



FIRST QUARTER RESULTS 2022

Santiago, Chile, April 29, 2022

Corporación Nacional del Cobre (CODELCO) released
its First Quarter Operational and Financial Report 2022

Santiago, Chile, April 29, 2022 Corporación Nacional del Cobre (CODELCO) released its First Quarter Operational and Financial Report 2022:

- **Total copper production**, including CODELCO's stake in El Abra and Anglo American Sur, decreased 6.3% to 388 ktons compared to 414 ktons in the same period of 2021. Lower production at Ministro Hales and Chuquicamata were the main drivers of this decline and more than offset the increase at Gabriela Mistral.
- **Direct C1 cash cost** was 152.6 cents per pound, compared to 132.4 cents per pound in the same period of 2021. Higher input prices, such as electricity and diesel, and lower production volume were the main reasons for this cash cost increase. However, operating efficiencies and foreign exchange rate depreciation of the Chilean peso against the U.S. dollar (in 2022, the average exchange rate was CLP 809 per U.S. dollar compared to CLP 724 per U.S. dollar in 2021) helped to contain C1 cash cost.
- **US\$ 4.96 billion revenues** were 6.6% higher than the reported US\$ 4.65 billion in the same period of 2021. A higher average realized copper price was the main driver of the positive revenue performance in this period and more than offsetting the sales volume decline (-6.9% own copper sales volume).
- **Profit before tax** decreased to US\$ 1.2 billion in the first three months of 2022 compared to US\$ 1.3 billion in the same period of 2021. Additionally, Adjusted EBITDA totaled US\$ 2.2 billion, 6.9% lower than US\$ 2.4 billion in the first three months of 2021.
- **Net debt** amounted to US\$ 15 billion, relatively flat from March 31, 2021. Net debt to Adjusted EBITDA ratio⁽¹⁾ stood at 1.5x.
- **Operating cash flows** totaled US\$ 1.7 billion, which was 18.7% higher than cash flows from operating activities in the first three months of 2021. Higher cash flows from sales of goods because of higher copper prices was the main driver behind operating cash flows.
- **Capex Program.** Despite the pandemic, construction of CODELCO's main projects continued moving forward in the first three months of 2022.
- **Collective bargaining agreements.** In January and February 2022, CODELCO reached agreements with two labor unions at Gabriela Mistral and Structural Projects divisions. After more than twelve intensive months of collective bargaining negotiations, Codelco does not have collective bargaining negotiations scheduled for 2022 and most of 2023.
- **Codelco will participate in the Copper Mark's assurance framework by the end of 2023.** The Copper Mark is a certification of responsible production practices also implemented by other large miners. It is an independent and third-party assurance that Codelco's processes (32 criteria assessed) follow the highest international standards in terms of Governance, Labor Rights, Human Rights, Environment, Communities and Safety.

FINANCIAL AND OPERATING DATA SUMMARY

	MARCH 31,		CHANGE	
	2021	2022	Amount	%
Total Copper Production ('000 mft) ⁽²⁾	414	388	(26.0)	(6.3)
Total Own Molybdenum Production ('000 mft)	6	5	(0.5)	(8.6)
Cash Cost (US\$/lb)	132	153	20.2	15.3
Total Own Copper Sales ('000 mft)	432	402	(30)	(6.9)
Total Molybdenum Sales ('000 mft)	6	3	(2.7)	(44.7)
LME Copper Price (US\$/lb)	385.7	453.5	67.7	17.6
Metals Week Molybdenum Price (US\$/lb)	11.3	19.0	7.7	68.1
Average Exchange Rate (CLP/US\$)	724	809	85	11.7
Closing Exchange Rate (CLP/US\$)	732	787	55	7.5
Total Revenues (US\$ million)	4,650	4,957	307	6.6
Gross Profit (US\$ million)	1,842	2,055	213	11.6
Gross Margin (%)	40	41	2	4.7
Adjusted EBITDA (US\$ million) ⁽³⁾	2,379	2,216	(163)	(6.9)
Adjusted EBITDA Margin (%)	51	45	(6)	(12.6)
Net Financial Debt (US\$ million) ⁽⁴⁾	15,181	15,324	143	0.9
Net Interest Expense (US\$ million)	152	139	(12)	(8.0)
Net Financial Debt to LTM Adjusted EBITDA	2.21	1.50	(0.71)	(32.1)
Adjusted EBITDA to Net Interest Expense	15.7	15.9	0.2	1.2
Net Financial Debt to total Capitalization (%)	50.9	52.0	1.1	2.1
Contribution to the Chilean Treasury (US\$ million-cash flow)	336	482	146	43.5

1. Adjusted EBITDA is calculated by adding interest expense, income tax, depreciation and amortization of assets, copper reserve law and impairment charges to profit (loss) for the period. We are including leases and the Oriente Copper Netherlands loan in our financial debt.

2. Total Production Includes Codelco's share in El Abra and Anglo American Sur.

3. Adjusted EBITDA is calculated by adding interest expense, income tax, depreciation and amortization of assets, copper reserve law and impairment charges to profit (loss) for the period.

4. Net Financial Debt is financial Debt minus Cash and Cash Equivalents.

OPERATION: PRODUCTION, REVENUES, COST & ADJUSTED EBITDA

Consolidated Production. In first three months of 2022, consolidated copper output, including CODELCO's stake in El Abra and Anglo American Sur, decreased 6.3% to 388 ktons compared to 414 ktons in the same period of 2021. Lower production at Ministro Hales and Chuquicamata were the main drivers of this decline and more than offset the increase at Gabriela Mistral.

Molybdenum production decreased 8.6% from 5.8 ktons in the first quarter of 2021 to 5.3 ktons in the same period of 2022, mainly due to reduced production at Chuquicamata and El Teniente.

COPPER PRODUCTION (K TON)	DIVISION	1Q21	1Q22	Δ%
	CHUQUICAMATA	84.5	70.8	(16%)
	RADOMIRO TOMIC	66.0	70.4	7%
	MINISTRO HALES	52.4	37.4	(29%)
	GABRIELA MISTRAL	15.8	29.1	84%
	EL TENIENTE	109.0	99.8	(8%)
	ANDINA	44.7	50.3	13%
	SALVADOR	14.0	6.7	(52%)
	EL ABRA ⁽⁵⁾	9.4	8.3	(12%)
	ANGLO AMERICA SUR ⁽⁶⁾	17.7	14.8	(17%)
	CODELCO TOTAL	413.6	387.6	(6.3%)

5. CODELCO's figures for El Abra include 49% of the mine's total production (CODELCO's share of production, i.e., 49% ownership interest in the mine).

6. CODELCO's figures presented for Anglo American Sur include 20% of the mine's total production (CODELCO's share of production, i.e., 20% ownership interest in the mine).

Revenues. In the first quarter of 2022, revenues were 6.6% higher than the reported US\$ 4.7 billion in the same period of 2021. A higher average realized copper price was the main driver of the positive revenue performance in this period and more than offset the sales volume decline (-6.9% own copper sales volume). In the case of molybdenum, revenues decreased 5.4% mainly because of lower sales volume.

Consolidated Costs. Unit cash costs varied with fluctuations in payable production and average realized by-product prices. In first three months of 2022, CODELCO's cash cost was 152.6 cents per pound, compared to 132.4 cents per pound in the same period of 2021. Higher input prices, such as electricity and diesel, and lower production volume were the main reasons for this cash cost increase. However, operating efficiencies and foreign exchange rate depreciation of the Chilean peso against the U.S. dollar (in 2022, the average exchange rate was CLP 809 per U.S. dollar compared to CLP 724 per U.S. dollar in 2021) helped to contain C1 cash cost.

Adjusted EBITDA. CODELCO's Adjusted EBITDA totaled US\$ 2.2 billion, 6.9% lower than US\$ 2.4 billion in the first three months of 2021. The main driver of the EBITDA decline was US\$ 233 million loss from foreign exchange differences. Additionally, as of March 31, 2022, net debt to Adjusted EBITDA ratio stood at 1.5x, down from 2.2x on March 31, 2021. Adjusted EBITDA coverage ratio increased to 15.9x in the first quarter of 2022 from 15.7x in the first quarter of 2021.

Adjusted EBITDA is calculated by adding interest expense, taxes, depreciation and amortization of assets plus export taxes (Copper Reserve Law) and impairment charges to profit (loss) for the period. Impairment charges include charges and reversals of charges for investment projects, research projects and investment in associates and joint ventures. Debt is defined as bonds issued plus leases and loans from financial institutions. Net debt is defined as debt net of cash and cash equivalents. Adjusted EBITDA coverage ratio is the ratio of Adjusted EBITDA to interest expense net of finance income.

MARCH 31,		
	2021	2022
(in thousands of U.S.\$)		
Profit (loss) for the period	466,162	388,720
Income taxes	832,683	774,573
Interest expenses	155,500	144,302
Asset depreciation and amortization	578,589	543,835
Copper Reserve Law	346,433	364,677
Adjusted EBITDA	2,379,367	2,216,107

CAPITAL EXPENDITURE: STRUCTURAL PROJECTS

Chuquicamata Underground Mine: The underground mine began operations on April 30, 2019. Production ramp-up is making progress. As of March 31, 2022, overall progress was 98.7%. Project completion is scheduled for late 2022 as the project design incorporated additional reinforcements.

Andina Transfer System: The project is currently in the commissioning process phase. Its overall progress was 99.5% as of March 31, 2022. The new primary crusher plant began operations in 1Q22 and the conveyor system should begin operations in 3Q22.

El Teniente New Mine Level (NML): Diamante, Andesita and Andes Norte project portfolio,

known as The New Mine Level, aims to extend mine life by 50 years and to start mining deeper than the current level. As of March 31, 2022, progress at Andes Norte was 72.7%, Diamante and Andesita, also part of El Teniente project portfolio, reached 19.5% and 12.7% progress, respectively.

Salvador Rajo Inca Project: Investment was approved by the CODELCO Board of Directors in

January 2021. The project is currently under construction. As of March 31, 2022, overall progress was 30.6%, Operation is scheduled to start by the first half of 2023.

Radomiro Tomic Sulfides Phase 2: The engineering analysis of the prefeasibility study alternatives started in August 2021.

AVERAGE METAL PRICE

	LME COPPER (US\$/lb.)	COMEX COPPER (US\$/lb.)	MOLYBDENUM (US\$/lb.)
1Q 2022	4.5	4.5	19.0
1Q 2021	3.9	3.9	11.3
2Q 2021	4.4	4.4	14.2
3Q 2021	4.3	4.3	19.0
4Q 2021	4.4	4.4	18.9
AVERAGE 2021	4.2	4.2	15.9
VARIATION: 1Q 2022 VS. 1Q 2021	16.3%	16.6%	68.1%
VARIATION: 1Q 2022 VS. 4Q 2021	3.1%	3.8%	0.6%

Sources: LME, COMEX and Metals Week Dealer Oxide

CASH FLOWS

During the first quarter of 2022, net cash flows from operating activities totaled US\$ 1.7 billion, which was 18.7% higher than cash flows from operating activities in the same period of 2021. Higher cash flows from sales of goods because of higher copper prices was the main driver behind the increase of operating cash flows.

CASH AND DEBT

As of March 31, 2022, net debt amounted to US\$ 15 billion, relatively flat from March 31, 2021. On October 19, 2021, CODELCO completed a US\$ 780 million reopening of its international bond with

maturity in January 2050. The company used the proceeds from the issuance to fund the tender offer for its USD-denominated bonds with maturity dates in 2023 and 2025 and its EUR-denominated bond with maturity date in 2024.

SUSTAINABILITY FOCUS: ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Safety, Accident-severity and Accident-frequency rates have maintained their downward trends.

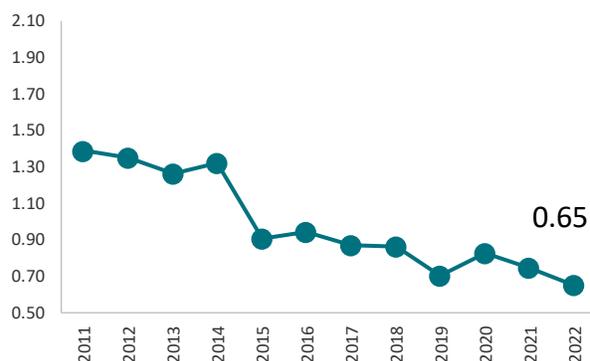
SEVERITY RATE - EMPLOYEES & CONTRACTORS

(DAYS LOST & DAYS CHARGED / MILLION HOURS WORKED)



FREQUENCY RATE - EMPLOYEES & CONTRACTORS

(LOST TIME INJURY / MILLION HOURS WORKED)



Collective bargaining agreements. In January and February 2022, CODELCO reached agreements with two labor unions at Gabriela Mistral and Structural Projects divisions. After more than twelve intensive months of collective bargaining negotiations, Codelco does not have any other collective bargaining negotiations scheduled for the rest of 2022 and most of 2023.

Codelco will participate in the Copper Mark’s assurance framework by the end of 2023. The Copper Mark is a certification of responsible production practices also implemented by other large miners. It is an independent and third-party assurance that Codelco’s processes (32 criteria assessed) follow the highest international standards in terms of Governance, Labor Rights, Human Rights, Environment, Communities and Safety.

CODELCO's five commitments are as follows:

1. Reduce carbon footprint: Codelco will reduce its greenhouse gas emissions by 70%.

We will implement a 100% renewable energy portfolio of Power Purchase Agreements. We will also innovate to replace all underground mine production and logistics equipment with electrical equipment and actively participate in the search for new clean energy sources such as green hydrogen.

2. Reduce water footprint: Codelco will reduce inland water use per ton of treated ore by 60%.

We will reduce make-up water (freshwater resources utilized by operations) through process efficiency, Codelco will incorporate a desalination plant in the Northern District and, through innovative solutions, we will recycle water from our tailing dams.

3. Circular economy: Codelco will recycle 65% of its industrial waste.

We will recycle 100% of mine truck tires and ramp up recycling efforts for primary, solid, non-hazardous waste from our operations and projects such as steel, wood, packaging materials, organic waste and scrap metal.

4. A new tailings storage standard: Tailings storage facilities (TSF) with 100% world-class sustainability measures in place.

Using innovative systems, Codelco will conduct online monitoring of the TSF physical and chemical stability and apply seepage control systems.

5. Create additional social value in our territories: Codelco will increase by 60% the goods and services sourced from local suppliers and increase employment of local workforce.

Moreover, Codelco will implement a new strategy for territorial integration focused on creating social value, by promoting the use of local labor, strengthening mining education and increasing sustainability within the territory.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (US\$ '000)

	THREE MONTHS ENDED MARCH 31,	
PROFIT (LOSS)	2021	2022
REVENUE	4,650,476	4,957,170
COST OF SALES	(2,808,325)	(2,901,942)
GROSS PROFIT	1,842,151	2,055,228
OTHER INCOME, BY FUNCTION	17,257	10,822
DISTRIBUTION COSTS	(2,359)	(2,822)
ADMINISTRATIVE EXPENSES	(84,236)	(94,360)
OTHER EXPENSES	(437,894)	(481,962)
OTHER GAINS (LOSSES)	6,054	6,526
PROFIT (LOSSES) FROM OPERATING ACTIVITIES	1,340,973	1,493,432
FINANCE INCOME	3,954	4,820
FINANCE COSTS	(155,500)	(144,302)
IMPAIRMENT AND REVERSED IMPAIRMENT ACCORDING TO IFRS 9	198	(1,767)
SHARE OF PROFIT OF ASSOCIATES AND JOINT VENTURES ACCOUNTING USING THE EQUITY METHOD	87,770	44,535
FOREIGN EXCHANGE DIFFERENCES	21,450	(233,425)
PROFIT FOR THE PERIOD BEFORE TAX	1,298,845	1,163,293
INCOME TAX EXPENSE	(832,683)	(774,573)
PROFIT FOR THE PERIOD	466,162	388,720
PROFIT (LOSS) ATTRIBUTABLE TO:		
PROFIT (LOSS) ATTRIBUTABLE TO OWNERS OF THE PARENT	444,031	377,983
PROFIT (LOSS) ATTRIBUTABLE TO NON- CONTROLLING INTERESTS	22,131	10,737
PROFIT FOR THE PERIOD	466,162	388,720

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (US\$ '000)

ASSETS	MARCH 31,	
CURRENT ASSETS	2021	2022
CASH AND CASH EQUIVALENTS	2,052,524	1,873,133
OTHER CURRENT FINANCIAL ASSETS	810,288	415,585
OTHER CURRENT NON - FINANCIAL ASSETS	28,971	53,001
TRADE AND OTHER CURRENT RECEIVABLES	3,638,658	4,111,902
ACCOUNTS RECEIVABLES DUE FROM RELATED COMPANIES, CURRENT	25,302	16,919
INVENTORY	1,918,680	2,043,746
CURRENT TAX ASSETS	159,947	12,556
TOTAL CURRENT ASSETS	8,634,370	8,526,842
NON - CURRENT ASSETS		
NON - CURRENT INVENTORIES	617,364	606,590
OTHER NON - CURRENT FINANCIAL ASSETS	131,911	82,198
OTHER NON - CURRENT NON FINANCIAL ASSETS	1,922	1,671
NON-CURRENT RECEIVABLES	88,360	112,453
ACCOUNTS RECEIVABLES DUE FROM RELATED COMPANIES, NON - CURRENT	224	224
INVESTMENT ACCOUNTED FOR USING THE EQUITY METHOD	3,506,730	3,565,787
INTANGIBLE ASSETS OTHER THAN GOODWILL	45,252	43,201
PROPERTY, PLANT AND EQUIPMENT, NET	29,605,853	30,575,058
INVESTMENT PROPERTY	981	981
ASSETS BY RIGHT OF USE	418,825	380,351
ASSETS FOR CURRENT TAXES, NON-CURRENT	86	4,718

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DEFERRED TAX ASSETS	50,695	98,151
TOTAL NON - CURRENT ASSETS	34,468,203	35,471,383
TOTAL ASSETS	43,102,573	43,998,225

LIABILITIES	MARCH 31,	
	2021	2022
CURRENT LIABILITIES		
OTHER CURRENT FINANCIAL LIABILITIES	610,898	653,774
TRADE AND OTHER CURRENT PAYABLES	1,767,054	1,557,883
ACCOUNTS PAYABLES TO RELATED COMPANIES, CURRENT	217,643	182,426
OTHER CURRENT PROVISIONS	568,603	665,770
CURRENT TAX LIABILITIES	31,679	366,314
CURRENT EMPLOYEE BENEFIT ACCRUALS	252,634	257,404
OTHER CURRENT NON - FINANCIAL LIABILITIES	32,423	33,776
TOTAL CURRENT LIABILITIES	3,480,934	3,717,347
NON - CURRENT LIABILITIES		
OTHER NON - CURRENT FINANCIAL LIABILITIES	18,027,163	17,158,877
OTHER NON - CURRENT LIABILITIES	453	1,088
OTHER NON - CURRENT PROVISIONS AND ACCRUED EXPENSES	2,287,893	2,594,535
DEFERRED TAX LIABILITIES	6,304,299	7,648,903
NON - CURRENT EMPLOYEE BENEFIT ACCRUALS	1,221,177	1,017,137
OTHER NON - CURRENT NON - FINANCIAL LIABILITIES	2,480	2,486
TOTAL NON - CURRENT LIABILITIES	27,843,465	28,423,026
TOTAL LIABILITIES	31,324,399	32,140,373

EQUITY		
ISSUED CAPITAL	5,619,423	5,619,423
RETAINED EARNINGS	(33,860)	(28,255)
OTHER RESERVES	5,271,458	5,309,548
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	10,857,021	10,900,716
NON – CONTROLLING INTERESTS	921,153	957,136
TOTAL EQUITY	11,778,174	11,857,852
TOTAL LIABILITIES AND EQUITY	43,102,573	43,998,225

CONSOLIDATED STATEMENTS OF CASH FLOWS (US\$ '000)

	THREE MONTHS ENDED MARCH 31,	
	2021	2022
CASH FLOW PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
CASH FLOWS PROVIDED BY SALES OF GOODS AND RENDERING OF SERVICES	4.425.292	5.095.819
OTHER CASH FLOWS PROVIDED BY OPERATING ACTIVITIES	495.557	581.731
TYPES OF CASH PAYMENTS		
PAYMENTS TO SUPPLIERS FOR GOODS AND SERVICES	(2.385.900)	(2.715.157)
PAYMENTS TO AND ON BEHALF OF EMPLOYEES	(468.853)	(492.204)
OTHER CASH FLOWS USED IN OPERATING ACTIVITIES	(712.482)	(789.079)
DIVIDENDS RECEIVED	77.416	123.347
INCOME TAXES PAID	(7.580)	(114.459)
NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES	1.423.450	1.689.998

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CASH FLOWS PROVIDED BY (USED IN) INVESTING ACTIVITIES:		
PURCHASES OF PROPERTY PLANT AND EQUIPMENT	(647.817)	(727.591)
INTEREST RECEIVED	1.639	3.196
OTHER INFLOWS (OUTFLOWS) OF CASH	(529.009)	(101.668)
NET CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES	(1.175.187)	(826.063)
CASH FLOWS USED IN FINANCING ACTIVITIES:		
PROCEEDS FROM LONG TERM BORROWINGS	-	-
PROCEEDS FROM SHORT TERM BORROWINGS	-	-
REPAYMENTS OF BORROWINGS	(10.000)	-
PAYMENTS OF LIABILITIES FOR FINANCIAL LEASES	(38.712)	(37.042)
INTEREST PAID	(245.311)	(250.868)
OTHER INFLOWS (OUTFLOWS) OF CASH	(1.730)	(486)
NET CASH FLOWS USED IN FINANCING ACTIVITIES	(295.753)	(288.396)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS BEFORE FX DIFFERENCE	(47.490)	575.539
FOREIGN EXCHANGE RATE NET INCREASE (DECREASE) IN CASH EQUIVALENTS	(7.479)	13.976
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(54.969)	589.515
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	2.107.493	1.283.618
CASH AND CASH EQUIVALENTS AT END OF PERIOD	2.052.524	1.873.133

COMPANY PROFILE

CODELCO is the world's largest copper producer primarily engaged in the exploration, development and extraction of copper-bearing ores and by-products, processing ore into refined copper and international trade of refined copper and by-products. CODELCO is 100% owned by the Republic of Chile and controls approximately 6% of the world's proven and probable copper reserves; as defined by the U.S. Geological Survey. In 2021, CODELCO had an estimated 8% share of the total world copper production, producing approximately 1.7 million metric tons (including CODELCO's share in El Abra deposit, which is mined by Sociedad Contractual Minera El Abra and its share in Anglo American Sur),

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As an Industry Standard, CODELCO divides its mineral holdings into two categories, reserves and resources, Resources are ore bodies of economic value that have been identified and evaluated through exploration, reconnaissance and sampling, Reserves are the portion of the resources that can be extracted based on an economic, environmental and technological analysis set forth in the mining plan, Reserves and resources are both subdivided further, based on the degree of knowledge that CODELCO has of their extent and composition, The system used by CODELCO for categorizing mineral ores is according to the Chilean law (N° 20,235), which is in accordance with others systems widely used within the mining industry, The “Comisión Calificadora de Competencias en Recursos y Reservas Mineras” is the independent Chilean entity that regulates this and it is part of the Committee for Mineral Reserves International Reporting Standards (CRISCO),