satisfactory to the Representatives, with respect to certain financial information contained in the Offering Memorandum.

(l) Prior to the Closing Date, the Company shall have furnished to the Representatives such further information, certificates and documents as the Representatives may reasonably request.

If any of the conditions specified in this Section 6 shall not have been fulfilled in all material respects when and as provided in this Agreement, or if any of the opinions and certificates mentioned above or elsewhere in this Agreement shall not have been delivered in form and substance reasonably satisfactory to the Representatives and counsel for the Initial Purchasers, this Agreement and all obligations of the Initial Purchasers hereunder may be canceled at, or at any time prior to, the Closing Date by the Representatives. Notice of such cancellation shall be given to the Company in writing or by telephone or facsimile confirmed in writing.

The documents required to be delivered by this Section 6 will be delivered at the office of counsel for the Initial Purchasers, Linklaters LLP, at 1290 Avenue of the Americas, New York, New York 10104, on the Closing Date.

7. Indemnification and Contribution. (a) The Company agrees to indemnify and hold harmless each Initial Purchaser, the directors, officers, employees, affiliates and agents of each Initial Purchaser and each person who controls any Initial Purchaser within the meaning of either the Act or the Exchange Act against any and all losses, claims, damages or liabilities, joint or several, to which they or any of them may become subject under the Act, the Exchange Act or any other federal or state statutory law or regulation, at common law or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of a material fact contained in the Time of Sale Memorandum, any Additional Written Offering Communication prepared by or on behalf of, used by, or referred to by the Company, any "road show" as defined in Rule 433(h) under the Act (a "road show"), or the Final Memorandum or any information provided by the Company to any holder or prospective purchaser of Securities pursuant to Section 5(j), or in any amendment thereof or supplement thereto, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and agrees to reimburse each such indemnified party, for any legal or other expenses reasonably

incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action, as such expenses are incurred; *provided*, *however*, that the Company will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon any such untrue statement or alleged untrue statement or omission or alleged omission made in the Time of Sale Memorandum or the Final Memorandum, or in any amendment thereof or supplement thereto, or in any Additional Written Offering Communication, in reliance upon and in conformity with written information furnished to the Company by or on behalf of any Initial Purchasers through the Representatives specifically for inclusion therein.

(b) Each Initial Purchaser severally and not jointly agrees to indemnify and hold harmless the Company, each of its directors, each of its officers, and each person who controls the Company within the meaning of either the Act or the Exchange Act, to the same extent as the foregoing indemnity from the Company to each Initial Purchaser, but only with reference to information relating to such Initial Purchaser furnished to the Company in writing by or on behalf of such Initial Purchaser through the Representatives specifically for inclusion in the Time of Sale Memorandum, road show or the Final Memorandum (or in any amendment or supplement thereto). The indemnity agreement under this Section 7 will be in addition to any liability which any Initial Purchaser may otherwise have. The Company acknowledges that (i) the names of the Representatives set forth on the cover page, (ii) the statements set forth in the last paragraph of the cover page regarding delivery of the Securities and (iii) under the heading "Plan of Distribution": (A) the names of the Representatives and the amounts in the table, (B) the single sentence following the second full paragraph regarding the purchase price, (C) the fifth sentence of the eighth paragraph regarding market making activities, (D) the ninth paragraph related to stabilization and syndicate covering transactions and (E) the third sentence of the eleventh paragraph regarding hedging activity, constitute the only information furnished in writing by or on behalf of the Initial Purchasers for inclusion in the Time of Sale Memorandum or the Final Memorandum (or in any amendment or supplement thereto).

(c) Promptly after receipt by an indemnified party under this Section 7 of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under this Section 7, notify the indemnifying party in writing of the commencement thereof; but the failure so to notify the indemnifying party (i) will not relieve it from liability under paragraphs (a) or (b) above unless and to the extent it did not otherwise learn of such action and such failure results in the forfeiture by the indemnifying party of substantive rights and defenses; and (ii) will not, in any event, relieve the indemnifying party from any obligations to any indemnified party other than the indemnification obligation provided in paragraphs (a) or (b) above. The indemnifying party shall be entitled to appoint counsel of the indemnifying party's choice at the indemnifying party's expense to represent the indemnified party in any action for which indemnification is sought (in which case the indemnifying party shall not thereafter be responsible for the fees and expenses of any separate counsel (including local counsel) retained by the indemnified party or parties except as set forth below); *provided, however*, that such counsel shall be satisfactory to the indemnified party. Notwithstanding the indemnifying party's election to appoint counsel to represent the indemnified party in an action, the indemnified party shall have the right to employ separate counsel (including local counsel), and the indemnifying party shall bear the reasonable fees, costs and expenses of such separate counsel if (i) the use of counsel chosen by the indemnifying party to represent the indemnified party would present such counsel with a conflict of interest; (ii) the actual or potential defendants in, or targets of, any such action include both the indemnified party and the indemnifying party and the indemnified party shall have reasonably concluded that there may be legal defenses available to it and/or other indemnified parties which are different from or additional to those available to the indemnifying party; (iii) the indemnifying party shall not have employed counsel satisfactory to the indemnified party to represent the indemnified party within a reasonable time after notice of the institution of such action; or (iv) the indemnifying party shall authorize the indemnified party to employ separate counsel at the expense of the indemnifying party. It is understood, however, that the indemnifying party shall, in connection with any one such action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of only one such separate firm of attorneys (in addition to any local counsel) at any time for all such indemnified parties and controlling persons, which firm shall be designated in writing by the indemnified parties. An indemnifying party will not, without the prior written consent of the indemnified parties, settle or compromise or consent to the entry of any judgment with respect to any pending or threatened claim, action, suit or proceeding in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified parties are actual or potential parties to such claim or action) unless such settlement, compromise or consent (i) includes an unconditional release of each indemnified party from all liability arising out of such claim, action, suit or proceeding; and (ii) does not include any statement as to or any admission of fault, culpability or a failure to act by or on behalf of an indemnified party.

(d) In the event that the indemnity provided in paragraphs (a) or (b) of this Section 7 is unavailable to or insufficient to hold harmless an indemnified party for any reason, the Company and the Initial Purchasers agree to contribute to the aggregate losses, claims, damages and liabilities (including legal or other expenses reasonably incurred in connection with investigating or defending same) (collectively "**Losses**") to which the Company and one or more of the Initial Purchasers may be subject in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and by the Initial Purchasers on the other from the offering of the Securities; *provided*, *however*, that in no case shall any Initial Purchaser (except as may be provided in any agreement among the Initial Purchasers relating to the offering of the Securities) be responsible for any amount in excess of the purchase discount or commission applicable to the Securities purchased by such Initial Purchaser hereunder. If the allocation provided by the immediately preceding sentence is unavailable for any reason, the Company and the Initial Purchasers shall contribute in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company on the one hand and of the Initial Purchasers on the other in connection with the statements or omissions that resulted in such Losses, as well as any other relevant equitable considerations. Benefits received by the Company shall be deemed to be equal to the total net proceeds from the offering (before deducting expenses) received by it, and benefits received by the Initial Purchasers shall be deemed to be equal to the total purchase discounts and commissions in each case set forth on the cover of the Final Memorandum. Relative fault shall be determined by reference to, among other things, (i) whether any untrue or any alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information provided by the Company on the one hand or the Initial Purchasers on the other, (ii) the intent of the parties and (iii) their relative knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The Company and the Initial Purchasers agree that it would not be just and equitable if contribution were determined by *pro rata* allocation or any other method of allocation which does not take account of the equitable considerations referred to above. Notwithstanding the provisions of this paragraph (d), no person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. For purposes of this Section 7, each person who controls an Initial Purchaser within the meaning of either the Act or the Exchange Act and each director, officer, employee, affiliate and agent of an Initial Purchaser shall have the same rights to contribution as such Initial Purchaser, and each person who controls the Company within the meaning of either the Act or the Exchange Act and each officer and director of the Company shall have the same rights to contribution as the Company, subject in each case to the applicable terms and conditions of this paragraph (d). Notwithstanding the provisions of this Section 7, no Initial Purchaser shall be required to contribute any amount in excess of the discounts received by such Initial Purchaser in connection with the Securities distributed by it. The Initial Purchasers' obligations to contribute pursuant to this Section 7 are several, and not joint, in proportion to their respective commitments as set forth opposite their names in SCHEDULE I.

8. Default by an Initial Purchaser. If any one or more Initial Purchasers shall fail to purchase and pay for any of the Securities agreed to be purchased by such Initial Purchaser hereunder and such failure to purchase shall constitute a default in the performance of its or their obligations under this Agreement, the remaining Initial Purchasers shall be obligated severally to take up and pay for (in the respective proportions which the principal amount of Securities set forth opposite their names in SCHEDULE I hereto bears to the aggregate principal amount of Securities set forth opposite the names of all the remaining Initial Purchasers) the Securities which the defaulting Initial Purchaser or Initial Purchasers agreed but failed to purchase; *provided*, *however*, that in the event that the aggregate principal amount of Securities which the defaulting Initial Purchaser or Initial Purchasers agreed but failed to purchase shall exceed 10% of the aggregate principal amount of Securities set forth in SCHEDULE I hereto, the remaining Initial Purchasers shall have the right to purchase all, but shall not be under any obligation to purchase any, of the Securities, and if such nondefaulting Initial Purchasers do not purchase all the Securities, this Agreement will terminate without liability to any nondefaulting Initial Purchaser or the Company. In the event of a default by any Initial Purchaser as set forth in this Section 8, the Closing Date shall be postponed for such period, not exceeding five Business Days, as the Representatives shall determine in order that the required changes in the Final Memorandum or in any other documents or arrangements may be effected. Nothing contained in this Agreement shall relieve any defaulting Initial Purchaser of its liability, if any, to the Company or any nondefaulting Initial Purchaser for damages occasioned by its default hereunder.

9. Termination. This Agreement shall be subject to termination in the absolute discretion of the Representatives, by notice given to the Company prior to delivery of and payment for the Securities, if at any time prior to such time (i) trading in securities generally on the Santiago Stock Exchange, the New York Stock Exchange or the Nasdaq National Market shall have been suspended or limited or minimum prices shall have been established on either such exchange or the Nasdaq National Market; (ii) trading of any securities issued or guaranteed by the Company shall have been suspended on any exchange or in any over-the-counter market; (iii) a banking moratorium shall have been declared in New York either by federal or New York state authorities or in Chile by the Chilean Central Bank or other competent government regulator; or (iv) there shall have occurred any outbreak or escalation of hostilities, declaration by the United States of a national emergency or war or other calamity or crisis the effect of which on financial markets is such as to make it, in the reasonable judgment of the Representatives, impracticable or inadvisable to proceed with the offering, sale or delivery of the Securities as contemplated by this Agreement, the Time of Sale Memorandum and the Final Memorandum (exclusive of any amendment or supplement thereto).

10. Representations, Covenants and Indemnities to Survive. The respective agreements, representations, warranties, indemnities and other statements of the Company or its officers and of the Initial Purchasers set forth in or made pursuant to this Agreement will remain in full force and effect, regardless of any investigation made by or on behalf of the Initial Purchasers or the Company or any of the officers, directors or controlling persons referred to in Section 7 hereof, and will survive delivery of and payment for the Securities. The provisions of Sections 5(p) and 7 hereof shall survive the termination or cancellation of this Agreement.

11. Recognition of the U.S. Special Resolution Regimes.

(a) In the event that any Initial Purchaser that is a Covered Entity becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer from such Initial Purchaser of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation, were governed by the laws of the United States or a state of the United States.

(b) In the event that any Initial Purchaser that is a Covered Entity or a BHC Act Affiliate of such Initial Purchaser becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under this Agreement that may be exercised against such Initial Purchaser are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

12. Notices. All communications hereunder will be in writing and effective only upon receipt, and, if sent to the Representatives, will be mailed, delivered or telefaxed to BofA Securities, Inc., 114 W 47th Street NY8-114-07-01, New York, New York 10036, Facsimile: (646) 855-5958, Attention: High Grade Transaction Management/Legal, Email: dg.hg_ua_notices@bofa.com; BNP Paribas Securities Corp., 787 Seventh Avenue, New York, New York 10019; Attention: Debt Syndicate Desk (email: dl.newyorksyndicateigcorporates@us.bnpparibas.com); Santander Investment Securities Inc., at

437 Madison Avenue, New York, NY 10022, Attention: Debt Capital Markets; E-mail: DCMAmericas@santander.us; Facsimile: 212-407-0930; Scotia Capital (USA) Inc., 250 Vesey Street, New York, New York 10281, Attention: Debt Capital Markets, Email: US.Legal @scotiabank.com; TAG@scotiabank.com and, or, if sent to the Company, will be mailed or delivered to the Corporación Nacional del Cobre de Chile, c/o María Susana Rioseco as Acting General Counsel (No.: 56 22 3922091 email: mrioseco@codelco.cl ; CodelcoIR@codelco.cl) Huérfanos 1270, Santiago, Región Metropolitana, Chile, Attention: Legal Department.

13. Successors. This Agreement will inure to the benefit of and be binding upon the parties hereto and their respective successors and the officers and directors and controlling persons referred to in Section 7 hereof, and, except as expressly set forth in Section 5(j) hereof, no other person will have any right or obligation hereunder.

14. Jurisdiction. The Company agrees that any suit, action or proceeding against the Company brought by any Initial Purchaser, the directors, officers, employees, affiliates and agents of any Initial Purchaser, or by any person who controls any Initial Purchaser, arising out of or based upon this Agreement or the transactions contemplated hereby may be instituted in any New York state or U.S. federal court located in the Borough of Manhattan, the City of New York, New York, and waives, to the extent legally permitted, any objection which it may now or hereafter have to the laying of venue of any such proceeding, and irrevocably submits to the non-exclusive jurisdiction of such courts in any suit, action or proceeding. The Company has appointed Cogency Global Inc. as its authorized agent (the "**Authorized Agent**") upon whom process may be served in any suit, action or proceeding arising out of or based upon this Agreement or the transactions contemplated herein which may be instituted in any state or federal court in the City of New York, New York, by any Initial Purchaser, the directors, officers, employees, affiliates and agents of any Initial Purchaser, or by any person who controls any Initial Purchaser, and expressly accepts the non-exclusive jurisdiction of any such court in respect of any such suit, action or proceeding. The Company hereby represents and warrants that the Authorized Agent has accepted such appointment and has agreed to act as said agent for service of process, and the Company agrees to take any and all action, including the filing of any and all documents that may be necessary to continue such appointment in full force and effect as aforesaid. Service of process upon the Authorized Agent shall be deemed, in every respect, effective service of process upon the Company. Notwithstanding the foregoing, any action arising out of or based upon this Agreement may be instituted by any Initial Purchaser, the directors, officers, employees, affiliates and agents of any Initial Purchaser, or by any person who controls any Initial Purchaser, in any court of competent jurisdiction in Chile. The Company hereby irrevocably waives trial by jury in any legal action or proceeding relating to this Agreement and for any counterclaim relating thereto. The Company acknowledges that each Initial Purchaser is entering into this Agreement in reliance upon such waiver.

15. Applicable Law. This Agreement and any claim, controversy or dispute arising under or related to this Agreement will be governed by and construed in accordance with the laws of the State of New York applicable to contracts made and to be performed within the State of New York.

16. Currency. Each reference in this Agreement to U.S. dollars (the "**relevant currency**") is of the essence. To the fullest extent permitted by law, the obligation of the

Company in respect of any amount due under this Agreement will, notwithstanding any payment in any other currency (whether pursuant to a judgment or otherwise), be discharged only to the extent of the amount in the relevant currency that the party entitled to receive such payment may, in accordance with its normal procedures, purchase with the sum paid in such other currency (after any premium and costs of exchange) on the Business Day immediately following the day on which such party receives such payment. If the amount in the relevant currency that may be so purchased for any reason falls short of the amount originally due, the Company will pay such additional amounts, in the relevant currency, as may be necessary to compensate for the shortfall. Any obligation of the Company not discharged by such payment will, to the fullest extent permitted by applicable law, be due as a separate and independent obligation and, until discharged as provided herein, will continue in full force and effect.

17. Waiver of Immunity. To the extent that the Company may be entitled in any jurisdiction in which judicial proceedings may at any time be commenced hereunder, to claim for itself or its revenues or assets any immunity, including sovereign immunity, from suit, jurisdiction, attachment in aid of execution of a judgment or prior to a judgment, execution of a judgment or any other legal process with respect to its obligations hereunder, and to the extent that in any such jurisdiction there may be attributed to the Company such an immunity (whether or not claimed), the Company hereby irrevocably agrees not to claim and irrevocably waives such immunity to the maximum extent permitted by law, except that (i) for the attachment and judicial sale of mining concessions and installations and other goods permanently dedicated to exploration or extraction of minerals relating to such mining concessions, except with respect to mortgages, the consent of the Company will be required and shall be given in the same judicial proceeding in which the attachment and sale is sought (as set forth in Article 226 of the Mining Code of Chile); and (ii) pursuant to the Chilean Constitution, the mining concessions corresponding to mining deposits exploited by the Company upon its creation in 1976 cannot be subject to attachment nor to any act of disposition by the Company. Each such waiver is binding under Chilean law and remains in full force and effect. Notwithstanding the foregoing, any action based on this Agreement may be instituted by the Initial Purchasers in any competent court in Chile.

18. Payment Free and Clear. All payments to be made by the Company under this Agreement shall be paid free and clear of, and without deduction or withholding for or on account of, any present or future taxes, levies, imposts, duties, fees, assessments or other charges of whatever nature (including any amounts that result from the payment of fees, compensation or reimbursement of costs contemplated in this Agreement or in the Indenture), imposed by Chile, or by any department, agency or other political subdivision or taxing authority thereof, and all interest, penalties or similar liabilities with respect thereto (collectively, "**Chilean Taxes**"). If any Chilean Taxes are required by law to be deducted or withheld in connection with such payments, the Company will pay such additional amounts as may be necessary so that the full amount of such payment is received by the Initial Purchasers, except that no additional amounts shall be paid with respect to any such taxes, levies, imposts, duties, fees, assessments or charges (i) imposed by reason of an Initial Purchaser or a current holder of any of the Securities having some connection with the jurisdiction imposing the tax other than solely as a result of its participation as an Initial Purchaser hereunder or (ii) imposed by the failure of an Initial Purchaser or a current holder of any of the Securities to comply with any certification, identification or other reporting requirement, if such compliance is required under applicable law

as a precondition to relief or exemption from such taxes, levies, imposts, duties, fees, assessments or charges.

19. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including any electronic signature covered by the U.S. federal ESIGN Act of 2000, Uniform Electronic Transactions Act, the Electronic Signatures and Records Act or other applicable law, e.g., www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

20. Headings. The section headings used herein are for convenience only and shall not affect the construction hereof.

21. Definitions. The terms which follow, when used in this Agreement, shall have the meanings indicated.

"**Act**" shall mean the Securities Act of 1933, as amended, and the rules and regulations of the Commission promulgated thereunder.

"**Affiliate**" shall have the meaning specified in Rule 501(b) of Regulation D.

"**Business Day**" shall mean any day other than a Saturday, a Sunday or a legal holiday or a day on which banking institutions or trust companies are authorized or obligated by law to close in the City of New York, New York, U.S.A. or Santiago, Chile.

"**BHC Act Affiliate**" has the meaning assigned to the term "affiliate" in, and shall be interpreted in accordance with, 12 U.S.C. § 1841(k).

"**Chile**" shall mean the Republic of Chile.

"**Commission**" shall mean the Securities and Exchange Commission.

"**Covered Entity**" means any of the following:

(i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);

(ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or

(iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

"**Default Right**" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

"**Exchange Act**" shall mean the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder.

"**Execution Time**" shall mean 3:05 P.M., New York City time, on January 30, 2023.

“**Investment Company Act**” shall mean the Investment Company Act of 1940, as amended, and the rules and regulations of the Commission promulgated thereunder.

“**Regulation D**” shall mean Regulation D under the Act.

“**Regulation S**” shall mean Regulation S under the Act.

“**Trust Indenture Act**” shall mean the Trust Indenture Act of 1939, as amended, and the rules and regulations of the Commission promulgated thereunder.

“**U.S. Special Resolution Regime**” means each of (i) the Federal Deposit Insurance Act and the regulations promulgated thereunder and (ii) Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the regulations promulgated thereunder.

If the foregoing is in accordance with your understanding of our agreement, please sign and return to us the enclosed duplicate hereof, whereupon this Agreement and your acceptance shall represent a binding agreement between the Company and the several Initial Purchasers.

Very truly yours,

Corporación Nacional del Cobre de Chile

By: ______________________________

Name: Alejandro Sanhueza Diaz
Title: Head of Finance

The foregoing Agreement is hereby
confirmed and accepted as of the
date first above written.

BofA Securities, Inc.

By: M. Volkov

Name: Maxim Volkov
Title: Managing Director

BNP Paribas Securities Corp.

By:______________________

Name:
Title:

Santander Investment Securities Inc.

By:______________________

Name:
Title:

By:______________________

Name:
Title:

Scotia Capital (USA) Inc.

By:______________________

Name:
Title:

For themselves and the other several
Initial Purchasers named in
Schedule I to the foregoing Agreement.

[Signature Page to Purchase Agreement]

The foregoing Agreement is hereby
confirmed and accepted as of the
date first above written.

BofA Securities, Inc.

By:______________________
Name:
Title:

BNP Paribas Securities Corp.

By:______________________
Name: Julien Pecoud-Bouvet
Title: Director

Santander Investment Securities Inc.

By:______________________
Name:
Title:

By:______________________
Name:
Title:

Scotia Capital (USA) Inc.

By:______________________
Name:
Title:

For themselves and the other several
Initial Purchasers named in
Schedule I to the foregoing Agreement.

The foregoing Agreement is hereby
confirmed and accepted as of the
date first above written.

BofA Securities, Inc.

By:______________________
Name:
Title:

BNP Paribas Securities Corp.

By:______________________
Name:
Title:

Santander Investment Securities Inc.

By:______________________
Name: Richard Zobkiw
Title: Executive Director

By: Morgana Castro
Name: Morgana Castro
Title: Vice President

Scotia Capital (USA) Inc.

By:______________________
Name:
Title:

For themselves and the other several
Initial Purchasers named in
Schedule I to the foregoing Agreement.

The foregoing Agreement is hereby
confirmed and accepted as of the
date first above written.

BofA Securities, Inc.

By:______________________
Name:
Title:

BNP Paribas Securities Corp.

By:______________________
Name:
Title:

Santander Investment Securities Inc.

By:______________________
Name:
Title:

By:______________________
Name:
Title:

Scotia Capital (USA) Inc.

By:______________________
Name: Elsa Wang
Title: Managing Director

For themselves and the other several
Initial Purchasers named in
Schedule I to the foregoing Agreement.

SCHEDULE I

Initial Purchasers	Principal Amount of Securities to be Purchased
BofA Securities, Inc.	U.S.$ 225,000,000
BNP Paribas Securities Corp.	U.S.$ 225,000,000
Santander Investment Securities Inc.	U.S.$ 225,000,000
Scotia Capital (USA) Inc.	U.S.$ 225,000,000
Total	U.S.$ 900,000,000

SCHEDULE II

Time of Sale Memorandum

1. Preliminary Memorandum, dated January 30, 2023.

2. Pricing Term Sheet, dated January 30, 2023.

Selling Restrictions for Offers and Sales outside the United States

(1) (a) The Securities have not been and will not be registered under the Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Act. Each Initial Purchaser represents and agrees that, except as permitted by Section 4(a)(i) of the Agreement to which this is an exhibit, it has not offered or sold, and will not offer or sell, any Securities constituting part of its allotment to U.S. persons (which term shall not include dealers or other professional fiduciaries in the United States acting on a discretionary basis for foreign beneficial owners (other than an estate or trust)). Accordingly, each Initial Purchaser represents and agrees that neither it, nor any of its Affiliates nor any person acting on its or their behalf has engaged or will engage in any directed selling efforts with respect to the Securities. Terms used in this paragraph have the meanings given to them by Regulation S.

(b) Each Initial Purchaser also represents and agrees that it has not entered and will not enter into any contractual arrangement with any distributor (as that term is defined by Regulation S) with respect to the distribution of the Securities, except with its Affiliates or with the prior written consent of the Company.

(2) Each Initial Purchaser, severally and not jointly, represents, warrants and agrees that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of any Securities which are the subject of the offering contemplated by the Offering Memorandum in circumstances in which Section 21(1) of the FSMA does not apply to the Company;

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Securities in, from or otherwise involving the United Kingdom;

(c) it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any notes to any retail investor in the European Economic Area. For the purposes of this provision:

A. the expression “retail investor” means a person who is one (or more) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”); or

(ii) a customer within the meaning of Directive 2002/92/EC (as amended, the “**Insurance Mediation Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the “**Prospectus Directive**”); and

B. the expression “offer” includes the communication in any form and by any means of sufficient information on the terms of the offer and the notes to be offered so as to enable an investor to decide to purchase or subscribe the notes; and

(d) it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any notes to any retail investor in the United Kingdom. For the purposes of this provision:

A. the expression “retail investor” means a person who is one (or more) of the following:

(i) a retail client as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”); or

(ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the “**FSMA**”) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or

(iii) not a qualified investor as defined in the Prospectus Regulation as it forms a part of UK domestic law by virtue of the EUWA.;

For purposes of this provision, the expression “Prospectus Directive” means Directive 2003/71/EC (including Directive 2010/73/EU) and includes any relevant implementing measure in any Member State of the European Economic Area.

EXHIBIT B

Corporación Nacional del Cobre de Chile

U.S.$900,000,000 5.125% Notes due 2033

<u>Pricing Term Sheet</u>

Issuer:	Corporación Nacional del Cobre de Chile
Security Description:	5.125% Notes due 2033 (the "Notes")
Type of Offering:	Rule 144A / Regulation S
Principal Amount:	U.S.$900,000,000
Maturity Date:	February 2, 2033
Coupon:	5.125%
Issue Price:	99.938% plus accrued interest, if any, from February 2, 2023
Yield to Maturity:	5.133%
Spread to Benchmark Treasury:	+158 bps
Benchmark Treasury:	4.125% due November 15, 2032
Benchmark Treasury Price and Yield:	104-22; 3.553%
Gross Proceeds to Issuer:	U.S.$899,442,000
Interest Payment Dates:	February 2 and August 2 of each year, commencing August 2, 2023. Interest accrues from February 2, 2023.
Trade Date:	January 30, 2023
Settlement Date:	February 2, 2023 (T+3)
Optional Redemption:	Make-whole Call: Prior to November 2, 2032 (the date that is three months prior to the maturity date), at T+25 Par Call: On or after November 2, 2032 (the date that is three months prior to the maturity date)

Tax Redemption:	The Notes are redeemable at the option of the Issuer in whole, but not in part, at any time at the principal amount thereof, plus accrued and unpaid interest and any additional amounts due thereon if, as a result of a change in the laws or regulations affecting Chilean taxation that is announced or becomes effective on or after the date of the agreement to purchase the Notes, the Issuer becomes obligated to pay additional amounts on interest payments on the Notes in respect of withholding or deduction of Chilean tax at a rate in excess of 4%.
Additional Amounts:	In the event of withholding on account of certain taxes imposed by Chile, the Issuer will pay additional amounts.
Day Count Convention:	30 / 360
Minimum Denominations:	U.S.$200,000 / U.S.$1,000
Expected Listing:	Luxembourg Euro MTF
Issuer Ratings*:	A3, stable / A, stable (Moody's / S&P)
Issue Ratings*:	A3 / A (Moody's / S&P)
Joint Book-Running Managers:	BNP Paribas Securities Corp. BofA Securities, Inc. Santander Investment Securities Inc. Scotia Capital (USA) Inc.
144A CUSIP / ISIN:	21987B BF4 / US21987BBF40
Regulation S CUSIP / ISIN:	P3143N BP8 / USP3143NBP89

***A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.**

This communication is intended for the sole use of the person to whom it is provided by the sender.

The Notes have not been registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and are being offered only (i) to qualified institutional buyers

under Rule 144A of the Securities Act and (ii) outside the United States in compliance with Regulation S under the Securities Act.

Delivery of the Notes is expected on or about February 2, 2023 which will be the third business day following the date of pricing of the Notes (this settlement cycle being referred to as "T+3"). Under Rule 15c6-1 of the Exchange Act, trades in the secondary market generally are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade Notes prior to the delivery of the Notes may be required, by virtue of the fact that the Notes initially will settle in T+3, to specify an alternate settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of the Notes who wish to trade Notes prior to their date of delivery hereunder should consult their own advisor.

The information in this term sheet supplements the Preliminary Offering Memorandum and supersedes the information in the Preliminary Offering Memorandum to the extent inconsistent with the information in the Preliminary Offering Memorandum. This term sheet should be read in conjunction with the Preliminary Offering Memorandum.

The Notes to which this pricing term sheet relates are not intended to be offered, sold, or otherwise made available to, and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). For these purposes, a "retail investor" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); (ii) a customer within the meaning of Directive 2016/97/EU (as amended, the "IDD"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended or superseded, the "Prospectus Regulation"). Consequently, no key information document required by Regulation No 1286/2014/EU (as amended, the "PRIIPs Regulation") for offering or selling any securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling any securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

This pricing term sheet is only being distributed to, and is only directed at, persons who are outside the United Kingdom or persons in the United Kingdom that are (i) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (ii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (each such person being referred to as a "relevant person"). The securities are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be engaged in only with, relevant persons. Any person in the United Kingdom that is not a relevant person should not act or rely on this document or any of its contents.

The Notes to which this pricing term sheet relates are not intended to be offered, sold, or otherwise made available to, and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of

Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "EUWA"); (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (the "FSMA") and any rules or regulations made under the FSMA to implement IDD, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; or (iii) not a qualified investor as defined in Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the EUWA (the "UK Prospectus Regulation"). Consequently, no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling any securities or otherwise making them available to retail investors in the United Kingdom has been prepared and therefore offering or selling any securities or otherwise making them available to any retail investor in the United Kingdom may be unlawful under the UK PRIIPs Regulation.

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