



TRANSFORMATION IN TIMES OF PANDEMIC

ANNUAL MEMORY 2020

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CODELCO ANNUAL REPORT 2020

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DEPLOYING OUR TRANSFORMATION PROCESS

Addressing our principal production processes and the design and implementation of our structural projects.

Also including mechanisms to foster new ways of operating.



CORPORATE PROFILE



RELEVANT INDICATORS



VALUE OUR MANAGEMENT



TRANSPARENCY, PROBITY, AND GOOD CORPORATE GOVERNANCE



TRANSFORMATION AND FUTURE



SUBSIDIARIES AND RELATED COMPANIES



CONSOLIDATED FINANCIAL STATEMENTS



OFFICES AND REPRESENTATIVES



MESSAGE FROM THE CHAIRMAN OF THE BOARD

JUAN BENAVIDES FELIÚ

2020 has been a highly challenging year: facing the coronavirus and its impacts represented an extremely complex task for all companies, and Codelco was no exception.

Since the global pandemic was declared, we on the company's board of directors have taken pains to demand the highest safety standards to prevent outbreaks at work sites, and taken the health and safety of all our workers as a major concern. In this regard, our administration has stood out for its proactiveness, quickly understanding that during these exceptional circumstances, it was our duty to care for everyone's health.

As chairman of the board of directors, I closely monitored the planned measures developed by the committee that was specially created to face this crisis. As the corporation's governing body, we also called for ongoing review of these measures, so as to incorporate best practices as the

pandemic's behavior became known, no matter how erratic or disconcerting these new findings were.

Ever since the WHO declared the crisis, the company has been taking advice from a team of experts at the Universidad Católica School of Medicine, in order to shape a strong corporate response to the understandable concerns voiced by workers, authorities, and communities.

And in response, the commitment that we maintained throughout the year, even during the worst months of COVID-19, allowed us to confirm that the entire company fully understands the responsibility that it means to protect Codelco's operational continuity.



With our people protected and showing commitment at our work sites, our executives on-site and many of our professionals working remotely, **we were able to protect not only the personal health and peace of mind of families, but also the financial and operational health of this great company.**

The efforts made by people in every process, plant, and work site are not only worthy of recognition, they were also of vital importance to the country. Following months of uncertainty, to carry on operating under these conditions — with complications such as reduced staffing, projects suspended or slowed down, social distancing, and adjusted work shifts — did not mean a drop in Codelco's production: quite the opposite.

Collective efforts in the face of adversity led to increased copper production, better corporate productivity, and greater surpluses than had been promised, which will help to mitigate the situation affecting millions of compatriots whose quality of life has been deeply affected by the pandemic.

Making health, safety, and protection our number one priority has allowed our company to maintain its operational continuity and carry on developing the structural projects that we are building, for the progress of Chile in **the coming 50 years.**

The three fundamental pillars of our transformational strategy are operational excellence, excellence in projects, and the development of our resources and reserves, all of which were able to remain on track despite the unfavorable context. Here, **I would like to highlight the absolute alignment between the board's strategic aspirations and the management plan spearheaded by the executive team.**

We succeeded in improving operational efficiency, with a focus on increasing production, despite the setbacks of the pandemic, while also reducing expenditure even while COVID-19 was at its zenith.

For our projects, the main challenge was to prioritize the best initiatives, with designs adjusted to meet business requirements; construction within agreed time frames, in line with the best attainable productivity levels, and following efficacy goals, continuous improvement and lower costs.

“The effort made by our people in each process, plant, and worksite is not only worthy of recognition, but was highly significant for the country”

Today, economic development cannot go ahead without an accompanying sustainable development plan. This year, our company announced five specific commitments in this regard, looking ahead to 2030: reducing our carbon footprint; cutting our water footprint; implementing a circular economy that supports the recycling of our non-hazardous waste; generating a new standard, in line with global requirements, for tailings disposal sites; and reconciling integrated work with our communities.

This road map builds on our history and connects it to current worldwide trends and the demands of the market, investors, and civil society, with explicit responsible development commitments that will empower the transformation of the country's leading company and the world's largest copper producer.

We also firmly believe that this transformation cannot succeed unless we are able to attract, develop, and form committed relations with the strategic talent of people as a key way to leverage the changes we are making.

In order for Codelco to achieve true innovation in its way of operating and doing business, it is vital that all talent management processes must bear the mark of leadership, and the long-term strategy must be strengthened to enhance commitment and development amongst the people who make up our company.

Our transformation process requires us to apply tools that allow personal responsibility to be exercised, and allow work teams to be developed in pursuit of a shared purpose. This is the key to success for our transformation strategy.

As a company, we continue to make progress in the field of probity and transparency. To name just one of the advances, this year we concentrated on standardizing processes in the supply area, where **we strengthened contract management to achieve savings**, exponentially improving the acquisition of goods and services. We reduced direct assignments and promoted the percentage of open tender processes with two or more offers, turning us into a company that underpins competitiveness in acquisitions.

Our challenge is to create a structure that puts an end to the weaknesses of the past, to generate robust corporate processes and strengthen an area that each year undertakes transactions worth a total of almost **US\$ 5 billion**.

We are **proud of the achievements attained in 2020** and look forward to the coming challenges of 2021. With the experience we have accrued, we are certain that we will fulfill the commitments to the State that we have made.

Because the future of Chile matters to us, and because we firmly believe that we are advancing along the right pathway, we will maximize our contributions in a competitive and sustainable way, maintaining Codelco's position of excellence that deserves and can meet and exceed the trust that the citizens have placed in the country's leading company.



JUAN BENAVIDES FELIÚ
Chairman of the Board

MESSAGE FROM THE CEO

OCTAVIO ARANEDA OSÉS



2020 has taken its place in humanity's history as one of the most complex and challenging of the past hundred years. During this time of emergency, when the depth of the health crisis could not be foreseen, **we succeeded in vanquishing uncertainty.**

We at Codelco are not experts in pandemics; this is why we moved quickly to take advice from the Universidad Católica Department of Infectious Disease, and coordinated with the health authorities. Minimizing risk, listening to experts, planning, and measuring results formed the keystone for addressing the problem with greater certainty.

We adapted our work sites, modifying both their infrastructure and our routines and behaviors on-site; we replanned operations; and we prioritized activities in order to minimize the infection rate and maintain operational continuity. Amidst this whirlwind of ongoing adaptations and adjustments, the Corporation's men and women were up to the task expected of us by our country and its citizens. We joined in the collective task of fully complying with protocols

and contributing ideas for safeguarding ourselves better, because alongside our awareness of the need for care and safety, we redoubled our commitment to maximizing our contributions to Chile.

Throughout all of these difficulties, we continued to set ourselves demanding goals, but achievable ones, sloughing off the mentality of inertia, the calls of "because **we had always done it like that**".

Far from stopping us, the health crisis accelerated innovation in our ways of operating, our leadership styles, and the way in which we view occupational health and safety as a priority and a duty for every one of us.

We began the year with the goal of **rewriting the company's future**, by launching the strategic plan to transform Codelco. The objective is to ensure the financing and implementation of structural and development projects at our divisions to position ourselves as one of the world's most competitive mining companies and **maintain our contribution to the country for another 50 years**.

In March our efforts were forcibly diverted to address the only thing that mattered when the health crisis struck: the safety of our people. But the road map ahead of us remained unaltered, and soon we had laid the groundwork with a sense of certainty that we are changing our corporate culture and the way in which our business is managed.

In the second half of the year we reconnected with the transformation process and concentrated on priority areas of action.

Understanding that the pandemic was set to persist, we systematized procedures, control mechanisms, and management actions to mitigate outbreaks in a stable manner, while also continuing to support communities in handling COVID-19. Finally we achieved a new normal, ensuring permanent changes. To do this, we gradually resumed the projects and operations that were suspended or slowed down; we consolidated the most efficient work practices in all areas and began to capture savings in external contracts.

To ensure our surplus goal, we focused on exceeding production targets with lower costs; we reduced our inventory of copper concentrate and pure copper, as well as other sub-products, and achieved greater continuity in plant operation, which brought about a lower unitary cost.

“Thanks to the new ways of operating and a culture that challenged the paradigm of continuing to do things as they had always been done, we reinforced the urgency to move forward in the different Tactical Implementation Plans of each work center to enable the goals committed for 2021.”

Thanks to these changes, the company generated **US\$ 2,078 million dollars in surplus**, 55% more than in the same period last year. This figure surpassed our commitment to the State and aligned with our challenging goals.

Despite reducing the number of personnel, as a result of the pandemic and resource management, we produced **1.618 million tons of fine copper in-house**, which is 1.9% more than in 2019, thanks to the operational continuity, greater plant treatment, and a higher mineral grade (sulfides).

Direct costs reached **129.4 cents per pound (c/lb)**, 8.6% lower than in 2019, when they increased to 141.6 c/lb. This better figure is also the result of greater operational continuity of the refineries, which optimized our product portfolio, higher production, and an increase in the sale of sub-products such as molybdenum, the budget adjustment, and the positive effect of a higher dollar exchange rate.

Meanwhile, the net cost of cathode increased to **229.8 c/lb**, 2.5% greater than the 224.1 c/lb from the previous year, due primarily to higher finance expenses (lower capitalization of interest and bond repurchasing) and greater depreciation and amortization.

Productivity increased over the period to 54.5 fine metric tons per person, which is **11% higher than in 2019**.

During the last months of the year, we not only focused our efforts on achieving the challenging goals we had set, but also on sustaining the most relevant Tactical Implementation Plans (levers aimed at bridging gaps and allowing for continuous improvement, through a process that seeks the full potential of our operations, through identification of the problem, diagnosis, improvement plan design, execution, and the acquisition of value) to enable the strategy for 2021.

“The company generated **US\$2,078 million in surpluses**, which is 55% more than the same period last year. This figure surpassed our commitment to the State and aligned with our challenging goals.”

In this way, we prepared the conditions to ensure compliance with our commitment to increase 2021 surplus by **US\$ 1 billion** (over the surplus generated in 2018). We adjusted project designs and constructions to capture part of our commitment for the 2019-2028 period (US\$ 8 billion), which for 2020 meant over **US\$1 billion**.

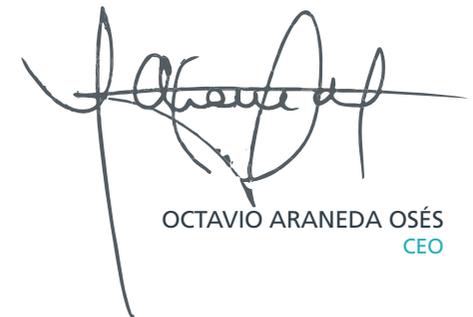
To enable our strategy's success, we generated multiple programs related to our mark of leadership, and in this way, solidify a closer, more connected, integrated and challenging relationship among executives, supervisors, and workers.

At Codelco, we have prepared our leaders to mobilize teams, promote new ideas, and innovate in problem-solving.

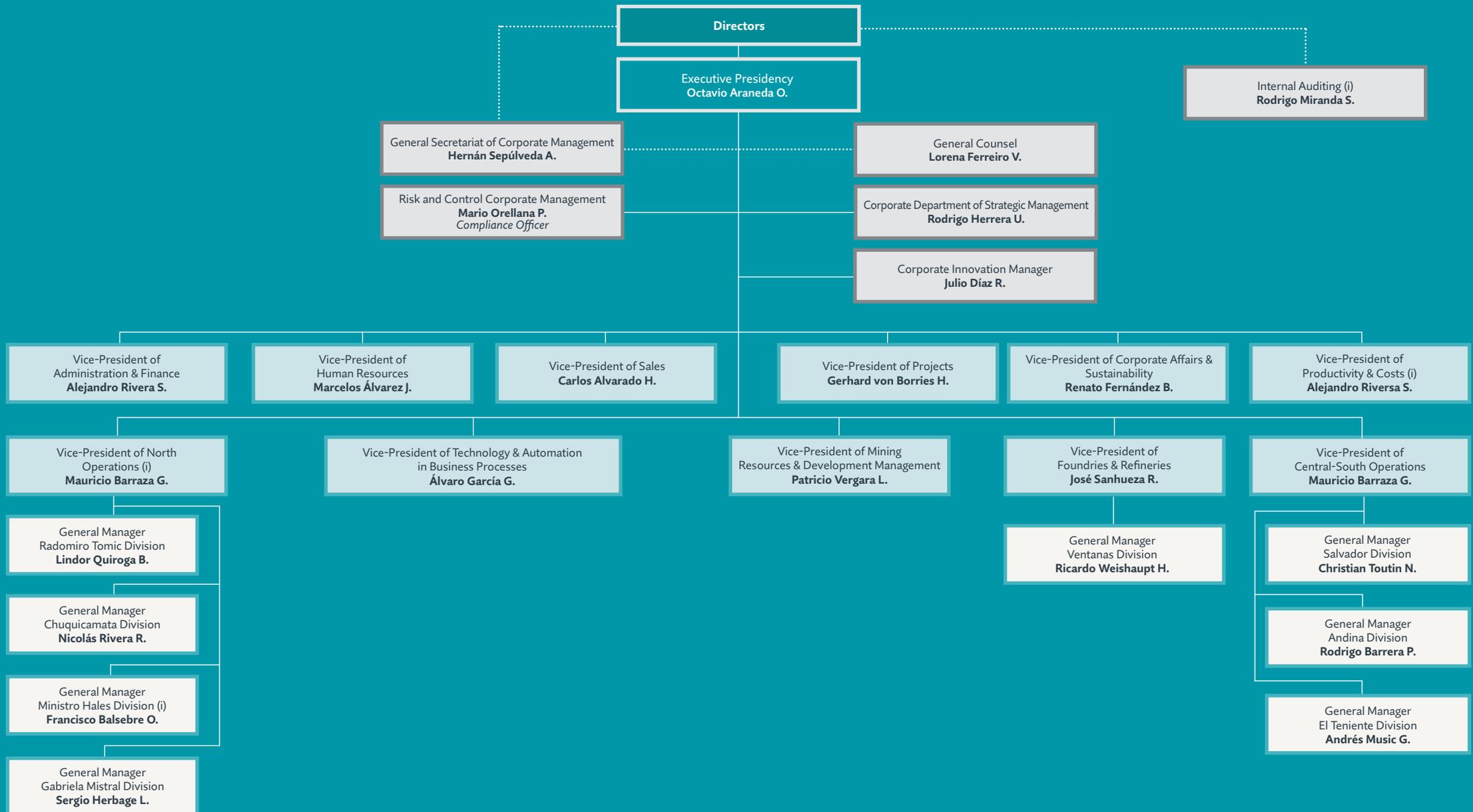
Our leaders are inspired to align their people with common purposes, seek out synergies and best practices, empower and deliver autonomy, as well as to build and develop diverse, inclusive, and multi-functional teams.

Thanks to the new ways of operating and a culture that challenged the paradigm of continuing to do things as they had always been done, we reinforced the urgency to move forward in the different Tactical Implementation Plans of each work center to enable the goals committed for 2021.

The trust we have placed in our people and teams, because we believe in collaboration and teamwork, will be an essential condition to transforming Codelco and making it a competitive company for the future and progress of Chile.



OCTAVIO ARANEDA OSÉS
CEO



BOARD OF DIRECTORS CODELCO

As of December 31, 2020

Juan Benavides Feliú
Chairman of the Board
Business Administration
RUT 5.633.221-9



Rodrigo Cerda Norambuena
Director
Business Administration
RUT 12.454.621-4



Ghassan Dayoub Pseli
Director
Civil-Industrial Engineer
RUT 14.695.762-5



Juan Enrique Morales Jaramillo
Director
Mining Engineer
RUT 5.078.923-3



Isidoro Palma Penco
Director
Business Administration
RUT 4.754.025-9



Paul Schiodtz Obilinovich
Director
Mechanical Engineer
RUT 7.170.719-9



Hernán de Solminihac Tampier
Director
Civil Engineer in Construction
RUT 6.263.304-2



Blas Tomic Errázuriz
Director
Civil-Industrial Engineer
RUT 5.390.891-8

SENIOR MANAGEMENT

As of December 2020



Carlos Alvarado Hernández
VP of Sales
Civil-Industrial Engineer
6.805.357-9



Marcelo Álvarez Jara
VP of Human Resources
Business Administration
RUT 13.026.507-3



Mauricio Barraza Gallardo
VP of North Operations (i) and
Central-South Operations
Mining Engineer
RUT 9.467.943-5



**Octavio
Araneda Osés**
CEO
Mining Engineers
RUT 8.088.228-9



Lorena Ferreiro Vidal
General Counsel
Lawyer
RUT: 7.819.118-k



Renato Fernández Baeza
VP of Corporate Affairs and Sustainability
Journalist
RUT 10.871.675-4

SENIOR MANAGEMENT

As of December 2020



Álvaro García González
VP of Technology & Automation
in Business Processes
Civil-Industrial Engineer
RUT: 10.216.192-0



Rodrigo Miranda Schleyer
General Auditor (i)
Business
RUT: 8.660.338-1



Alejandro Rivera Stambuk
VP of Administration & Finance,
and VP of Productivity & Costs (i)
Civil-Industrial Engineer
RUT 7.332.747-4



José Sanhueza Reyes
VP of Foundries & Refineries (i)
Civil-Metallurgical Engineer
RUT 6.525.034-9



Patricio Vergara Lara
VP of Mining Resources & Deve-
lopment Management
Mining Engineer
RUT: 9.215.681-8



Gerhard von Borries Harms
VP of Projects
Mining Engineer
RUT 6.372.610-9

SENIOR MANAGEMENT

As of December 2020



Francisco Balsebre Olarán
General Manager (i)
Ministro Hales
Division Mining
8.502.112-5



Rodrigo Barrera Páez
General Manager
Andina Division
Mining Engineer
RUT 13.327.336-0



Sergio Herbage Lundin
General Manager
Gabriela Mistral Division
Mining Engineer
RUT 13.461.800-0



Andrés Music Garrido
General Manager
El Teniente Division
Mining Engineer
RUT 14.119.532-8



Lindor Quiroga Bugueño
General Manager Radomiro
Tomic Division
Mining Engineer
RUT 9.182.846-4



Nicolás Rivera Rodríguez
General Manager
Chuquicamata Division
Civil-Industrial Engineer and
Mining Engineer
RUT 14.119.793-2



Christian Toutin Navarro
General Manager
Salvador Division
Mining Engineer
RUT 10.044.337-6



Ricardo Weishaupt Hidalgo
General Manager
Ventanas Division
Chemical Engineer
RUT 8.060.464-5

CORPORATE PROFILE

Our commitment of sustainable development has concrete goals for 2030 with measurable indicators in relation to **our carbon footprint, water footprint, circular economy**, the standard of our **tailings deposits**, and the **development of territories with social value**.



Seven mining divisions, a foundry and refinery, the Vice Presidency of Projects and Headquarters are our work centers.

Our main business is to explore, develop, and exploit mining resources, process them to produce refined copper and byproducts, and then sell them to customers around the world.

Since Nationalization in 1971 and up to 2020, we have generated surpluses of **US\$ 115 billion for the State of Chile** (in 2020 currency).

We hold assets totaling **US\$ 42.2 billion and equity of US\$ 11.6 billion** as of December 2020.

We operate seven mining divisions: **Chuquicamata, Ministro Hales, Radomiro Tomic, Gabriela Mistral, Salvador, Andina, El Teniente**, as well as the **Ventanas Foundry & Refinery**. Our Headquarters is located in Santiago, where the corporate strategy is coordinated, developed by a nine-member Board of Directors and our CEO.

The daily management of our business is guided by our Charter of Values and Code of Business Conduct. We want to be recognized, in Chile and abroad, for our performance and a way of doing business that reflects our business values, which include:

- Respect for life and human dignity
- Responsibility and commitment
- Proficiency
- Teamwork
- Work excellence
- Innovation
- Sustainable development

At the end of 2019, we launched a strategic business plan to ensure operational excellence, project excellence, the acquisition of value, and development of our mine sites, in order to position Codelco among the top 50% of companies in the industry with the lowest costs by 2022 and increase surpluses. This effort will support the funding of our structural projects, competitiveness, and contributions to Chile for the next 50 years.

The main enablers of our strategy are sustainable development, high standards of transparency and probity, innovation, and the development of our personnel.

Our sustainable development commitment has concrete goals for 2030, with measurable indicators in terms of carbon footprint, water footprint, circular economy, the

standard of our tailings deposits, and the development of territories with social value.

In terms of transparency, we are proactive in providing up-to-date information, that is both accessible and understandable, as well as meeting our commitments of active transparency.

With respect to probity, we are committed to improving the company's ethical performance, and are working through different lines of action to accomplish this. We re-certified our Crime Prevention Model, which promotes the necessary safeguards to prevent the commission of crimes such as money laundering and bribery inside the organization. And to comply with the leadership and supervision duties defined by law, we adequately and promptly manage the main risks to prevent the commission of crimes, while promoting a culture of prevention.

Innovation is focused on critical areas of the business, with digital transformation aimed at enabling continuing operations and scaling in terms of new remote operation centers, autonomous equipment, and the automation of support areas. It also favors the sustainability of our operations with technological advances such as e-mobility.

With respect to our people, we promote collaboration with others, integration, and diversity of opinions to achieve innovative solutions, and we foster leadership roles that incorporate personnel development, that is, the technical and adaptive skills of their work teams.

Since
Nationalization
in 1971 and up to 2020,
we have generated surpluses
of **US\$ 115 billion**
for the Chilean
State (in 2020 currency).

FROM CHILE TO THE WORLD

We are the largest copper producer in the world. We closed the year with an output production of **1,727,355 fine metric tons of copper**, including our holdings in El Abra and Anglo American Sur. This figure accounts for **8%** of global copper mine production, and **30%** of domestic production.

We are the second largest producer of molybdenum in the world, and first in Chile, with total production of **27,915 fine metric tons** in 2020.

Our total consolidated revenue (including subsidiaries) reached **US\$ 14,173 million**, for the sale of our own copper and that of third parties, molybdenum and byproducts,

including subsidiaries, with the Asian market as the main destination, followed by the North American, European and South American markets.

Our explorations in Chile and abroad are ongoing and seek to expand our mining base and ensure our long-term business.

Our business portfolio

We produce and market the following refined and unrefined copper products and byproducts:

- **Refined:** copper cathodes with 99.9% purity,

obtained from our electrorefining and electrowinning processes.

- **Unrefined:** copper concentrates, anodes, and blister (metallic material with a purity of around 99-99.5%, used as a raw material for the production of copper cathodes).
- **Byproducts:** molybdenum, our main byproduct, a key input in the manufacture of special steels, sulfuric acid, which has the property of dissolving several types of metals and substances; gold, silver, and rhenium



We are building important structural projects for the future of Chile.

FINANCIAL STRENGTH

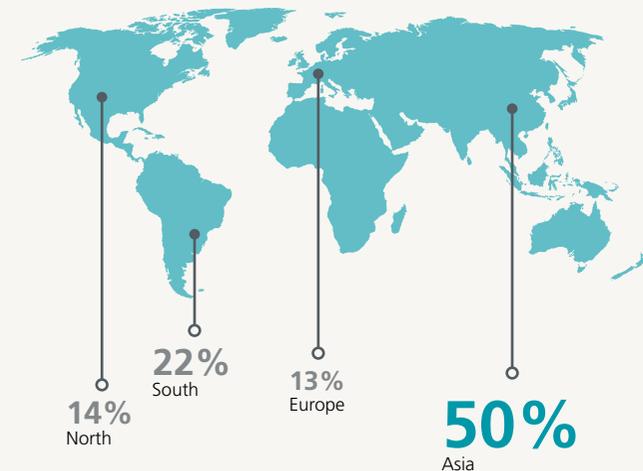
We have develop and maintain long-term relationships with a stable and geographically diverse client base, including some of the world's leading manufacturing companies.

We regularly engage the national and international banking system and capital markets to fund investments and refinance projects.

We conduct operations in global and domestic financial markets, through the issuance of bonds and bank credits. Our long track record has allowed us to develop a broad and high-quality base of banks and investors from different countries..



PRINCIPALES MERCADOS DE VENTA



STRUCTURAL PROJECTS

We are currently building structural projects to extend the working life of our deposits for an additional 40 to 50 years, to enhance our environmental standards, to increase our productivity, and to maintain current production levels of 1.7 million tons of fine copper per year.

The Chuquicamata Underground project was one of our first projects to be inaugurated in August 2019, and is highly technological and prepared for the 21st century environmental and safety standards.

We are completing the constructing of Traspaso Andina, which will be commence operations in 2021, while continuing to make progress in our Teniente Project Portfolio, including Diamante, Andesita and Andes Norte. Meanwhile, Rajo Inca obtained a favorable Environmental Qualification Resolution in order to begin construction in 2021, reaching its maximum production by 2023. Two other projects, Desarrollo Futuro Andina and RT Sulfuros Phase II are in different evaluation or engineering phases.

Considering these investments and another important portfolio of developments, we invested US\$ 2,143 million in 2020.

We invested
US\$ 2,143
million
in 2020



We are working to complete the construction of **Traspaso Andina**, which will commence operations in 2021, while continuing to make progress on the **Teniente Project Portfolio**. Meanwhile, **Rajo Inca** will begin construction in 2021, reaching its maximum production by 2023.



CREATION AND LEGAL FRAMEWORK



Decree Law
N° 1,350
1976

created **Corporación Nacional del Cobre de Chile, Codelco Chile,** upon nationalization of copper in 1971

Codelco is a company owned by the Chilean state, whose purpose is to undertake mining, commercial and industrial activities. Decree Law No. 1,350 of 1976 created the **Corporación Nacional del Cobre de Chile, (Codelco)**, and we took over the administration of the mining industry's ore deposits that were **nationalized in 1971**.

We report to the Government through the **Ministry of Mining** and are governed by the provisions of the aforementioned decree law, by our statutes and, where not provided for in these, by the rules of publicly traded corporations and common law, as applicable and compatible with in-house regulations.

Law No. 20,392, published in the official newspaper on November 14, 2009, modified Codelco's Organic Statute (D.L. No. 1,350 of 1976), and Law No. 19,137 of 1992 established **the conditions for the disposal of assets that do not form part of the deposits currently being exploited**.

Our miners are transforming themselves to achieve a common purpose.

CURRENTLY BEING EXPLOITED

According to the law on the Corporate Governance of Codelco, we are a public company owned by the State of Chile, managed by a nine-member board of directors who serve a four-year term and are renewed in parts. All directors are nominated by the President of the Republic, according to the following:

- **4 directores 4 directors** appointed from a shortlist of candidates proposed for each position by the Senior Public Leadership Council.
- **2 representatives of Codelco workers**, appointed from a shortlist of 5 candidates proposed by the Copper Workers' Federation, on one hand, and the National Association of Copper Supervisors and the Federation of Copper Supervisors together, on the other.
- **3 directors** directly appointed by the President of the Republic.

The President of the Republic also appoints, from among the nine directors, the chairman of the board.

One of the main corporate governance responsibilities of the board is to appoint the Codelco CEO, a position currently held by Mining Engineer with a graduate certificate in the Re-engineering of Business Processes, Octavio Araneda Osés. The CEO has the powers delegate to him by the Board and is responsible for implementing the Board's decisions and overseeing the company's productive, administrative,

and financial activities. He remains in the position as long as he retains the confidence of the Board.

Likewise, the Board of Directors is responsible for preparing Codelco's annual budget, which must be approved by a joint supreme decree issued by the Ministries of Mining and Finance, and transfer the surplus to the national Treasury.

BOARD OF DIRECTORS COMMITTEES

The board of directors committees divide the work among its members, to leverage their specialized knowledge and address key topics in greater depth, supporting the work of the Board as the company's main decision-making body.

The structure and roles of the committees are not defined by law, with the exception of the Auditing, Compensation, and Ethics Committee, made up of four representatives of the Senior Public Leadership Council.

Moreover, the Board of Directors has defined the formation of four other permanent committees, and its Code of Corporate Governance establishes the structure and roles of each one:

- Projects & Investment Financing Committee
- Management Committee
- Sustainability Committee
- Science, Technology, & Innovation Committee

We are a public company owned by the State of Chile, managed by a nine-member board of directors who serve a four-year term and are renewed in parts.

OVERSIGHT

Our company is overseen by the Financial Market Commission, the Chilean Copper Commission (Cochilco) and, indirectly, by the Comptroller General of the Republic, through Cochilco.

We are listed under No. 785 of the Securities Register of the Financial Market Commission (CMF), and subject to the provisions of the Securities Market Law. Therefore, we are bound by the same reporting requirements as open corporations, to be disclosed to the CMF and the general public.



COMPANY NAME

**Corporación Nacional
del Cobre de Chile**
RUT: 61.704.000-K

Our company is overseen by the **Financial Market Commission, the Chilean Copper Commission (Cochilco)** and, indirectly, by the **Comptroller General of the Republic**, through Cochilco.



Our copper reaches Asia, South America, North America and Europe.

HISTORY



HISTORICAL MILESTONES

El Teniente, Andina, Exótica, Chuquicamata and El Salvador were held by foreign companies until 1966, when the “Chileanization” of great copper mining led the Chilean State to control 51% of its ownership and oversee its activities through the Board of Directors, while the “on-site” operation of mines continued to be carried out by North American companies.

In July 1971, the Congress unanimously approved of the [Great Copper Mining Nationalization project](#): “Pursuant to national interest and in exercise of the sovereign and inalienable right of the state to freely dispose of its natural resources and wealth, foreign companies that constitute the copper mining industry are hereby nationalized and thus declared incorporated into the full and exclusive domain of the Nation.”

With the enactment of Law No. 17,450, Chile’s mining industry radically changed. [Existing corporate goods and facilities became 100% the property of the Chilean state](#), which took direct charge of deposit exploitation as well as the organization and administration of different businesses that became subsidiaries of the Corporación del Cobre.

On April 1, 1976, decree laws 1,349 and 1,350 were issued, subdividing the company into two independent entities: the [Comisión Chilena del Cobre \(Cochilco\)](#), as a technical and advisory service agency, and [Corporación Nacional del Cobre de Chile \(Codelco\)](#), as the production business, grouping all mine sites in a single mining, industrial and commercial company, with legal capacity and its own equity.

Chilean engineers had to take on the role of developing and operating the existing mines, while also exploring the immense geological resources and creating new technologies for this purpose.

[In 1997, we inaugurated the first operation led by Chileans](#), the Radomiro Tomic mine.

We then continued with the Gabriela Mistral mine in 2008, and Ministro Hales in 2010. Moreover, by order of the State, we acquired the Ventanas Foundry and Refinery in 2005, which previously belonged to the Empresa Nacional de Minería (Enami).

In November 2009, changes were made to our corporate governance by way of Law No. 20,392, which modified the organic statute of Codelco Chile (D.L. N° 1,350 of 1976) and the regulations governing the disposal of assets currently being exploited (Law No. 19,137).

The new guidelines changed, among other matters, the composition of the Board of Directors (previously formed by the Ministers of Finance and Mining, and now [comprised of nine members](#)) designated by the President of the Republic.

Since then, things have evolved to [create a company with high standards of good corporate governance, probity, management control, and the cultivation of best practices in all operational areas](#), indispensable attributes for a state-owned corporation of our size, competing on the global market.

Among other measures taken, we established a [communication channel for grievances](#), we implemented the [Code of Corporate Governance](#); we updated the Codelco Corporate Standard No. 18, which regulates [the control, authorization, and reporting under the regulations of the Financial Market Commission](#), for business with companies where Codelco official “related persons” work. Moreover, we expanded the obligation to sign a “declaration of interest” to all those managing contracts with third parties (approximately 2,000 people), and we approved the Statement of Values and certified our crime prevention model under Law No. 20,393.

We also [reformed the Legal Affairs Office](#) to ensure [the validity of corporate standards in](#) all divisions and reinforced the operations of the Internal Auditing Unit, which began reporting directly to the Board of Directors’ Auditing Committee.

We established [new regulations to reinforce probity and transparency in contracting processes](#), including declarations of apparent conflict of interest, declarations of related companies, and declarations of ethical performance by companies interested in collaborating with the company.

To ensure success on the road Codelco will follow to **improve its positioning and competitiveness**, we will continue to move forward in the excellence of our operations and projects, the accelerated transformation of resources into reserves, and a **profound cultural change**.



In 2020, we launched a strategic transformation plan that looks to generate more resources for the State, focused on improving both production and productivity. Despite the crisis generated by the Covid-19 pandemic, the company focused on aspirational targets that were even more ambitious than those considered in the budget, demonstrating important achievements by the end of the year: greater production and growth in productivity, which is reflected in the generation of surplus.

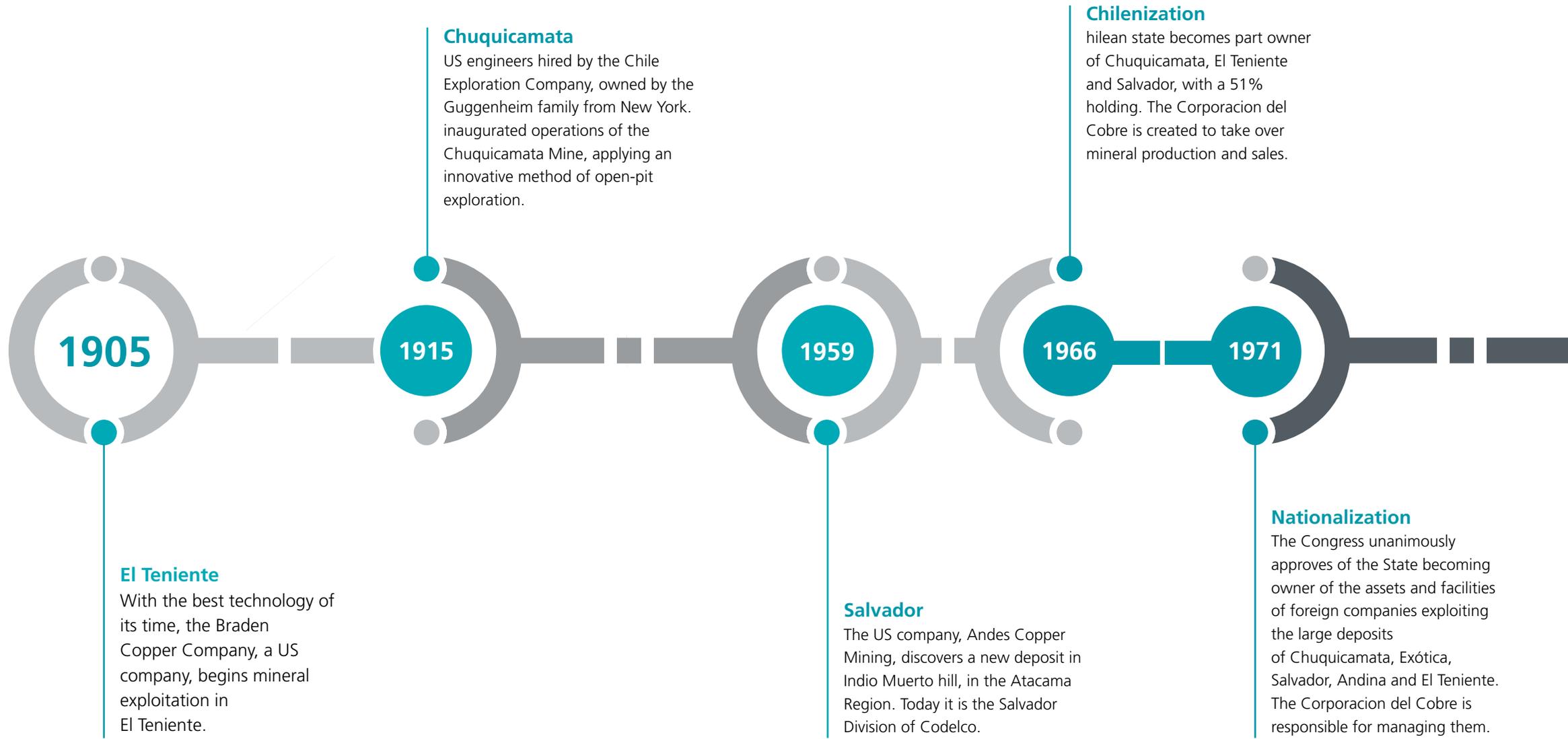
This year we also re-certified our Crime Prevention Model and made progress to raise our Standards of probity, management control, and transparency, in order to ensure future sustainability for the company.

We are committed, because we are aware that with a significant number of regulations and processes that support greater traceability, integrity and transparency, we will be able to take on the challenge of contributing to the country's development and project ourselves into the future.

We have evolved to create a company with high standards of good corporate governance, **probity, management control, and the cultivation of best practices in all operational areas.**



TIMELINE



Codelco

On April 1st, the Corporacion del Cobre is divided into the Comision Chilena del Cobre (Cochilco), as the technical and advisory service agency; and Codelco, the productive company (Decree Law No. 1,350).

Radomiro Tomic

With Chilean engineering, Codelco designs, constructs, and starts operating the Radomiro Tomic Division.

2009

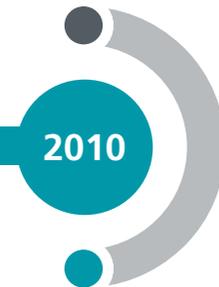
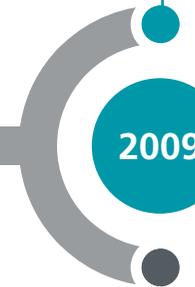
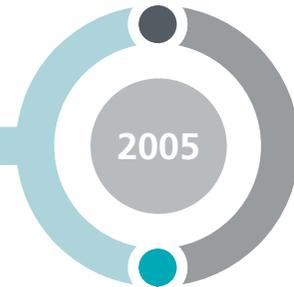
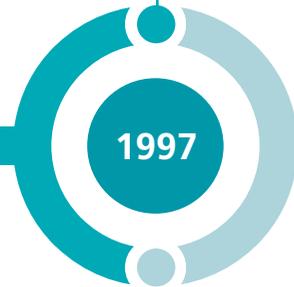
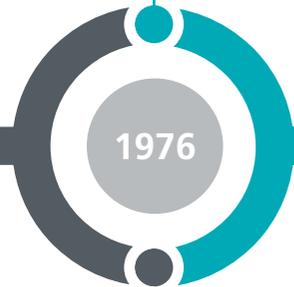
The Corporate Governance Law is approved, modifying our organic statute, including the composition of the Board of Directors. The new guidelines enter into force on March 1, 2010.

Ventanas

The Ventanas Division is created after acquisition of the Las Ventanas foundry and refinery, previously owned by the Empresa Nacional de Minería, (Enami).

First structural project

Operations begin at the Ministro Hales Division, our first structural project to be completed.



New division

Gabriela Mistral provides a surge in copper production and profits for the Chilean State.

2013

2014

Capitalization Law

A capitalization plan is approved to provide an injection of capital of up to US\$ 4 billion during the 2014-2018 period to drive and materialize the investment plan.

We inaugurated Chuquicamata Underground

After 104 years of exploitation, the largest open-pit mine in the world became a highly technologized underground operation prepared for the 21st century environmental and safety standards.

The project known as Chuqui Subte is the first step in the operational, organizational, and cultural transformation of Codelco.

2019

2020

We launched the transformation plan

The company began an in-depth transformation plan, launched at the end of 2019, which seeks excellence in operations and projects, the capture of value from our resources and reserves, and a cultural change that drives new ways of operating. The global health crisis due to Covid-19 forced us to accelerate our transformation plans during the second half of the year to meet the targets committed for 2020 and enable those for 2021.

DIVISIONS



RADOMIRO TOMIC

PRODUCTION

260.653 | metric tons of fine copper

INTERNAL STAFF

1.261 | people as of December 31, 2020

EXTRACTION METHOD

Open-pit mine

OPERATION

Since | 1997

LOCATION

Calama, Antofagasta Region

PRODUCTS

Electro-won cathodes



CHUQUICAMATA

PRODUCTION

400.720 | tmetric tons of fine copper

INTERNAL STAFF

3.898 | people as of December 31, 2020

EXTRACTION METHOD

Open-pit and underground mine

OPERATION

Since | 1915

LOCATION

Calama, Antofagasta Region

PRODUCTS

Electro-refined and electro-won cathodes, and copper concentrate



MINISTRO HALES

PRODUCTION

170.606 | tmetric tons of fine copper

INTERNAL STAFF

758 | people as of December 31, 2020

EXTRACTION METHOD

Open-pit mine

OPERATION

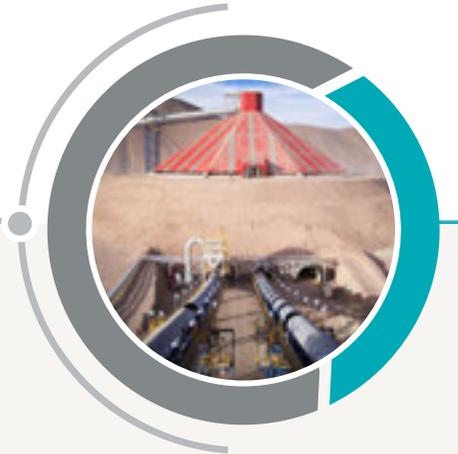
Since | 2010

LOCATION

Calama, Antofagasta Region

PRODUCTS

Calcine, copper and silver concentrate



GABRIELA MISTRAL

PRODUCTION

102.080 | metric tons of fine copper

INTERNAL STAFF

459 | people as of December 31, 2020

EXTRACTION METHOD

Open-pit mine

OPERATION

Since | 1959

LOCATION

Sierra Gorda, Antofagasta Region

PRODUCTS

Electro-won cathodes



SALVADOR

PRODUCTION

56.302 | metric tons of fine copper

INTERNAL STAFF

1.438 | people as of December 31, 2020

EXTRACTION METHOD

Underground and open-pit mine

OPERATION

Since | 1959

LOCATION

Diego de Almagro, Atacama Region

PRODUCTS

Electro-refined and electro-won cathodes



ANDINA

PRODUCTION

184.437 | metric tons of fine copper

INTERNAL STAFF

1.437 | people as of December 31, 2020

EXTRACTION METHOD

Underground and open-pit mine

OPERATION

Since | 1970

LOCATION

Los Andes, Valparaíso Region

PRODUCTS

Copper concentrate



EL TENIENTE

PRODUCTION

443.220 | metric tons of fine copper

INTERNAL STAFF

3.869 | people as of December 31, 2020

EXTRACTION METHOD

Underground and open-pit mine

OPERATION

Since | 1905

LOCATION

Machalí, Libertador Bernardo O'Higgins Region

PRODUCTS

Copper and electro-won anodes and concentrate



VENTANAS

INTERNAL STAFF

756 | people as of December 31, 2020

TYPE OF OPERATION

Foundry & refinery

OPERATION

Since | 1964

LOCATION

Puchuncaví, Valparaíso Region

PRODUCTS

Copper cathodes

OUR COPPER MINING REPRESENTS 30% OF DOMESTIC PRODUCTION AND 8% OF GLOBAL PRODUCTION

In 2020, we generated US\$ 2,078 million in surpluses; and produced 1.7 million tons of copper, including our holdings in Anglo American Sur and El Abra, and 1.6 million tons of copper produced in-house.



CORPORATE PROFILE



RELEVANT INDICATORS



OUR MANAGEMENT



TRANSPARENCY, PROBITY, AND GOOD CORPORATE GOVERNANCE



TRANSFORMATION AND FUTURE



SUBSIDIARIES AND RELATED COMPANIES



CONSOLIDATED FINANCIAL STATEMENTS



OFFICES AND REPRESENTATIVES



RELEVANT INDICATORS

(Millions US\$)	2015	2016	2017	2018	2019	2020	
Total sales (including subsidiaries)	11,694	11,537	14,642	14,309	12,525	14,173	
Consolidated income before Income Tax and Law 13,196	-2,191 (1)	435	2,915	1,656 (4)	1,344	2,092	
Income before Income Tax and Law 13,196 attributable to Codelco Chile (surplus)	-1,357 (2)	500	2,885	1,606 (4)	1,340	2,078	
Payments to the Treasury	1,088	942	1,366	1,809	1,000	1,292	
Investments	3,343	2,738	3,146	3,551	3,673	2,143	
Total Assets	33,305	33,421	36,356	37,091	40,345	42,210	
Total Liabilities	23,572	23,531	25,431	25,747	28,710	30,584	
Equity	9,733	9,890	10,925	11,344	11,635	11,626	(1) As of December 31, 2015, including impairment and write-offs, in the amount of US\$ 3,217 million.
Incorporation of Fixed	4,261	3,014	3,411	3,894	4,102	2,383	
Production (thousands of fine metric tons) (3)	1,891	1,827	1,842	1,806	1,706	1,727	(2) As of December 31, 2015, including impairment and write-offs, in the amount of US\$ 2,431 million
Direct Employment (as of December 31, 2020)							(3) Includes Codelco holdings in El Abra and Anglo American Sur
Own staff (including indefinite and temporary employees)	19,117	18,605	18,562	18,036	16,726	15,267	(4) As of December 31, 2018, including impairment and write-offs, in the amount of US\$ 396 million.
Operation and service contractor staff (*)	23,098	21,357	20,623	19,871	19,946	18,770	
Investment contractor staff (*)	23,250	25,741	24,965	27,157	32,672	16,447	(*) These provide services under the subcontracting system (Law No. 20,123). Codelco measures contractors' participation.
Price of Copper (c/lb) (BML Grade A Cathodes)	249.2	220.6	279.7	295.9	272.1	280.35	

RELEVANT INDICATORS

INVESTMENTS

US\$ 2,143
million

PRODUCTION

of fine copper produced in-house
(Including our holdings in
Anglo American and El Abra)

1,727 ktmf
(almost 1.2% more
than 2019)

EQUITY

US\$ 11,626
million

TOTAL SALES

US\$ 14,713
million

(Consolidated revenue,
including subsidiaries)



IN THE YEAR OF COVID-19

We protected our people's health and maintained the continuity of our operations.

CORPORATE
PROFILE



RELEVANT
INDICATORS



OUR
MANAGEMENT



TRANSPARENCY,
PROBITY,
AND GOOD CORPORATE
GOVERNANCE



TRANSFORMATION
AND FUTURE



SUBSIDIARIES
AND RELATED
COMPANIES



CONSOLIDATED
FINANCIAL
STATEMENTS



OFFICES AND
REPRESENTATIVES



WE GENERATED US\$ 2,078 MILLION IN EARNINGS DURING A YEAR MARKED BY THE PANDEMIC



Despite the complexities brought on by the health crisis – which required measures such as reductions in on-site personnel, **the application of new protocols, and changes in infrastructure** – we increased production, reduced direct costs, generated greater earnings, and set off on the pathway towards a deep-rooted transformation designed to **make us one of the world's most competitive mining companies.**

Once the COVID-19 emergency committees had taken on their role managing the crisis, motivated by its profound commitment to the country, the company turned its attention towards accelerating the transformation. Photograph of the executive chairman's visit to Chuquicamata.

In January 2020, the CEO and vice-presidents set out to the company's divisions to communicate the emphasis on transformation at Codelco. What can we do to achieve excellence in operations, projects, supply, maintenance, and obtaining resources and reserves?

The promise to the owner, the State of Chile, is to generate a further **US\$ 1 billion in surplus** starting in 2021, compared to the results from 2018 (when we achieved US\$ 1,606 billion), and **US\$ 400 million more in 2020**. Although this was no easy task, the strategic plans defined at the end of the previous year gave good cause for optimism.

However, three months into the year, the global pandemic was declared, bringing structural changes that took priority over the transformation plan, allowing us to concentrate on the health and protection of our people. We reduce our on-site workforce of employees and contractors, operated buses at 50% capacity, established a health survey, launched a mass personnel testing initiative, modified our facilities to ensure social distancing in shared spaces, and instated a suite of other health protection measures.

At the same time, we struck agreements with close to twenty unions, implementing exceptional working days to allow the possibilities of outbreaks to be controlled and to ensure traceability.

Additionally, we stopped or slowed down construction of our structural and development projects.

Once the COVID-19 emergency committees had taken on their role managing the crisis, motivated by its profound commitment to the country, the company turned its attention towards accelerating the transformation, vital for Chile's leading company to be competitive and be able to finance the structural projects that will extend its life by 50 years.

The results will become apparent soon. Even in the first half of the year, we were already showing high-impact results: increased production, more sales of the copper and byproducts that we produce, lower costs, and higher productivity, with these achievements holding up in the third quarter and consolidating further by the end of the year.

With a track record going back 49 years, we have the maturity necessary to adapt to society's new demands and meet the significant challenges involved in giving Chile a company that will remain competitive for another five decades.

In 2021 we will continue working tirelessly to maintain operational continuity, achieve maximum technical capacity at our plants, standardize processes, put innovative technologies to the service of environmental protection, restore productivity, and enhance operational excellence.

During the first half of the year we shored **high-impact results:** increased production, more sales of the copper and byproducts that we produce, lower costs, and rising productivity, with these achievements holding up in the third quarter and consolidating further by the end of the year.

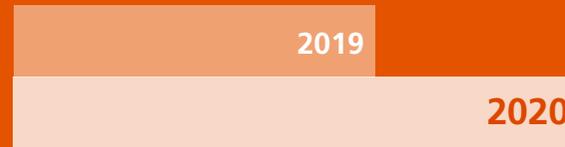


FINANCIAL-ECONOMIC MILESTONES OF THE 2020 TRANSFORMATION IN 2020

EARNINGS

US\$ 2,078 billion

55% higher than 2019



PRODUCTION

of fine copper produced
in-house
(Codelco only)

1,618 Kfmt

Almost 2% more
than 2019

PRODUCTIVITY

54,5 ffmt/pp

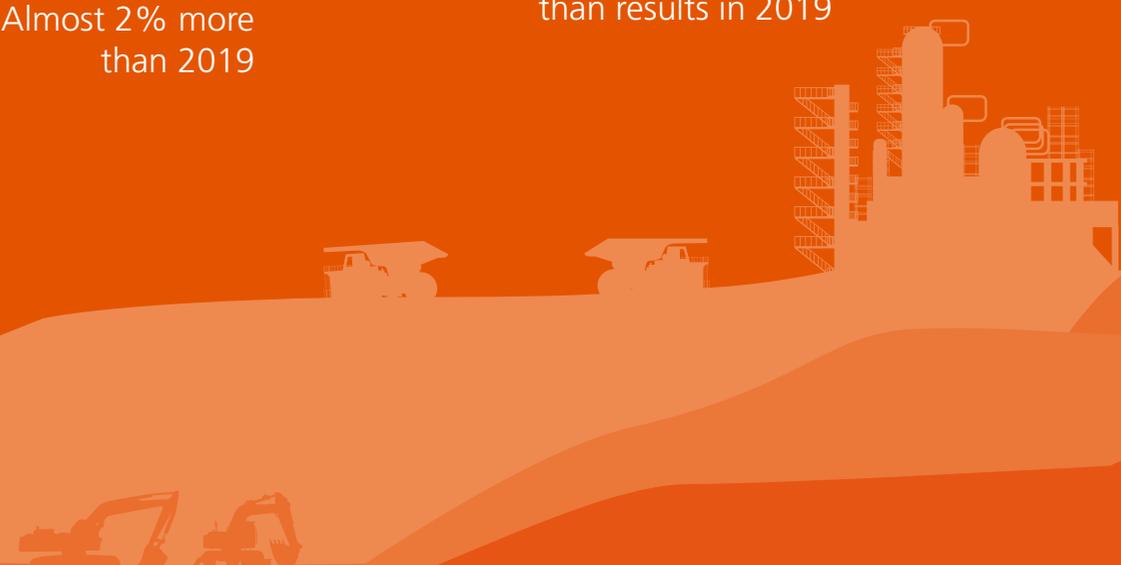
(fine metric tons per person),

11% higher
than results in 2019

DIRECT COSTS

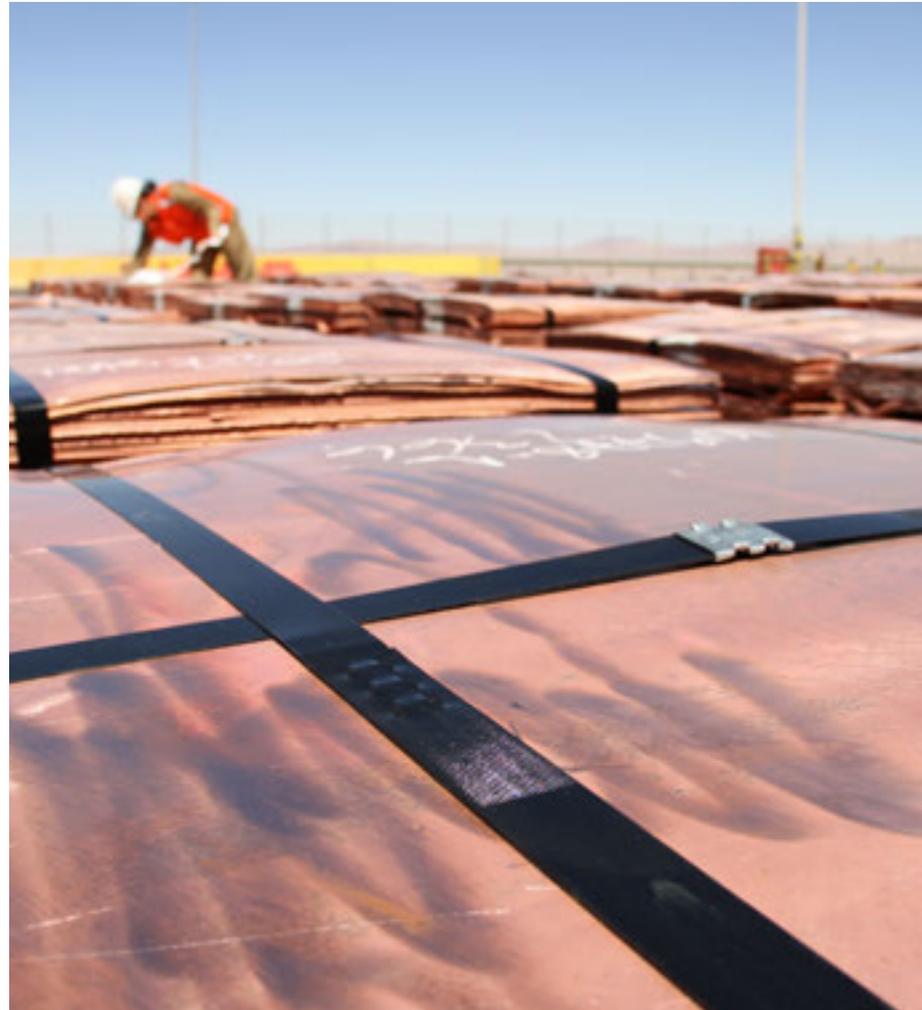
-8.6%

than 2019



FINANCIAL-ECONOMIC RESULTS MORE PRODUCTION AND MORE SALES

The increase in production, operational continuity of processing plants and foundries, as well as the growth in sales of in-house copper and molybdenum, yielded positive results of US\$ 2,078 million in earnings. In parallel to this strong performance, our productivity also rose.



We produced a total of 1,618,018 metric tons of fine copper from our own ore, 1.9% more than in the previous year.

WE DELIVERED EARNINGS AND CONTRIBUTIONS TO THE CHILEAN STATE

In 2020 we generated US\$ 2,078 million in surplus, a 55.1% increase versus 2019 (US\$ 1,340 billion), mainly due to increases in copper sales, in line with growth in production. Other factors include increased sales of byproducts and operational continuity at smelter plants.

Our surpluses constitute results before our obligations to the State: payments of corporate taxes and under the Copper Reserve Law (Law 13,196), which levies a 10% charge on exports of copper and byproducts produced from our own reserves.

As of December 2020, our consolidated EBITDA (earnings before interest, taxes, depreciation, and amortization, and before the Copper Reserve Law) amounted to US\$ 5,289 billion, 31% more than the US\$ 4,043 billion earned in 2019; this change is due to increases in production and sales, more effective management, and operational continuity, as well as a rise in the value of the dollar.

Our comparable margin, calculated by applying the tax system applicable to private com, amounted to US\$ 1,339 billion in 2020, 62.3 % more than in 2019.

PRICE OF COPPER AND BY PRODUCTS

The average copper price on the London Metal Exchange stood at **280,3 cents per pound (c/lb) in 2020**, 3% higher than the 2019 average, when it stood at 272.1 c/lb. The molybdenum price fell 23.5% compared to the previous year, with an average of US\$ 19,16 per kilo during 2020 on Metals Week.

Meanwhile, the gold price rose 27.1% and silver rose 26.8%.

COSTOS

Our total costs and expenditure showed a **3.5% increase**, from 233,5 cents per pound (c/lb) in 2019 to 241,8 c/lb in 2020. Thus, the net cathode cost (C3) rose by 2.5%, from 224,1 c/lb to 229.8 c/lb during the period, mainly due to increased financing costs (less capitalization of interest and bond repurchasing) and more depreciation and amortization. Our direct costs (C1) stood at **129,4 c/lb, 8.6% lower than C1 in 2019 (141,6 c/lb)**. This is particularly influenced by increased production, productivity, operational continuity, and the impact of macroeconomic variables (exchange rate) and prices for raw materials (acid and diesel).

CONTRIBUTIONS TO THE TREASURY



US\$1,289 million

to the treasury during 2020, with the following comparative details

	2020	2019
Corporate Tax and Royalty	25	71
Law 13,196	1,025	918
Dividends	239	0
TOTAL	1,289	989

Based on individual economic-financial statements. Subsidiaries' taxes not included.

DIRECT COSTS

129.4 c/lb

in 2020

-8.6%

variation compared to 2019

Unitary costs (US cents per pound)	2020	2019	Var
Total costs and expenditure	241.8	233.5	3.5%
Net cathode cost (C3)	229.8	224.1	2.5%
Direct costs (C1)	129.4	141.6	-8.6%

US\$ 2,078 million generated in earnings, which represents a **55% increase**

over 2019, due primarily to higher copper sales, which were caused by growth in production.

US\$ 2,078 million

2020

US\$ 1,340 million

2019

In-house copper production amounted to
1,618,018 fmt, which **1.9%** higher than
 the previous year.

PRODUCTION

In 2020 we produced a total of 1,727,355 metric tons of fine copper (FMT), including our holdings in Minera El Abra (49% ownership) and Anglo American Sur S.A. (20% ownership), together with production from our own deposits. This represents an increase of 21,342 FMT, or 1.3%, compared to total production in 2019 (1,706,013 FMT).

Production of copper from our own reserves amounted to 1,618,018 FMT, 1.9% more than the previous year (1,588,229 FMT), equivalent to 29,788 FMT more. Meanwhile, molybdenum production amounted to 27,915 tons, 24.9% more than in 2019 (22,353 fmt), equivalent to 5,563 FMT more.

The increase in copper production from our own mineral reserves is due to operational continuity, higher treatment levels at our plants, and a higher ore grade (sulfides).

COPPER AND MOLYBDENUM PRODUCTION (TMF) 2020

División	Cu		Mo	
	Increase of 1.9%		Increase of 24.9%	
	2020	2019	2020	2019
Chuquicamata	400.720	385.309	16.135	11.493
Radomiro Tomic	260.653	266.415	755	505
Ministro Hales	170.606	151.838	-	-
Gabriela Mistral	102.080	104.087	-	-
Salvador	56.302	50.561	587	757
Andina	184.437	170.274	2.224	2.095
El Teniente	443.220	459.744	8.214	7.503
CODELCO	1.618.018	1.588.229	27.915	22.353
El Abra	35.231	39.945	-	-
Anglo American Sur	74.107	77.839	-	-
TOTAL	1.727.355	1.706.013	27.915	22.353

OTHER BYPRODUCTS

Our sulfuric acid production amounted to **2.7 million tons**, 35.6% of which was sold, and the remainder (64.4%) used mainly for ore leaching at our operations.

ORE GRADE

The higher ore grade in 2020 compared to 2019 is mainly due to higher sulfide grades at the Chuquicamata, Ministro Hales, and Andina divisions.

GOLD, SILVER, AND ACID

	Gold (kg)		Silver (kg)		Acid (tons)	
	2020	2019	2020	2019	2020	2019
Chuquicamata	1.219	1.307	309.647	204.528	545.021	263.795
Radomiro Tomic						
Ministro Hales	27	384	260.981	48.256	196.740	191.774
Gabriela Mistral						
Salvador	893	746	40.277	64.112	491.196	255.337
Andina			49.282	68.273		
El Teniente	447	400	106.428	100.289	1.204.178	1.050.883
Ventanas					311.443	324.683
CODELCO	2.586	2.837	766.615	485.459	2.748.578	2.086.471

HISTORY OF ORE GRADE



WE SURPASSED OUR PRODUCTIVITY GOALS



I. IMPROVE INDICATORS BASED ON UNDERSTANDING

In 2020 we focused on resolving two major concerns amongst our workers regarding how productivity is measured and what each person can do to achieve an impact on results. In response to the first issue, we consolidated an innovative calculation to determine process working productivity; and for the second, we strengthened the importance of applying operational excellence, known at Codelco as C+, in all classes of project.

Working productivity: results by process and phase, divisional and corporate

Like a great domino rally, spearheading improvements to operating processes benefits the productivity of the phases, with knock-on effects on divisional productivity and overall corporate productivity, thus increasing the surpluses that we provide to the country.

This is why it was so relevant that this year – through joint and participatory effort at the work centers – we defined a single way of measuring labor productivity across all processes. This has allowed us to compare results between our divisions, while also seeking synergies and comparing practices.

The 2020 labor productivity report will allow people to view their results and propose changes to improve their own daily indicators, thus bolstering the surpluses that our Corporation provides to its owner, the Chilean State.

Operational excellence: at Codelco, C+

In 2020 we reached the sixth anniversary of implementing a deep-rooted transformation throughout the corporation, known as C+, based on the Lean Management methodology, with deployment across all operating centers and in 70% of production processes. In specific terms, C+ works to empower people, design management leveraging tools, and bring about the cultural change necessary to achieve deep-seated and structural transformations.

In line with our company’s strategy, C+ is a mechanism to open the way for excellence that increases business performance at all work centers. To this end we have strengthened analytical skills amongst people who serve as “agents of change,” who must perform solid statistical analyses that eliminate variability and “lean” (a concept referring to practices that prevent us from running a perfect production process).

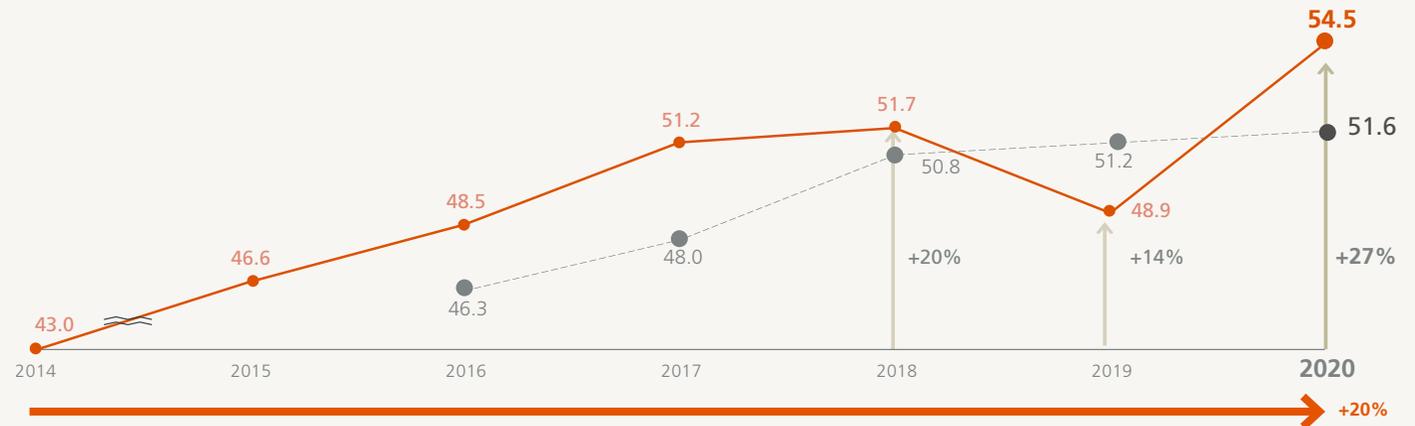
The main challenge for 2020 was to ensure that the value inherent in our corporate strategy, which emphasizes excellence in operations, supply, and maintenance, is captured through the collaborative construction of tactical implementation plans that push all processes to their technical limits, thus achieving our goals.



The main challenge for 2020 was to ensure the capture of the value inherent in our corporate strategy, which emphasizes excellence in **operations, supply, and maintenance**.

II. MAIN RESULTS 2020

LABOR PRODUCTIVITY RESULTS
Evolution of productivity, 2014 - 2020



Planned Goal —●—
Actual —●—

The significant labor productivity increase to 54.5 FMT/person is 11% higher than was achieved in 2019.

LABOR PRODUCTIVITY RESULTS

Cumulative January-December 2020

Total divisional productivity

P1 Divisional Production

Divisional copper production: in-house marketable products obtained at the divisional level

Actual **54.5** fmt/pp

104.7%

of the annual goal: 52.0 fmt/pp

New copper productivity

P0 Production

Finished products on the oxides line and filtered copper concentrate on the sulfides line

Real **61.7** fmt/pp

106.1%

of the annual goal: 52.0 fmt/pp

Cathode productivity

Payable P1 Production

Divisional production, minus the metallurgical deduction for each type of product

Actual **46.4** fmt/pp

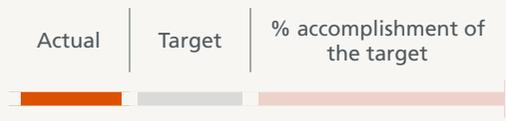
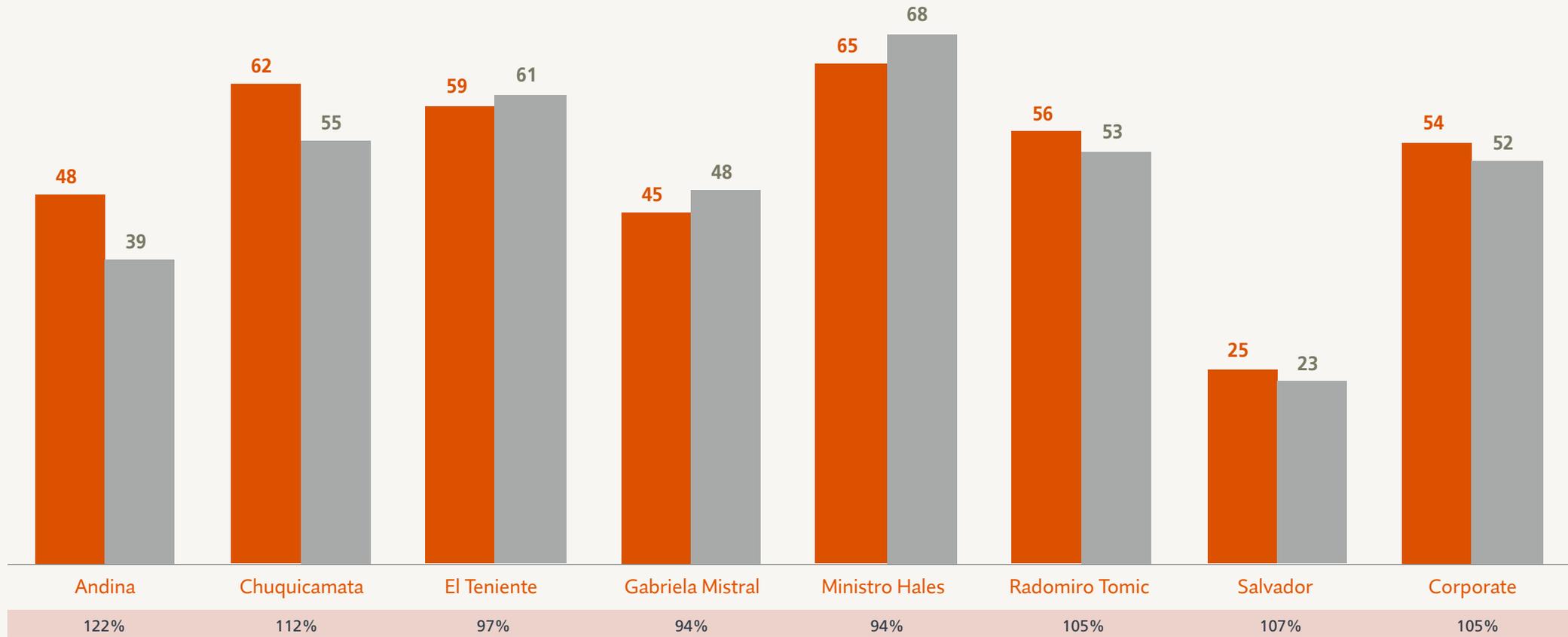
101.4%

of the annual goal: 52.0 fmt/pp



Between January and December 2020 we exceeded our annual goal in the three major labor productivity indicators.

TOTAL CUMULATIVE DIVISIONAL LABOR PRODUCTIVITY JANUARY – DECEMBER 2020 (FMT/PP)

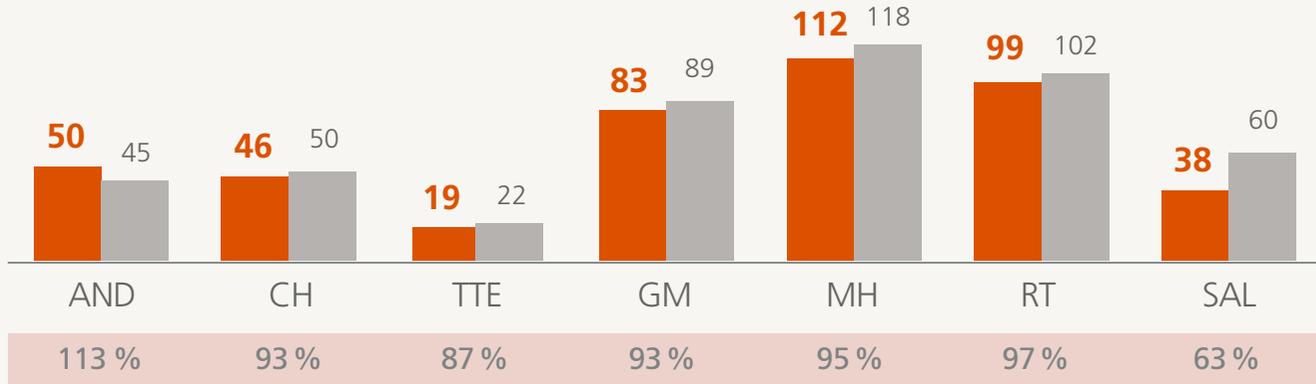


LABOR PRODUCTIVITY RESULTS BY PHASE



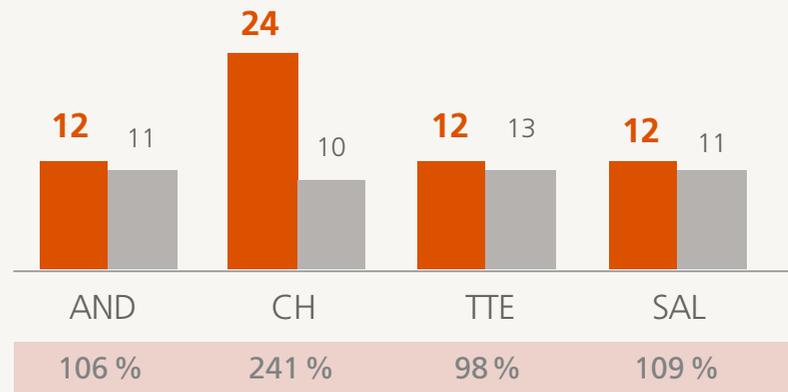
Open pit mining - kmt/pp

Mov. Total



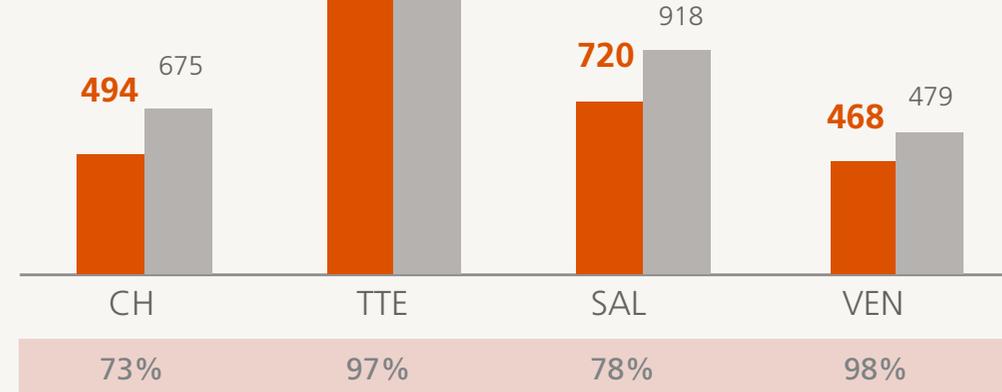
Underground Mine – ksmt/pp

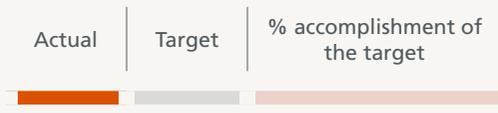
Ore mined



Foundry– smt/pp

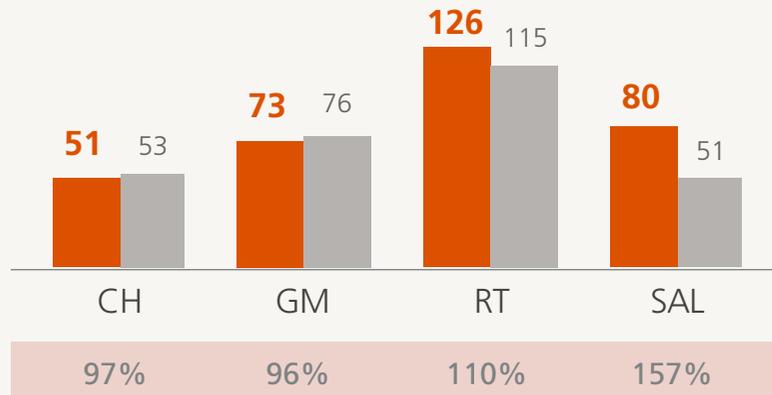
Total smelting





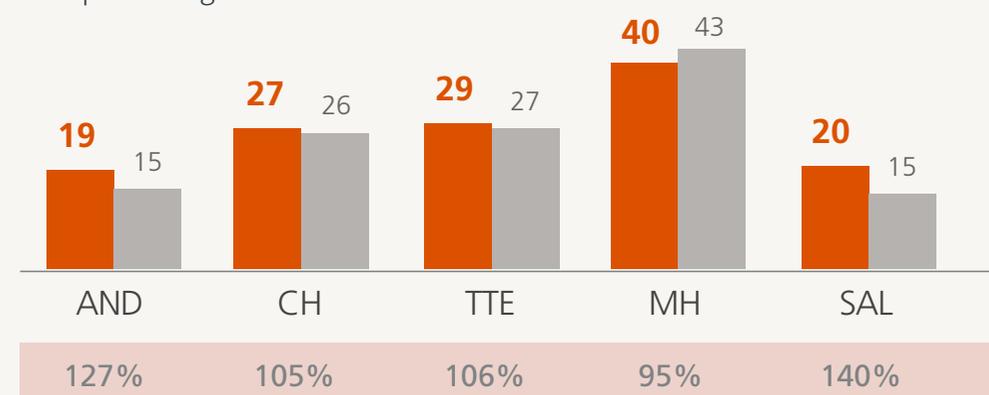
Hydrometallurgical Plant – fmt/pp

Cathodes obtained



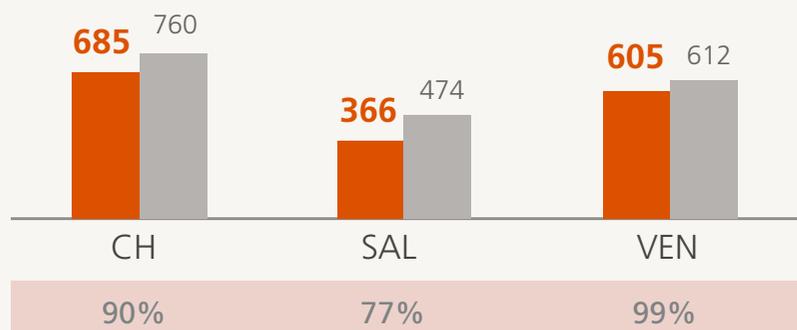
Concentration Plant – ksmt/pp

Total processing



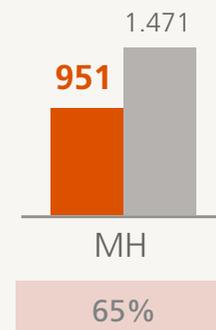
Refinery – fmt/pp

Cathodes produced



Roasting – smt/pp

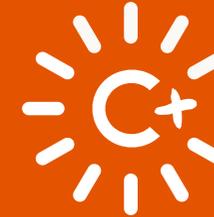
Concentrate roasting



III. A LITTLE MORE ON C+

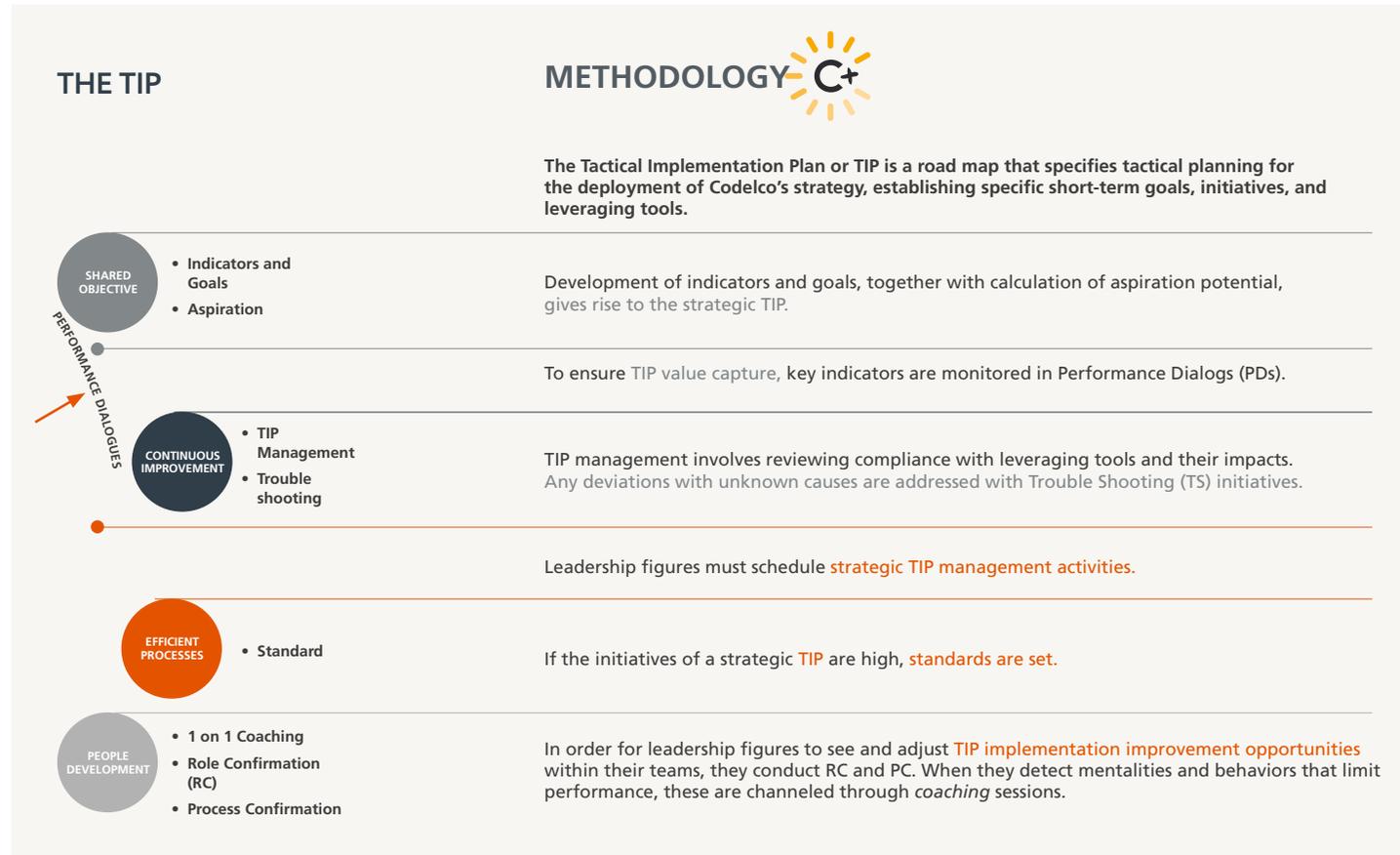
Our purpose is clear: “we set out to promote the necessary cultural transformation at Codelco, by empowering people and designing management leveraging tools, thus improving business performance”. Our C+ management system is fundamental for achieving this goal, as its four disciplines (Shared Objective, Continuous Improvement, Efficient Processes, and Development of People) form keystones for accomplishing the plan and the value of the company’s strategy.

This was a challenge for everyone in 2020. We had to reinvent ourselves and connect with each other to ensure operational continuity, as 90% of the strategy’s value acquisition comes through the priority of operational excellence. This is why the C+ methodology features a road map that empowers value for our company and leverages changes in mentality and behavior.



In line with our company’s strategy, C+ serves to enable excellence that increases business performance at all work centers.

To this end we have strengthened analytical skills among people who serve as “agents of change.”



The full potential process (indicators and goals) was first implemented across the corporation in a standardized manner, laying the foundations for most strategic operational Tactical Implementation Plans (TIPs). The objective is to push the limits of production processes and identify shortfalls that can then be resolved, resulting in an actionable TIP as well as a challenging aspiration for each work center.

Strategic TIPs are monitored through the Codelco Results Accelerator platform, ARC. Operational excellence underpins the information uploaded by work centers and helps to manage, disseminate, and improve the tool, through direct interaction with users.

TIP monitoring allows us to identify shortfalls and manage countermeasures in a timely manner, through a Continuous Improvement Cycle (CIC) that sets out to eradicate problems at the root and prevent them from recurring. Our focus is on standardizing practical improvements and building the deployment of a CIC standard that captures value and allows us to attain our aspirations. This cycle was implemented at División Chuquicamata and the challenge for 2021 is to do so across the company.

Operational Excellence teams play a fundamental role in challenging the organization, bringing about changes in mentality and behavior that allow us to transform. This requires high-performance teams that are competitive for

the business. This is why the C+ Academy was implemented, with the purpose of ensuring that our corporate and divisional teams have the competencies they need, through practical training modules led by divisional C+ directors.



In 2020 we also reached the following milestones:

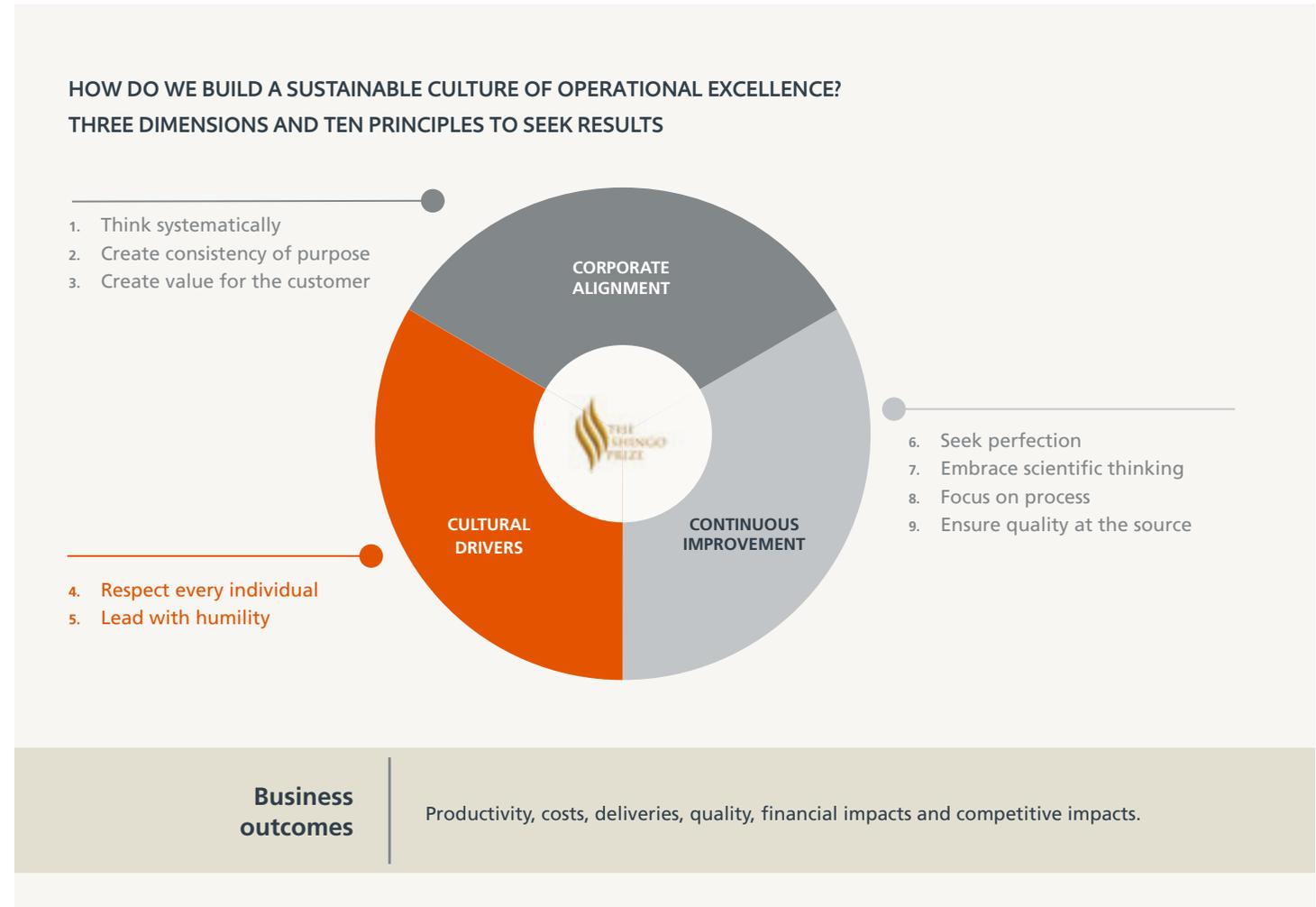
- With the backing of the CEO and Vice-President of Central-South Operations, and the operational excellence sponsor, we defined a roadmap for C+ Operational Excellence.
- We resumed the C+ SteerCo practice led by the CEO.
- A new C+ Operational Excellence structure was approved, to face the challenges of the 2021-2024 period associated with our company's strategy.
- Six divisions prepared the Full Potential for 2021 process, supporting the company's strategy.

This year, C+ Operational Excellence was also put forward to allow value to be captured, laying forth a sustainable change that will consolidate our transformation.

This road map will be designed based on the Shingo model, which will guide the creation of a sustainable culture and support operational excellence, building on principles brought to the Corporation with the goal of improving its performance.

Three dimensions of the Shingo model

The Shingo model is based on ten lean principles that are grouped into three dimensions: cultural drivers, continuous improvement, and enterprise alignment to enhance business outcomes, as shown in the following figure.



FINANCING: WE STRENGTHENED CORPORATE LIQUIDITY

During 2020 we undertook financing operations for a total sum of US\$ 3.095 billion, strengthening the Corporation's liquidity going into the pandemic and allowing the refinancing of liabilities and pre-financing of the investment program, decompressing financial needs in 2021.

During the year we issued a total of US\$ 3.431 billion, in international bonds. US\$ 1.500 billion of this figure comprised 30-year and 31-year bullet bonds, and the remaining US\$ 1.931 billion were bonds with a duration of 11 years or less.

It is important to note that we turned to the international debt market during times of major uncertainty linked to the pandemic. We also issued our first private placement through bond reopening, and in December we completed an international issue for US\$ 500 million, maturing in 2051, at the lowest rate in our history for such a duration.



Financing operations strengthened Codelco's liquidity going into the pandemic and were used to decompress financial needs in 2021.

During the final month of the year, we also launched an operation to buy back bonds through a public offer. The objective was to continue fitting our debt maturation flows to the start of production and generation of cash flow through the projects that we are building, so as to lighten the maturation rate during the times of heaviest investment. In total, during 2020 we bought back US\$ 798 million in international bonds listed in dollars, with maturation dates from 2021 to 2027.

Key banking sector financing operations have included three credits for durations of three to seven years, amounting to a total of US\$ 565 million, which were agreed as a conservative measure at the start of the pandemic. Following our successful handling of the crisis, these loans and others were repaid early, for a total value of US\$ 1,465 million.

RISK RATING

Our company is analyzed by four risk rating agencies: Moody's and S&P internationally, and Fitch Ratings and Feller-Rate locally. In 2020, S&P lowered its rating for Codelco from A+ to A, while Moody's maintained its rating at A3. Additionally, both rating agencies changed their perspectives from "negative" to "stable," in line with the rating actions they performed for the sovereign risk of Chile. The local classifications held steady at AAA, with both Fitch Ratings and Feller-Rate, which maintained a stable

FINANCIAL MANAGEMENT

The copper price significantly affects the financial results of companies that produce this commodity. Our principal strategy to address these fluctuations is to keep a cost structure that is competitive with the industry as a whole.

Our company uses derivatives to ensure that our shipments are sold at the current market prices in the month, as specified in our pricing policies for each product. Actions relating to derivatives operations do not include any speculative operations.

To manage risks associated with exchange rates and interest rates, we sometimes use exchange rate hedges to protect ourselves from market variations that affect obligations in currencies other than the US dollar; meanwhile, to hedge interest rates we sometimes use contracts to specify the rates for existing obligations. These actions do not include speculative operations.

INSURANCE

We at Codelco maintain insurance programs to cover assets, workers, and potential losses through suspension of activities. In turn, these policies include risk retention conditions that address the current insurance market context and our capacity to absorb losses.

The copper price significantly affects the financial results of companies that produce this commodity.

Our principal strategy to address these fluctuations is to keep a cost structure that is competitive with the industry as a whole



This year, we recovered US\$ 22 million through an agreement with Chilena Consolidada, to cover material losses that we quantified. The sum was divided equally between the company and the workers

harmed over a period of 14 years through unjustified overcharging for accident and life insurance premiums that were administered by certain unions in two divisions of Codelco's Northern District.



We at Codelco maintain insurance programs to cover assets, workers, and potential losses through suspension of activities.

MINTERNATIONAL COPPER MARKET AND THE IMPACTS OF COVID-19

The unprecedented COVID-19 pandemic that broke out in early 2020 significantly affected both supply and demand for copper, and its influence will continue to be felt in the medium term.

Nonetheless, although the risk of further outbreaks and localized lockdowns remains, the probability of a collapse in demand has diminished and prices should continue to be bolstered through worldwide economic confidence, the distribution of the COVID-19 vaccine and economic recovery, and positive confidence amongst investors.



Global copper production fell by 1.4%, while production at Codelco rose by 1.9%.

The copper market is significantly affected by global manufacturing trends, which are in turn driven by the worldwide macroeconomic context. In early 2020, uncertainty arose as a result of tariff disputes between the United States and China. However, the appearance of COVID-19 in China and its worldwide spread brought the institution of social distancing measures, travel bans, and company shutdowns, leading to a sharp contraction in economic activity throughout the world.

GLOBAL COPPER SUPPLY AND DEMAND

Prior to the health crisis, global copper demand was expected to rise in line with growth in previous years. However, as soon as the pandemic began producing countries declared travel restrictions, and over the course of the year a number of mining companies imposed health measures to prevent COVID-19 outbreaks and, citing unforeseen circumstances, temporarily shut down their plants or revised their annual production plans downward.

These decisions affected global copper production, and although interruptions were less severe than early forecasts had suggested (a 1.4% reduction), fears of further shutdowns persist in 2021, as countries experience their second and third waves of infection.

Similarly, the worldwide economic contraction experienced in 2020 and low performance of manufacturing had a negative effect on demand for refined copper, which ended the year down some 1.3% in real terms. Although consumption fell

in the main copper-consuming markets, the global downturn was reversed thanks to economic stimulus programs in many of these countries, leading to a growth in China's consumption of refined copper by some 4.2%.

China, the country that consumes more than 50% of global refined copper production, achieved a fast and stable economic recovery, helping offset the decline other consumption markets, softening the global downturn and once again showing the country's major global influence.

IMPORTS TO CHINA OF REFINED COPPER, ANODES, AND PARTIALLY FINISHED COPPER PRODUCTS





COPPER PRICE AND TOTAL STOCKS IN OFFICIAL WAREHOUSES

In 2020, the COVID-19 pandemic affected copper stocks on the London Metal Exchange (LME), the New York Commodity Exchange (Comex), and the Shanghai Futures Exchange (SHFE). Stocks on the SHFE rose by almost 40% at the start of the year, but began to fall in the second quarter, as the country's economic activity recovered.

Meanwhile, stocks on Comex and the LME ended 2020 at similar levels to December 2019, at their lowest in recent year.



At the end of 2020
stocks stood at
their lowest levels in
recent years.

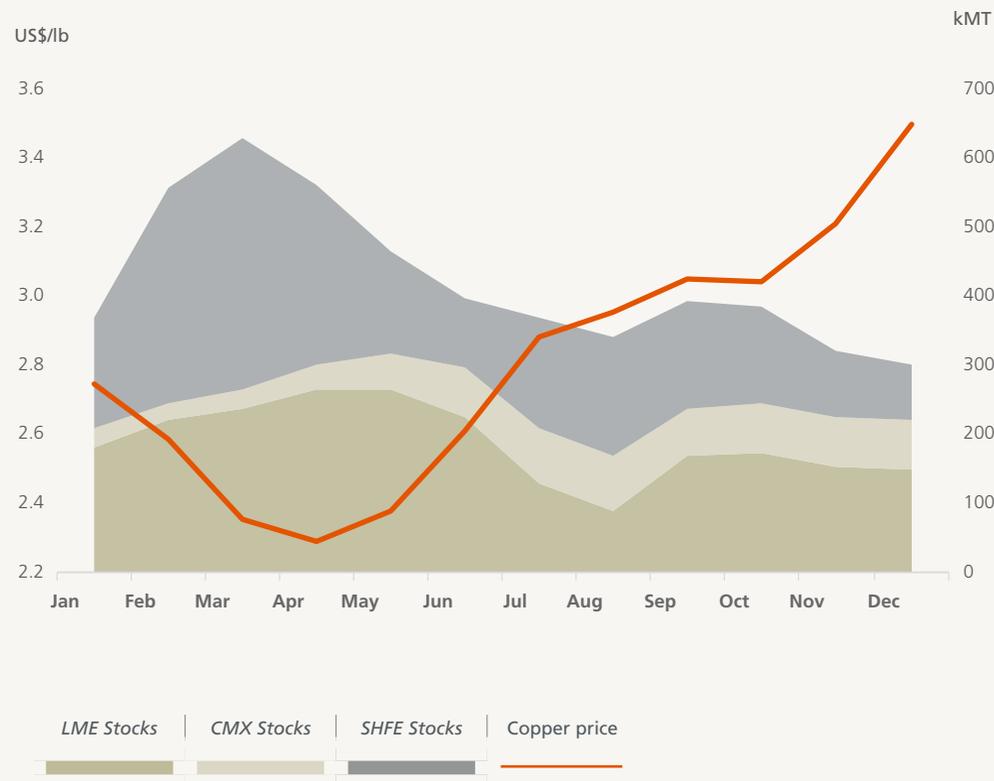
In 2020, Chinese imports of refined copper rose by almost 36% year-on-year, to a historic maximum of 4.7 million tons by the end of the year.

After the copper price had fallen to its lowest level at the end of March (2.09 US\$/lb), it rallied in the second half of the year, reaching an annual average or 2.80 US\$/lb, 3% higher than its 2019 average. In September the monthly

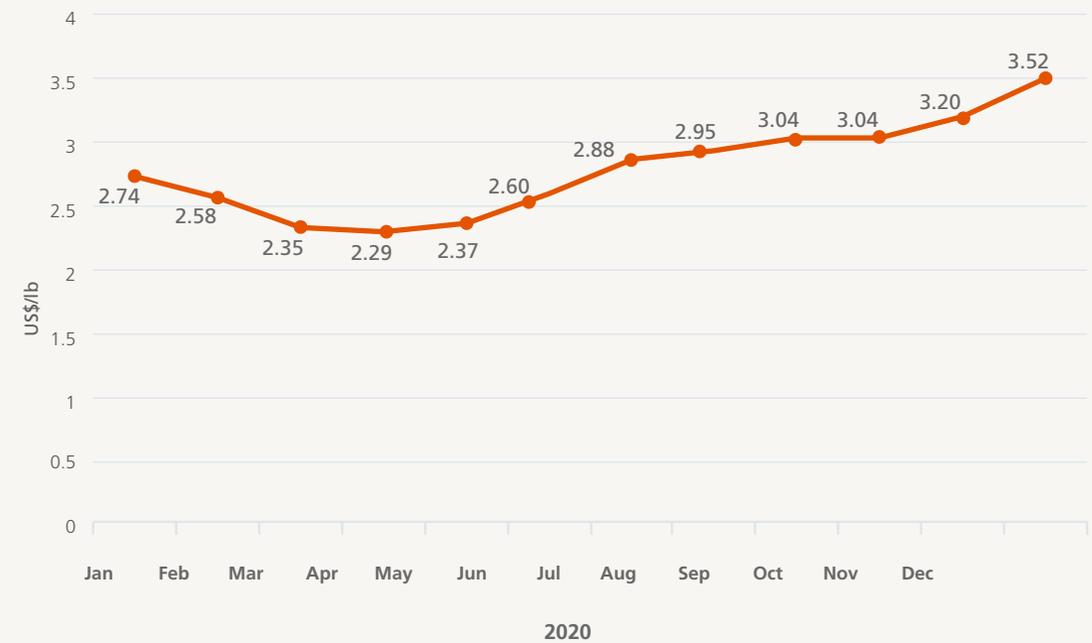
average broke through the 3.00 US\$/lb ceiling, ending the year at over 3.50 US\$/lb. This rise was due to a number of factors: the quick recovery in Chinese demand, the scarcity of imported scrap metal, interruptions to supply, the

weakness of the US dollar, and a major increase in purchases by bullish investors expecting increases in copper prices to meet countries' commitments to transitioning to a greener and more sustainable economy.

LME COPPER PRICE AND INVENTORY TRENDS IN METAL EXCHANGE MARKETS



MONTHLY AVERAGE ON THE LONDON METAL EXCHANGE (LME CASH 2020)



TOTAL CODELCO SALES

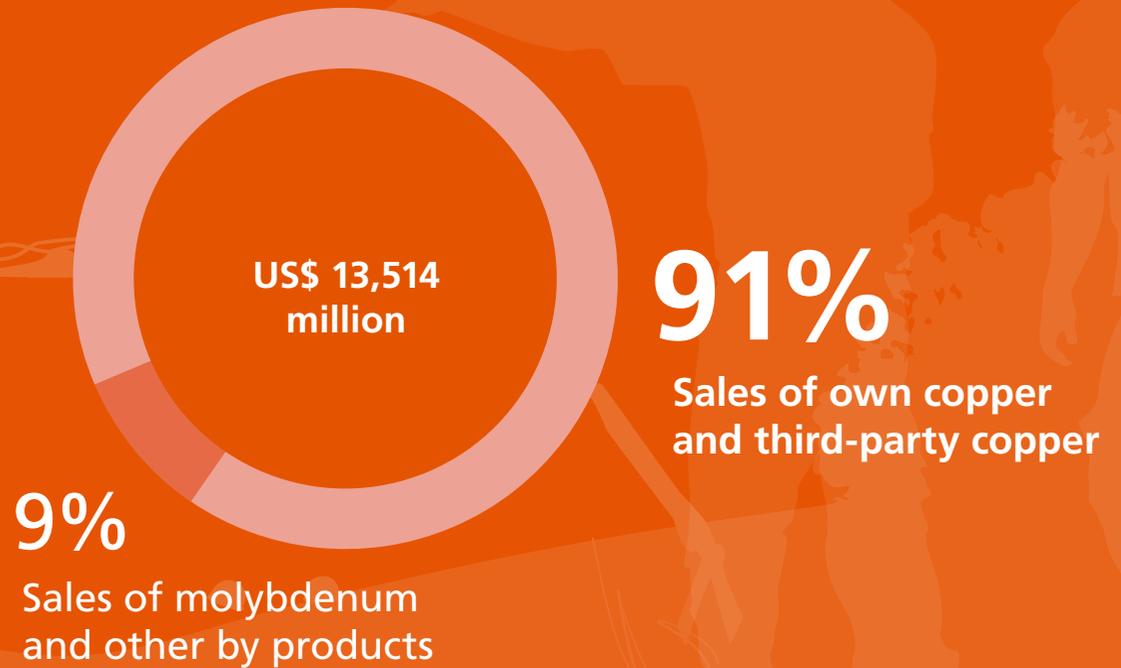
Sales of copper (from our own ore reserves and third parties) brought in revenue of US\$ 12.351 billion, for the sale of 1.98 million metric tons of fine copper. Sales of molybdenum and other byproducts in 2020 accounted for US\$ 1.163 billion in revenue: US\$ 527 million from molybdenum sales, US\$ 613 million from other byproducts, and US\$ 23 million from supplies and services.

CODELCO-ONLY REVENUE

US\$ 13,514 million

Sales volume*
1.9 million (fmt)

* Copper from our own ore reserves and third parties, byproducts, supplies and services (excluding subsidiaries)

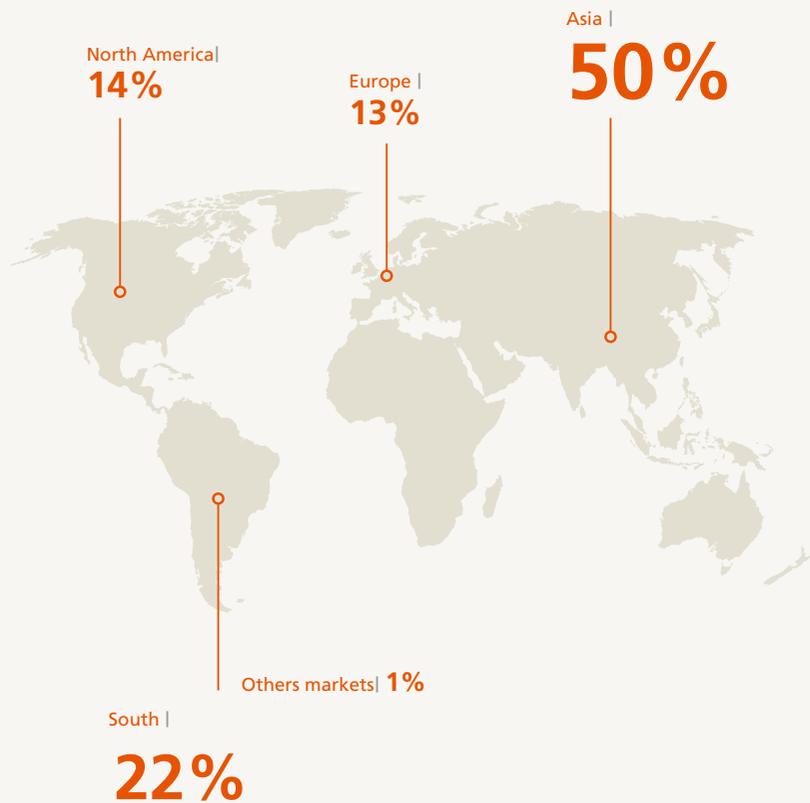


DISTRIBUTION BY MARKET

Physical sale of copper (our own production and third-party) amounted to **1,982,687 metric tons** in 2020, with the following details by product type: **62% refined copper**, **33% concentrate**, and **5% blister copper and anodes**.

The principal markets for our copper sales was in **Asia**, with **50%**, followed by **South America** with **22%**, **North America** with **14%**, **Europe** with **13%**, and other markets with **1%**.

2020 DISTRIBUTION AND SALES VOLUME



2020 Sales volume by product

	%	FMT
Refined copper	62%	1,229,869
Concentrate	33%	648,321
Blister and anodes	5%	104,497
TOTAL	100%	1,982,687



BUSINESS WITH THIRD PARTIES

Codelco did business with **2,376 vendors** during 2020: 2,198 of them were domestic, and 178 foreign. The total value assigned amounted to **US\$ 4,665 million**, including long-term contracts for energy and fuel supply.



Process standardization and the uniform contract administration model played relevant roles in improving our figures in the supply area.

BUSINESS DEALINGS BY ASSIGNATION TYPE

		2020			2019			2018	
Assigantion type		Number of dealings	Value (in thousands of USD)	%	Number of dealings	Value (in thousands of USD)	%	Number of dealings	Value (in thousands of USD)
Open tender processes	Investment	190	471,543.73	10.1%	369	2,244,557	39.0%	419	1,735,926
	Operation	21,599	3,927,813.29	84.2%	22,813	2,967,129	51.6%	25,836	3,546,595
Total open tender processes		21,789	4,399,357	94.3%	23,182	5,211,686	90.6%	26,255	5,282,521
Tender process with supplier/service provider panel	Investment	73	18,468.18	0.4%	116	30,079	0.5%	236	590,179
	Operation	176	79,772.33	1.7%	632	140,006	2.4%	1,179	157,155
Total tender processes with vendor panel		249	98,241	2.1%	748	170,084	3.0%	1,415	747,334
Direct assignation	Investment	14	48,525.39	1.0%	58	76,833	1.3%	31	3,047
	Operation	148	15,886.91	0.3%	86	17,102	0.3%	80	12,507
Total direct assignations		162	64,412	1.4%	144	93,935	1.6%	111	15,553
Other assignations	Investment	99	8,956.59	0.2%	260	39,513	0.7%	104	448,360
	Operation	642	94,238.64	2.0%	1,604	234,792	4.1%	2,107	499,335
Total other assignations		741	103,195	2.2%	1,864	274,305	4.8%	2,211	947,694
	Investment	376	547,494	11.7%	803	2,390,982	41.6%	790	2,777,512
	Operation	22,565	4,117,711	88.3%	25,135	3,359,028	58.4%	29,202	4,215,591
TOTAL		22,941	4,665,205	100.0%	25,938	5,750,010	100.0%	29,992	6,993,103

Note: Open tender processes are equivalent to public tender processes. Tender processes with supplier/service provider panels are equivalent to private tender processes.

During 2020 we focused on making advances in five major supply improvements, enhancing the robustness of the process and capturing savings while also exponentially improving transparency and probity in acquisitions of goods and services.

- **Process standardization:** we implemented a Standard Contracting Procedure applied to the entire company, with the same standards and requirements.
- **Digitalization:** we created a digital and end-to-end systems support to improve traceability, adherence, and completion of processes.
- **Professionalization:** we reorganized and put into practice the management methodology by category, which increased the level of market understanding in key areas, and with it, substantially improved competitiveness and results.
- **Contract administration:** we established a single corporate model to improve standardization, traceability, and transparency in the execution phase of contracts. Our contract administrators will soon be evaluated and certified to improve their performance. The payment process has advanced to over 3,100 operational service contracts operating with SUS,

the system that now allows payments to be made entirely online and through digital methods, so we have eliminated paper support and physical folders.

- **Strengthening of support activities:** today we value our vendors' distinctions, through segmentation processes that allow us to visualize and manage their strengths and weaknesses. It also constitutes useful feedback for the companies themselves, for their internal management and to enhance the robustness of their capacity to handle more complex business activities.

CONSUMPTION OF GOODS AND SERVICE

	Goods			Services			Total		
	2020	2019	2018	2020	2019	2018	2020	2019	2018
Operation	1,431	1,773	2,468	3,735	3,639	3,959	5,166	5,413	6,428
Investment	58	173	315	1,316	2,362	2,248	1,375	2,535	2,564
TOTAL	1,490	1,946	2,784	5,051	6,001	6,208	6,540	7,947	8,991

The company plans to continue advancing and to attain the top level worldwide in supply in 2022, with objectives that include surveying primary and secondary purchasing channels for each expenditure category, strengthening the usage of offer catalogs, continuous improvement in terms of closeness, feedback, and collaboration between areas through deeper category management and planning demand for goods and services, together with incorporation of a contract management role dedicated to categories in the strategic group.

DOTACIÓN CONTRATISTA

The Full Time Equivalent or FTE staffing level of the Corporation was affected by the 2020 pandemic. Total staffing fell by 33.07%. FTE in investments was most heavily impacted, with a drop of 49.66%; in operations the reduction was 5.89%, allowing us to meet our commitments to the Chilean State.

Contractor company staffing	2020	2019
Operation and service workers	18,770	19,946
Investment workers*	16,447	32,672
TOTAL STAFFING	35,217	52,618

* Including

During **2020** we focused on moving forward on **5 major improvements** in the area of Procurement, strengthening the process and capturing savings.

- 1** Process standardization
- 2** Digitalization
- 3** Professionalization
- 4** Contract administration
- 5** Strengthening of support activities



As well as exponential improvement in **transparency and probity** in the acquisition of goods and services.

EMERGING MARKETS: SEARCHING FOR THE BEST ASIAN SUPPLIERS



Codelco Chile is constantly exploring emerging markets — particularly in the Asia Pacific region — through its Emerging Markets Department based in Shanghai, China, with the objective of accessing more supply of products, incorporating new suppliers and technologies for our operations and projects.

In 2020, it stood out for the collaborative work performed together with the Vice-Presidency of Projects, addressing commercial, logistical, technical, supply, and purchasing solutions, particularly with regard to work for Chuquicamata Subterránea and Rajo Inca. This area also played an important role in coordinated actions with the Corporation to minimize outbreaks of the pandemic at our operations, supplying sanitary products and virus prevention and detection goods.

The Emerging Markets Department based in Shanghai, China, has the objective of accessing more supply of products, incorporating new suppliers and technologies for our operations and projects.

Meanwhile, the Emerging Markets Department plays an active role in the transformation of the Supply Department, which is governed by a strategy of constant search for quality products at lower prices, assuring the required performance and competitive productivity. This new orientation allowed us to focus on reducing our portfolio

of Asian suppliers to the best 288 companies, in over 75 product categories, maintaining a purchasing level of more than US\$ 250 million in the region.

With the same purpose of assuring more productivity, in 2020 we took the first steps towards handing over

management of some categories to our purchasing team in China, which will allow supply tasks to extend in the Asian market, through a more direct relationship between the requirements of our operations and suppliers in that market.



DIGITAL TRANSFORMATION, VITAL FOR INSTATING NEW WAYS OF OPERATING



Advanced analytics improve performance of Traditional Crushing.

Since its creation, the Vice-Presidency of Business Process Automation and Technology **has focused on spearheading our company's digital transformation process.** To this end we are implementing a digital culture; systematizing business processes, both administrative and productive, and incorporating technology and automation intensively throughout the company, with a focus on ensuring operational continuity and reliability and capturing value through a range of digital leveraging tools.

In 2020 work towards these objectives proceeded as planned, with significant achievements at a corporate level, even amidst a challenging scenario brought about by the global health crisis. In this context, working alongside technology we have been **able to mitigate the pandemic's effects by incorporating digital solutions** that allow outbreaks at our work centers to be controlled and managed, as well as ensuring compliance with official health measures and the even more demanding standards imposed by our management.

We also worked quickly to implement remote working platforms, promoting collaboration and teamwork throughout the Corporation. This allowed us to maintain operational continuity at work centers and add value, mainly through advanced analytics projects and process automation.

DIGITAL AND ADVANCED ANALYTICS: BUSINESS INTELLIGENCE

Usage of our information constitutes a vital tool for the digital transformation, playing a key role in developing uniform data, extracting assets and value, creating a reliable, streamlined, easy-to-use, and high-quality database with information security and integrity, in order to bolster fast and efficient decision making.

In order to maximize the benefits, we incorporated both self-management and reporting tools to democratize information, and analytical models, machine learning systems, algorithms, rules, and process restrictions to generate predictions and recommendations, in order to maximize fine copper production, reduce operational costs, increase safety and security, or reduce operational risks.

The first milestone of 2020 was to implement our corporate Data Lake (cloud), keeping us at the **cutting edge of technology** in terms of assuring the processing of large volumes of data, with maximum speed and processing performance.

We also launched our “Single data source” project, to establish an effective data governance system that, in order to attain the necessary quality and monitoring, builds on conceptual definitions of processes, standards, roles for owners and managers, with the goal of saving time and making information available to all. Major challenges remain

in this area, which is why we have launched prioritization of the 2021 road map to generate data usability projects that build towards the potential that we are working towards, starting with surveyed advanced analytics projects.

In another major milestone, we have worked with all work centers to define internal demand for advanced analytics projects, evaluating the entire value chain of divisional processes, implementation feasibility, and potential benefits. **We detected a contribution valued at US\$ 200 million to US\$ 250 million per year in the next two years**, and began the two projects that offer the greatest benefit to Codelco: Project MinCo, designed to enable point to point optimization of delivery from the mine (underground, open pit, and DRT) and synchronization of operational points to the concentrate plant at Chuquicamata and the **“Water supply and demand optimization project”** at El Teniente.

We also continued to foster continuous digital improvement over the course of the year, to maintain and optimize the advanced analytics products already available at El Teniente (models for crushing, SAG grinding, and conventional grinding), and in SAG grinding and primary flotation processes at Chuquicamata and Andina. In this context, 2021 will bring major challenges such as **consolidating the team** and attaining the necessary capacities to **address projects** that will contribute potential benefits to our company.

One major advance came with the **digital transformation for business intelligence**, as we have selected a single tool to standardize our more than 1,400 corporate reports.



One major advance came with the digital transformation for business intelligence, as we have selected a single tool to standardize our more than **1,400 corporate reports, for over 800 users** currently accessing the information, with more than 20 key users or champions.

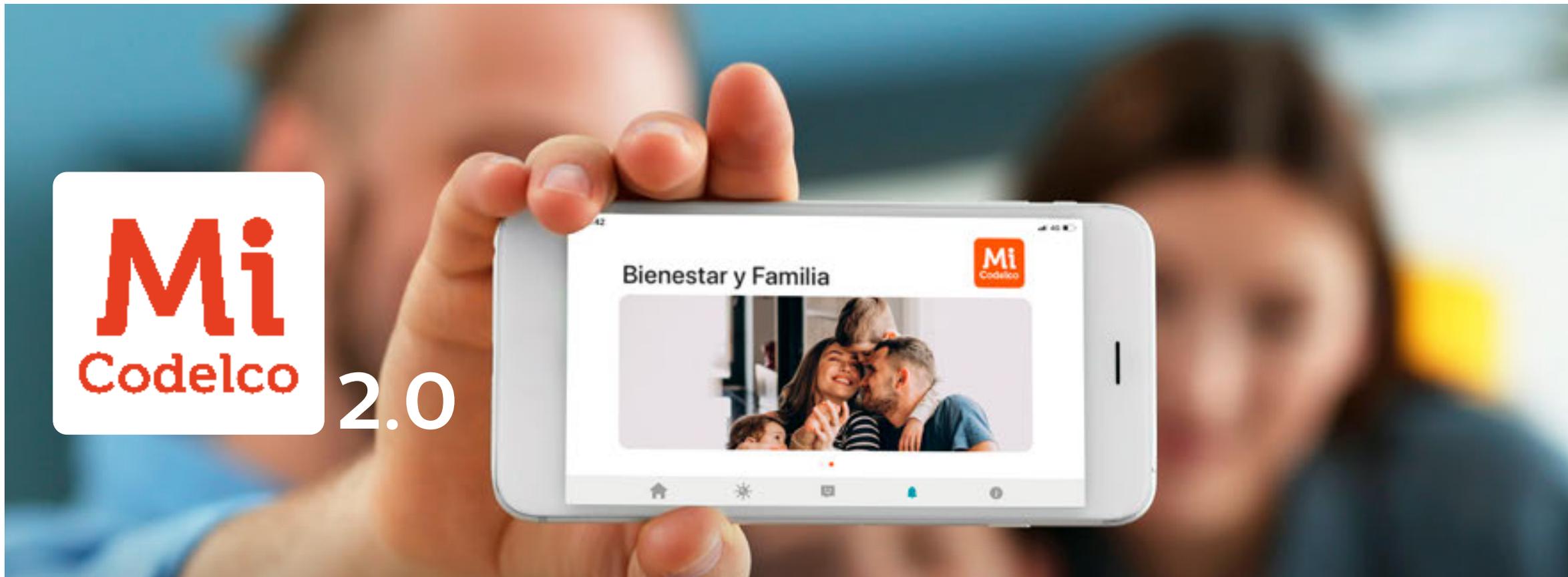
They have helped us attain collaborative work across different areas, which promotes monitoring of operational standards and plans; progress in training activities, self-management,

and best practices; and bolsters joint prioritization of projects and necessary improvements for 2021.

At the start of the COVID-19 pandemic, we began work with the Communications and Public Affairs Department to quickly implement the **Mi Codelco 2.0 app**, with the initial objective of supporting the health of workers, contractors, families, and communities.

We then incorporated the Health Declaration as an easily accessible day-to-day tool on users' smart phones.

We also developed a number of advanced analyses of cases by region and city where we operate, to predict future trends, heat maps, and a range of corporate reports monitoring COVID-19 cases for preventive decision making.



We created the Mi Codelco 2.0 app to support self care for workers, contractors, families, and communities.

Proyectos de tecnología y automatización de los procesos de negocio

Despite the health crisis, regional restrictions and telecommuting, we consolidated important projects planned in the transformation road map, which are focused on the areas of technology and automation, in both the production areas (mine and plant processes) and support areas (Human Resources, Procurement, Accounting, Maintenance, etc.), and in the systemic incorporation of a work team for the early integration with structural projects and the most relevant divisional project management departments, thus ensuring the alignment of corporate technological standards and sharing lessons learned and best practices between projects.

Leading projects include:

- **The Strategic Integrated Operations Center (CIO-E)**, the organization's nerve center and information clearinghouse, where a team of systems analysis specialists are permanently monitoring the indicators calculated by the control systems in Codelco's three Tactical Integrated Operations Center. This integrated visualization serves two purposes: providing each tactical operations center with support analyzing process performance, diagnosing problems, providing specialized support in advanced control strategies, monitoring maintenance conditions or activity reports, and optimizing processes through transfer of best practices developed at any of the three tactical centers. **In 2021 we are deploying phase two of the project**, which will establish a **high-technology CIO-E on the 8th floor** of the Corporate Headquarters, with coordinated work teams, marking a major milestone for our company on the pathway of **digital transformation**.
- In the **plant process technology and automation program (PATP)**, we managed to continue with our robust and consistent progress, focusing on system updates and implementation of new advanced control systems (APC Profit). These actions have provided significant benefits and enhanced production, through **a reduction in process variability and an increase in ore treatment**.
- In this area, attention can be drawn to projects such as **the automation of leach heap irrigation** at the Radomiro Tomic Division, where implementation will continue in 2021; the **implementation of the APC Profit and Profit Optimizer advanced control system** at the same division's secondary and tertiary grinding sections, exceeding expectations for improvements in **treatment levels, reduction in variability, and ore quality on the heaps**; the **implementation of the APC Profit advanced control system** at the Chuquicamata concentrate plant (Campaign 1), with notable results in terms of **improvements to performance and variability**; and the **implementation of the APC Profit and Profit Optimizer advanced control system** at the División Ministro Hales thickener section, where the core objective was to stabilize and control the process with a view to **optimizing water resource usage**.
- In the mine technology and automation program, in 2020 we launched a **tender process for autonomous trucks in the Long Term Evolution (LTE)**, network, for deployment in the Northern District at Ministro



Hales and Radomiro Tomic; implementation is set to begin in the first quarter of 2021. This is a milestone that is laying the groundwork for high levels of automation and autonomy in critical operational processes. Another such project is the **corporate drilling automation program**, with particular emphasis on the Gabriela Mistral, Radomiro Tomic, and Andina divisions, and which is set to begin deployment in the second quarter of 2021. In parallel, we have intensified the continuing involvement of VTAP in all processes associated with the acquisition of autonomous equipment for underground mining, both at Chuquicamata Subterránea and at El Teniente, with equipment such as autonomous jumbos, LHD units, and trucks. Mine process automation is here to stay, and forms part of the core of the mining business looking to the future, in search of improvements to safety and productivity.

- In the support areas, we implemented phase 1 of **GeMA (Generating Better Supply)**, with a focus on development of sourcing and contract management, looking to enhance and improve the efficiency and traceability of supply processes, by incorporating and adopting the SAP–Ariba technological solution. We expect phase 2 of this project to go live in the fourth quarter of 2021, involving the buying, commerce automation, and performance and life cycle of the supplier.
- We laid the design and conceptual groundwork for **implementing and improving the configurations of the SAP PM module associated with maintenance,**

and expect to implement it during 2021, working together with the Corporate Maintenance Department, to seek out efficiencies in the usage of the tool and the integration of the system with the Maintenance Operating System (SOMA).

- In human resources, the Employee Central project launched its e-learning and 360° performance management platform, with a major impact on our people throughout the Corporation.
- During the year we activated more than 10 Robotic Process Automations (RPAs) in different functional areas, to support the automation and efficiency of routine processes in areas such as accountancy, supply, and trading.
- To support coronavirus control, we developed and deployed the standardized COVID-19 case control and management tool at most of our divisions, making oversight by management teams more streamlined and dynamic controlling the pandemic in operations. We also deployed a pilot scheme for tracking close contacts and traceability in some divisions, using the Co-Watch device, in a project set to be deployed throughout the corporation in the first quarter of 2021.

Technological advances

During 2020, we implemented “foundational projects” that in the medium and long-term will allow us to position ourselves at the **cutting edge, prepared**

for the digital transformation in the fields of cybersecurity and IT/OT (Information Technology and Operation Technology), LTE communication networks, and renovation of obsolete infrastructure, in both radio communications and networking.

Leading projects include:

- **Deployment of the LTE in the Northern District**, which will facilitate automation and autonomy, and new services that will be developed based on this new and stable communication highway. At Ministro Hales and Radomiro Tomic, this will allow the replacement of the WiFi Mesh networks that underpin systems such as fleet management, transitioning to this new technology that will offer higher levels of reliability and will form the basis for automation pilot schemes at both of these mines.
- **The Northern District fleet management system**, which moved from the remit of VTAP, constitutes part of a major milestone supporting standardization and a cross-sector perspective to deliver services to operations.
- We launched the **“transmission frequency pilot scheme”** to achieve advances in best practices for deployment of the LTE network at the El Teniente Mine, specifically the Northern Pillar, in a project that will also serve to bolster design for Chuquicamata Subterránea.
- We undertook the first **5G pilot scheme for mining**, with testing of a high-definition camera at the

Radomiro Tomic Division to transmit images from the crushing area to the new CIO-E located in Santiago, **an initiative promoted by the Government of Chile and a historic milestone for the country's mining industry.**

- In terms of **IT/OT cybersecurity**, we developed the first phase of a three-year program that will allow us to reach a high market benchmarking standard and prepare all of the potentialities of trusted digital mining, through a number of security blocks at the divisions, architecture that can guarantee a robust design, and management governance.

- **The renewal of communications infrastructure**, process control cameras and perimeter cameras (CCTV), access and data center control, also contributed to an updated baseline with more vigorous pathways and a reduction in existing obsolescence.

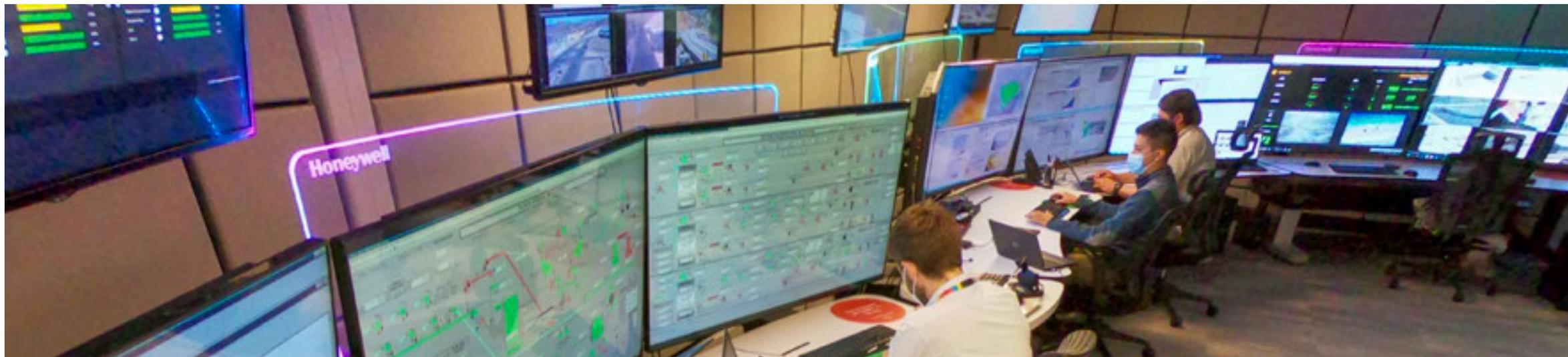
Operational continuity

As part of the **digital transformation process**, in 2019 we launched the mass implementation of Office 365, concluding in 2020 with a total of **22,117 users migrated**. We also updated platforms for business collaboration, document management, and content items, with rapid implementation and relevant training activities allowing remote teamwork during

the pandemic, ongoing cross-sector communication, more storage capacity, and operational continuity, for both information technology and operations.

We also provided support for existing platforms over a VPN (Virtual Private Network) and **updated personal computer** equipment, facilitating remote working amongst both internal and external users.

We also made important updates to the servers, whose migration allowed us to reduce the storage used by over **50 terabytes (TB)** and the **elimination of 220 machines**.



Our Tactical Integrated Operations Centers help make operational processes more efficient.

In operations, we achieved startup and governance of technological issues at Chuquicamata Subterránea. This entailed the launch of contracts associated with 21 systems that provide support and maintenance for infrastructure and platforms for security, monitoring and support; Presence Detection Systems (SDP), Access Control Systems (SCA), Distributed Control Systems (DCS), and video surveillance at operations and installations (with closed circuit television).

We also arranged contracting for services to support mine radio communications and wireless networks on LHD trucks. Meanwhile, fixed communications systems comprising two network, the Integrated Supervision and Control Network (RISC) and the General Administrative Network (RAG), will be principally tasked with transporting information on mining production processes and operations support or administrative data.

Another relevant milestone was the consolidation of an operational structure and model for mining fleet services, achieving standardization and stabilization for contract services.

To address the health crisis, we implemented technological tools to help control COVID-19, such as thermal imaging cameras, outbreak traceability platforms, a safe access control survey, and quick response (QR) codes in locations such as dining areas, canteens, changing rooms, and buses.

In applications, during 2020 we maintained application and system control and monitoring, at both corporate and divisional levels. To maintain availability **we conducted 165 steps to production** ending in success, while critical applications attained an **availability rate of**

99%. We also advanced to achieving 25% of divisional contracts centralized, providing services in this area.

Meanwhile, to minimize risks associated with the usage of information technology and their security levels, and in a joint initiative with the General Auditing Department, we responded to new findings to update internal procedures and regulations that comprise existing best practices, providing guidelines for business processes.

In terms of software licensing, in order to help limit costs, **we achieved savings of 6%** over last year, thanks to negotiations with different providers in the renewal of licensing contracts.



CONTRIBUTING VALUE THROUGH CORPORATE INNOVATION



Innovation is one of our strategic drivers and a vital tool for achieving effective and streamlined responses to a challenging and ever faster changing industry. In this context, amidst the transformation process that we are addressing at a corporate level, being innovative is vital for making our company more efficient, competitive, and sustainable, allowing us to continue contributing to the development of Chile.

To handle these challenges, we focus our efforts on a strategy based on open innovation, promoting interaction with the ecosystem to combine internal and external knowledge and capacities, in the search for transformational solutions that can be applied more quickly, cheaply, and safely, assuring sustainability over the course of time.

Changing over to a work scheme that today connects our company and its operations with the innovation ecosystem, not through our technological subsidiaries, this year led us into cooperation and development partnerships, allowing us to share experiences and attract relevant capacities to resolve our short, medium, and long-term challenges.

Some of the problems that we face include diminishing ore grades, ever deeper deposits, and concentrates with high levels of impurities. Our work to address this situation has focused on two areas:

- a) **Disruptive innovation**, to address long-term challenges with a portfolio of innovation projects, for the purpose of meeting our sustainability commitments and to increase mining reserves through the development of new technologies.
- b) **Incremental innovation**, with projects focused on improving the competitiveness of our operations in the short- and medium-term, with the implementation of new technologies developed and technology transfers from other areas.

DISRUPTIVE INNOVATION

In 2020 we achieved major advances in the development of technologies associated with the seven strategic axes of disruptive innovation that we have defined:

- **Sulfide leaching:** We have advanced in an experimental program that helped us evaluate different technologies to leach sulfides at different stages of maturity. Based on the good results obtained, we are progressing with the physical design of new larger-scale validation tests, to extend the life of hydrometallurgy plants in a sustainable and profitable manner, while also enabling access to new mineral resources.
- **High stress underground mining:** We developed a road map to address geomechanical challenges and increase the productivity of our extraction methods,

given the current depth of the new El Teniente Division levels and the start of underground operations at the Chuquicamata Division. In line with these areas, we have achieved advances in studies to optimize techniques such as fracking to weaken rock and reduce loads, and to expand on knowledge about operations in a rock mass subject to high strain conditions.

- **On-Site Leaching:** We have been working to adapt this exploitation technique (which comes from uranium mining) in order to develop a less invasive mining method than traditionally used to process minerals that are no longer feasible to extract. To that end, over the course of the year we identified deposits where this technology could be incorporated and developed the background information necessary for an industrial validation test.
- **Preconcentration:** With the decrease in head grades over recent years, it is imperative to introduce new innovations that improve the selectivity of the processed ore, thus reducing specific water and energy consumption. During the year we evaluated a range of technologies available on the market and identified the impact they could have if incorporated into operations. This has allowed us to identify those of greater interest, in order to develop on-site testing to validate the benefits of their application.
- **Impurities processing:** This year, we identified an alternative for treating the dust generated during the concentration and foundry phases, through a roasting process that contributes to sustainability and the reduction of costs.

- **Water and tailings:** in our studies, we analyzed our operational risks in order to comply with the applicable regulations, and to reduce water consumption and improve the physical and chemical stabilization of our tailings. For this purpose, we identified technologies that will be evaluated in on-site pilot programs, so that we may develop the most appropriate technologies for our operations.

Another of our key action areas is the incorporation of new, cutting-edge mining equipment, identifying and testing remote-controlled and autonomous vehicles that will improve process efficiency and the safety conditions to which workers are exposed.

With this objective, in 2020 we undertook industrial validation testing with autonomous underground trucks, which will offer major productivity benefits in the deepest levels of El Teniente. These tests will complement the testing activities performed in 2019, when semi-autonomous LHD trucks were trialled at the same work center and entered into normal operations. Alongside these tests, we developed a scaling model for bringing these units into service at other operations of the Corporation.

Similarly, we are also committed to integrating electric transport into our operations. Here, we have already tested units for support processes, with electric buses at Chuquicamata and El Teniente. Following good results from initial trials, this year we are working to identify other vehicles, including operational mining vehicles. We operate a validation testing plan, as well as partnerships to acquire the capacities necessary to bring these projects to fruition.

During the year we also performed studies to enhance understanding of the usage and applications of green

hydrogen, specifically for extraction trucks in operation at our divisions. Following a conceptual study conducted at Gabriela Mistral, which we are now replicating at Radomiro Tomic, we have garnered a deeper understanding of the entire hydrogen value chain, from generation through to a potential changeover in divisional vehicle fleets.

Green hydrogen has the chance to become a critical input, which generates the need to create a road map that is compatible with corporate goals and the real conditions of our operations. For this study, we explored the ecosystem based on technological monitoring in order to create a map of stakeholders throughout the entire hydrogen chain, and its application in the mining industry.

INCREMENTAL INNOVATION

Within the framework of a portfolio of projects designed to meet our short-term challenges, the Corporate Innovation Department is working with the divisions to develop a range of incremental projects that delivery benefits quickly.

During 2020, we implemented ten initiatives that bring with them significant economic, environmental, and safety benefits.

Examples of these projects include:

- **CAEX non-invasive fuel sensors:** these instruments provide the mine dispatcher with an effective tool to better manage the dispatch of extraction trucks

to refueling stations, increasing their autonomy and this enhancing the process's operational continuity. These high-reliability and non-invasive sensors have been incorporated into trucks at Gabriela Mistral and Radomiro Tomic.

- **SAG mill filling level sensor:** this project gives plant operators information on the SAG mill filling level which, through application of the Hogg & Fuerstenau Power Model helps generate optimal mill operating conditions. The project has been applied at Chuquicamata, Andina, and Ministro Hales.
- **Injection of microbubbles in column flotation:** This initiative modifies the technology to inject air in the column cells to generate microbubbles with a diameter of less than 1 mm in the flotation process. This change, which enhances copper and molybdenum recovery, particularly in the finest particles, has been implemented at Andina and, following good results there, is now being transferred to Ministro Hales.

PROSPECTING AND TECHNOLOGICAL MONITORING

The search for technologies in the innovation ecosystem is crucial for incorporating the best solutions and making the best decisions in the implementation of innovative projects.

For this reason, in 2020 we conducted 39 technology searches in response key corporate issues. Of these, 16 were carried out through the "Open Innovation" Expande

platform by Fundacion Chile, through which we were able to connect and collaborate with vendors and other actors to execute four Demo Days

Additionally, amidst the pandemic, we actively monitored the ecosystem and identified technological solutions that are aligned with our needs in keeping operations active at our work centers. These actions run alongside our participation in the Expande program's initiative, which launched an invitation to participate recognizing innovative and quickly actionable solutions for the health crisis in the mining sector, with over 200 applications, mainly linked to early detection of outbreaks and sanitization of spaces.

Value contribution of implemented projects

As a way to ensure that our efforts in the field of innovation generate benefits that are quantifiable for our company's business activities, each year we undertake a process to measure the value contribution of our projects. During 2020, ten projects have been implemented, with a calculated five-year NPV amounting to US\$ 100.2 million.



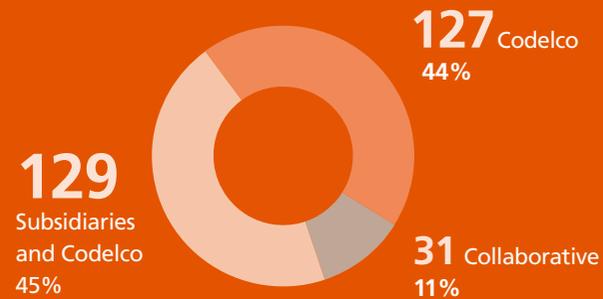
INTELLECTUAL PROPERTY

NATIONAL PATENTS 1975-2020

287
Total patents requested

189
Granted

Distribution of the 287 patents, by requesting party:



NATIONAL PATENTS 2020*

5
Total patents requested

8
Granted

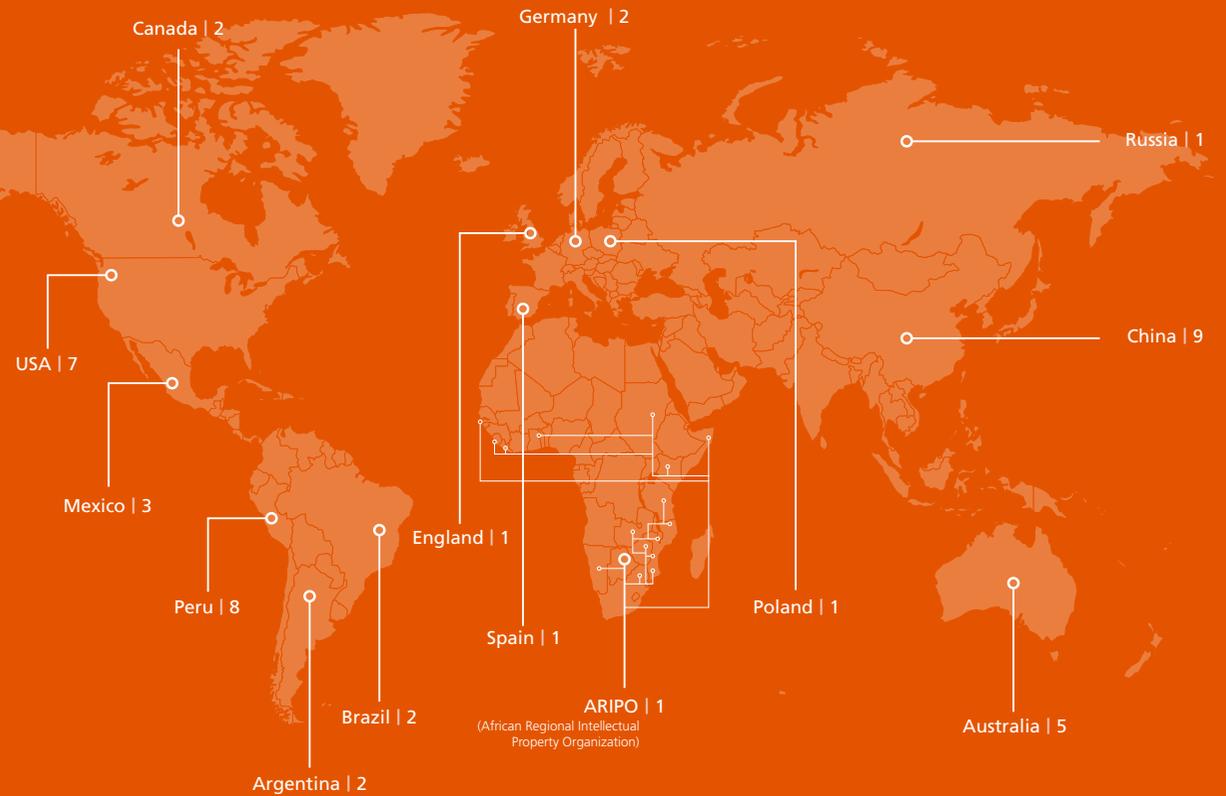
*The number of patents issued in a year can be higher than the number requested, as patents may have been requested in previous years.

INTERNATIONAL PATENTS

132
Total patents requested

8
requests submitted in 2020

DISTRIBUTION OF INTERNATIONAL CODELCO PATENTS CURRENT PATENTS AND PATENTS IN PROCESS, BY COUNTRY



51 current international patents or patents in process

WE REACHED MORE THAN 10,000 PEOPLE WITH DIFFERENT CULTURAL TRANSFORMATION INITIATIVES

“Leaders in times of crisis”, “Leadership academy”, “Supervision empowerment”, and “Shared vision” were the programs that mobilized teams and people towards the signature leadership type that our company seeks.



We need miners who can manage remote and on-site working teams, in contexts of growing ambiguity and uncertainty

Today, we at Codelco are facing major challenges instating excellence in our operations and projects, obliging us to enhance our efficiency and productivity to achieve significant goals that we set ourselves for the 2019-2028 period, which will play a key role in achieving a position amongst the most competitive mining companies, capable of building structural projects that will extend our operating life for another 50 years.

We are implementing a large number of plans across all critical processes, phases, and areas for the business, some of which are already showing substantial progress. But our plans are not sufficient without a key driver for achieving results: a deep-rooted process of cultural change.

COVID-19 challenged all of us to foster this transformational pathway amidst a complex panorama, filled with uncertainties. “Leaders in times of crisis”, “Leadership academy”, “Supervision empowerment”, and “Shared vision” were all initiatives that mobilized teams and people towards our company’s signature leadership type.

We need miners who can manage remote and on-site working teams, in contexts of growing ambiguity and uncertainty. A closer and more horizontal leadership style is needed for this. They must also be capable of visualizing new crises as learning opportunities, challenging the ways in which things are done and delivering innovative solutions.

They must be a fully rounded professional or technician in terms of knowledge and adaptation, with a flexible mentality and mastery of business processes and management tools. The company must be aligned with global trends in process automation, data management, and advanced analytics. It must understand the impact of its management, in both social and environmental terms, and position itself as a benchmark for inclusivity, diversity, talent development, sustainability, and commitment to its surroundings.

To attain exceptional results and uphold Codelco for another 50 years, we must do things differently. We therefore communicate the relevance of exhibiting the behaviors necessary to connect us with the company's shared goals, forming teams, helping other people develop, and never stopping challenging ourselves.

Some of our results:

- **More than 1,200 people participated in the "Leaders in Times of Crisis" talks**, in which they received support, during the pandemic, to Connect, Orient, Visualize, Impulse, and Distinguish (C.O.V.I.D.). Participants are calculated to have reached out to more than 10,000 people with transformational messages.

THE BEST OPERATIONAL PLANS MUST BE ACCOMPANIED BY A PROCESS OF CULTURAL CHANGE



- **500 professionals participated in the “Leadership Academy,”** to reflect and acquire tools that generate an impact on business indicators and on the Company’s strategy.
- **Nearly 100 people became “Transformation Ambassadors,”** a program implemented by the VP of Projects and at the Salvador Division to establish a network of influential leaders, that is, agents of change in the central layer of the pyramid, to ensure proper implementation and adaptation of the transformation process.
- **Nearly 10,000 participants in the nine “Shared Vision” sessions,** events in which the Vice Presidents delved into topics linked to the business strategy and created spaces for sincere and open conversation with people at the company.
- **100 students participated in Inspira Codelco,** a female talent recruitment program looking to attract young women to the mining industry, with the support of 36 tutors from our Corporation.
- **We obtained 63 points in the Codelco Transformation Index (ITC),** placing us in the third quartile of this indicator, and five points higher than the previous score obtained, after a survey of over 10,000 employees who gave their opinion on what we need to improve in our pathway towards cultural change.

WE ARE COMMITTED TO NEW WAYS OF OPERATING

One of the promises of transformation is to consolidate new, much more efficient and innovative working practices, in line with the demands of the 21st century.

This is why we at Codelco are transforming our way of doing things. These measures include synergies between

the divisions to support business competitiveness, particularly in the areas of supply and maintenance, to operate as a single large company.

We are also focusing on changing our behavior in a wide range of enabling factors. In line with the global challenges of today, as well as the substantial environmental and social changes that are occurring in our country and our own transformation process, we have made

explicit commitments for 2030, enabling responsible development, promoting low-impact production processes, and strengthening our relations with communities.

Another change brought forward by the pandemic centers on remote working, which in 2020 saw 2,700 people working from home during the crisis. Structural remote working will be installed in 2021 as a definitive measure, as one of our new ways of doing things.

We at Codelco are changing to lead and leading to transform!

HUMAN RESOURCES DEPLOYS SEAL OF LEADERSHIP



The implementation of this area's strategy has played a key role enabling transformation at our company.

To achieve success and ensure the competitiveness and sustainable development of our company, amidst its historic transformation, in 2020, Human Resources deployed its strategy aimed at innovating and incorporating new dynamics and ways of working, to guarantee the generation of value through people.

During 2020, we continued to implement the "Talent to Value" initiative, in order to identify key positions that add economic value to our work centers.

The 2019-2022 strategy is based on four strategic pillars and three drivers, and aspires to transform the culture and skills of our Corporation, with a focus on operations and projects to maximize the economic value of our company and long-term sustainability.

ESTRATEGIA DE RECURSOS HUMANOS

4 pillars and 3 drivers



Transform our culture and skills with a focus on operations and projects to **maximize the economic value of the company and long-term sustainability.**

1 Procesos de talento Talent processes

Ensure that the Codelco's DNA is present in the following processes:

- Recruitment and Selection
- Performance Management
- Capacity Development

2 Link talent to value

Ensure that we have the adequate people in the roles that generate 80% of value.

3 Cultural transformation management

Ensure that the Codelco culture effectively supports the operational excellence model and strategy, attaining strong employee involvement and effectively promoting diversity and inclusivity.

4 Labor productivity and organizational simplification

Optimize the organization and current workforce to improve productivity and cash flow.

A Labor Relations

B IT Systems

C Corporate governance, Human Resources organization, and management of health institutions

To competitively and sustainably maximize Codelco's economic value and its long-term contribution to the State, through copper mining. In 2020, we achieved large goals in the driver role, including:

1. The centralization of human resources processes, which creates and transmits best practices and captures synergies.

2. The formation of a structure that reflects the transformational objectives, with an operating model and matrix that breaks up silos and separates the operational sphere from the strategic sphere. The work dynamic is agile and ensures closeness to the business, adapting solutions to local needs.

I. INTEGRATION

The Corporate Department of Integration came about to enable our transformation process through the deployment and implementation of the Vice-Presidency of Human Resources' strategy in work centers.

It coordinates the management of the Integration teams in an agile and collaborative manner, to achieve personnel objectives and challenges, with a focus on capturing business value and the continuous improvement of the processes.

This culture of collaboration is aimed at ensuring, implementing, and supporting the pillars of the Vice Presidency's strategy

Ensure

- the achievement of the HR objectives, through the two-directional connection and coordination between the corporate center and the work centers.



Implement

- the integration models in the divisions for the deployment and implementation of this area's strategy, promoting the creation and transmission of best practices, and capturing synergies



Assist

- in the definition and scoping of the pillars of this strategy.



The actions and deployment carried out by the integration team during 2020 have translated to tangible advances such as:

- The implementation of structures designed for the deployment of the integration role in five work centers.
- Population of the center's role.
- Design and execution of the "Human resources learning path" program, whose main objective is to ensure that the area's teams are knowledgeable of the personnel management strategy and processes to leverage the company's transformation, with Impact on nearly 100 professionals.



II. CULTURAL TRANSFORMATION AND STRATEGIC TALENT

During 2020, we achieved results in the different pillars and drivers:

Strategic Talent

The recruitment, development, and commitment of strategic talent is a key factor for driving the company's transformation. Accordingly, in 2020, we incorporated our mark of leadership in all talent management processes and strengthened its long-term strategy.

To do so, we renewed and updated the succession charts in all work centers, ensuring that these connect to the entry of young talent through the Graduates Program and shedding light on the Post-Graduates group, in order to empower their development and retention. At the same time, we continued to implement the "Talent to Value" program, a driver for operational excellence that ensures the talent of the people holding valuable roles and committed to the company's results.

During 2020, we carried out talent review committees in all work centers to identify the new professionals that will form the base of successors at the local and corporate level, in order to renew the replacement charts. Likewise, we carried out a strategic succession cycle to identify, develop, and retain potential successors for the Corporation's most critical positions.

To strengthen the commitment and development of successors, in alliance with the Diversity and Inclusion area, we deployed the "Talent Engagement Program," aimed at contributing to the career development of professionals with growth potential and give them visibility and networks. The program started with 39 professionals (61% women), supported by a sponsor from the different work centers to guide their development through learning conversations and meetings with industry leaders.

A. Succession System

After five years of implementation, the "Succession System" has been consolidated and achieved the following:



287 critical positions identified and validated, 91% of which have at least one identified successor.



608 executives and professionals at the corporate level make up the base of successors at the close of the year, representing 16% of the staff.



17.6% of this base is comprised of women.

B. Post-graduates

This year we incorporated a new key group in talent management, corresponding to professionals who entered as graduates and now work in the different work centers in a number of accountability and leadership positions. The objective of this follow-up is to strengthen their development, give them greater visibility for the talent pool, and connect them to our company's transformation process in a leading role.

There are nearly 400 professionals, 31% of whom are part of the succession charts. Around 40% participated in different corporate development opportunities, as facilitators, tutors, or students (Leadership Academy, Transformation Ambassadors, Inspira, etc.)

C. Graduates

This program sets out to attract and develop early talent, and is oriented towards the business' challenges around operational excellence and productivity. It is another one of our tools to drive the transformation process, with a focus on long-term sustainability of the business. For this reason, it looks to ensure the recruitment and capture of young professionals with high growth potential, who can develop our company's signature leadership skills.

During 2020, we established a strategic alliance with the Operational Excellence area, to promote the graduates' learning process through internships in the field and the

development of continuous improvement projects that seek to add value to the work centers.

Accordingly, and with the aim of promoting a more comprehensive perspective among professionals, we provided with knowledge of the business, change management, and signature leadership skills through in-house instructors. The program consisted of five weeks of online training, with the participation of 71 graduates (44% women), in workshops and talks with the Corporation's executives. Additionally, this year we incorporated a consistency committee in all work centers to reinforce the shared vision regarding the development and performance of graduates and strengthen the role of the instructor responsible for their formation during the year.

For 2021, around 100 professionals are expected to join the company, who have been recruited since September of this year, with close to 20 talks at different universities, in alliance with the student centers for the degree programs most relevant to the business. Post-graduates participated in this process, sharing their experience with students and helping them resolve any questions or concerns regarding the program and mining in the selection of professionals, once again we incorporated the measurement of potential to link its results and mentoring with the company's succession system.



D. Inspira Codelco

Inspira Codelco was held for the first time in 2019, as a female talent recruitment program to attract young women to the mining industry, generating effective networks with the company's professionals. This year, during September and October, we held a second version, this time entirely online, to adapt to the conditions imposed by the pandemic.

INSPIRA

CODELCO

We invited female students in their last year of university programs related to mining, through an online invitation and talks at the universities. An application was used to match the students selected with tutors from Codelco, all post-graduates. After the pairs were matched, they had the opportunity to connect and get to know each other, followed by participation in three online encounters on career development, complemented by specific support modules on the topic.

This year, **321 students** applied to the program, and 100 were admitted, supported in this process by **36 male and female tutors from Codelco**.

E. Talent to Value

In 2020, we continued to implement the “Talent to Value” initiative, in order to identify key positions that add economic value to our work centers, ensuring that the people who hold these positions have the competencies, knowledge, and experience required.

We already took the initial steps, in alliance with Operational Excellence, to define the key positions and occupants in specific areas linked to the El Teniente and Radomiro Tomic value maps, to be followed by its application in Chuquicamata and Andina.

CULTURAL TRANSFORMATION MANAGEMENT

The objective of this pillar is to achieve a Codelco culture that supports the business strategy and the operational excellence model, attaining strong employee involvement and promoting diversity and inclusion.

A. Cultural Interventions

In early 2020, we analyzed the results of the Codelco Transformation Index (ITC) measurement for 2019, which became the cultural baseline. In this regard, the ten work centers designed and executed over 300 cultural intervention initiatives to improve the company’s health levels and, with it, drive the business strategy.

For the first year of cultural transformation (2020), we prioritized four focal points at the corporate level:

- 1. Challenging leadership:** encourage teams to do more than they thought possible.
- 2. Shared vision:** share the Codelco strategy at all employee levels.
- 3. Personal responsibility:** reinforce the sense of belonging and encourage employees to place personal interest in their work.
- 4. Openness and trust:** promote honesty, transparency, and open and sincere dialogue, to address topics that affect employees.

The cultural intervention plan considers that upper management has to exercise leadership that models the required conduct, to ensure the deployment of the business strategy. In this area, we can highlight the following interactions:

- a) The CEO and Vice Presidents shared their **change stories** to mobilize the organization and put together a critical mass regarding the change we are seeking.
- b) The Vice Presidents led **“Shared vision conversations”** at the corporate level, in the business strategy, and

created spaces for sincere and open conversation with people at the company.

We also designed a plan to manage transformation and instill in the organization the new ways of operating that we have established in the business strategy, and structural telecommuting took on a leading role in particular.

The actions carried out in 2020 reflect our employees’ great interest in leading this change, as well as the impact made on results compared to last year.

LEADERSHIP

ITC - Codelco Transformation Index

+5
Points

ITC Global
at the Corporate level; remains in the which they delved into topics related to third quartile

4
Dimensions

Increased their value, rose to **third quartile**

1
Dimension

Management achieved the second quartile
It is the first dimension to meet Codelco’s aspirations

2024 Target:
Global second quartile

ITC | ÍNDICE DE TRANSFORMACIÓN CODELCO



B. Deployment of the mark of leadership

Codelco's cultural aspiration is clearly demonstrated in the mark of leadership we have designed for this process, which is aimed at the in-depth development of four competencies and 12 behaviors that will allow our organization to evolve.

Behavioral indicators to observe:

- I inspire my team with a shared purpose.
- I align with the Codelco objectives.
- I understand the needs of my internal clients.



**I CONNECT
WITH COMMON PURPOSE**

I understand the Codelco strategy and inspire my team by connected goals and behaviors with the strategy.

Behavioral indicators to observe:

- I develop others and myself.
- I empower my team and give them autonomy.
- I ensure clarity and adherence in roles and responsibilities.



**I DEVELOP
PEOPLE**

I prioritize personnel development in technical and adaptive skills, offering opportunities for ongoing development, coaching, and feedback.

Behavioral indicators to observe:

- I establish ambitious goals and bravely confront obstacles to overcome them
- I look to resolve the root cause, based on data and observations
- I avoid having a limited focus and follow best practices



**I DARE
TO GO FURTHER**

I proactively seek out collaboration, valuing integration and diversity.

Behavioral indicators to observe:

- I generate collaboration networks to impact the business.
- I build and develop diverse, inclusive, and multifunctional teams.
- I openly and respectfully listen to different opinions.



**I WORK
AS A TEAM**

I challenge the status quo, looking for the best way of doing things, based on data, observations and standards.

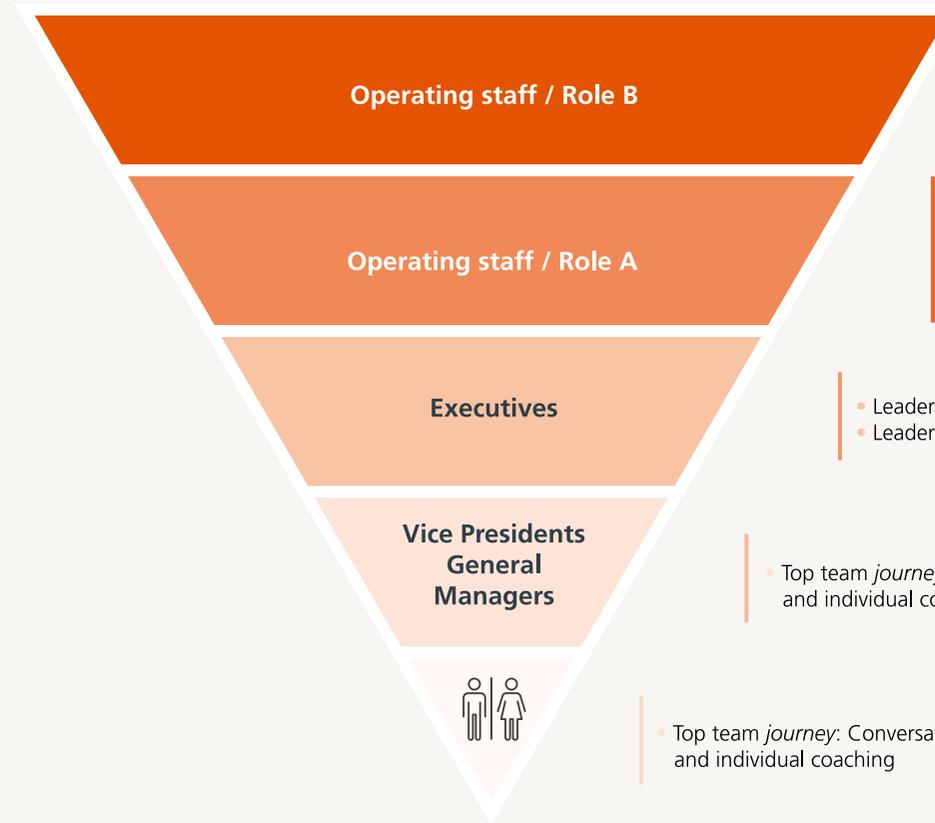
The Codelco transformation process requires that the company's leaders and different interest groups know and apply the tools that drive this process in order to exercise their role with personal responsibility and develop their work teams in the benefit of a shared purpose.

To ensure adequate implementation and adaptation, we generate (formal and informal) spaces for interaction among influential people in the organization, who guide work teams, to exercise role modeling of peers and direct superiors to understand and help meet Codelco's

challenging aspiration ("what") and shared vision ("how"). We have put together different programs that contribute to this mission, meeting the needs of the different segments of the organizational pyramid.

C+ Management System and Mark of Leadership

2020 Approach (by Teams)



Empowerment of the first line
(Ventanas and Gabriela Mistral Pilot)

- Graduates program
- Transformatin ambassadors (VP and Salvador Pilot)
- Leaders in times of crisis
- Leadership Academy

- Leaders in times of crisis
- Leadership Academy

- Top team *journey*: Conversations and individual coaching

- Top team *journey*: Conversations and individual coaching

Leadership Academy

This program is aimed at reflecting and acquiring tools to generate an impact on business indicators and on the Corporation's strategy, based on leadership skills and management practices. This year, in its first version, it had to be approached in a special way given the health crisis context and was carried out using **digital tools**.

Thirty in-house facilitators, executives from our Headquarters and the Vice-Presidency of Projects, delivered leadership skills

to more than 500 professionals across the organization through four modules, each of which addressed one competence of the **Mark of Leadership**, along with the related practices of operational excellence.

Each student carried out different field work to promote alignment in the organization and connect to the different strategic priorities of the transformation process.

Leaders in times of crisis

This program is designed to enable leaders to guide their work teams through volatile, uncertain and complex scenarios, and was carried out considering the health crisis in particular.

Its objective is to provide concrete and simple tools to support participants along with their teams, so that they can continue to give it their best when facing challenges, primarily focusing on supporting people, connecting to the shared purpose, and helping them navigate through ambiguous environments.

With this purpose in mind, weekly worksheets were provided with reflections and concrete actions on five key missions:

- **Connect** rationally and emotionally to teams given the Covid-19 protection measures, transmitting updated, summarized, and precise information, to keep people continuously informed and supported by their leader.
- **Guide** and clarify, when anyone has questions regarding Covid-19, through in-person or virtual conversations, listening openly, and providing comprehensible answers to ensure understanding, and **reduce tension and eliminate prejudice**.
- **Create visibility** of productivity focal points and daily and weekly performance to ensure the continuity of operations, identifying priorities in the context of crisis, and always assigning responsibilities with a **sense of urgency**.



ACADEMIA DE LIDERAZGO

SELLO DE
LIDERAZGO
CODELCO



- **Drive** the challenge to go above and beyond in terms of results, always looking for the best way to do things in order to accelerate productive goals and, for this purpose, continuously motivating the team with feedback.
- **Recognize** a job well done by people and teams, clearly acknowledging observable behaviors in a face-to-face, warm, and public manner; and through digital media to share with the entire group, without exception.

Ambassadors of transformation

This program looks to establish a network of agents of change in order to ensure the correct implementation and adaptation of the transformation process, convoking influential leaders from the pyramid's central layer, who are highly committed to change and have the skills to influence others in the organization, acting as role models among their peers and teams.

The ambassadors become the eyes, ears, and voice of transformation, transmitting today's needs to work teams and designing management tools to mobilize the organization, generating greater speed and critical mass in each work center, and in this way helping materialize the **Mark of Leadership**.

During 2020, the program was deployed within the Vice Presidency of Projects and the Salvador Division, aspiring to extend its benefits to other work centers in 2021.

C. Structural Telecommuting

During the pandemic, approximately 2,700 workers carried out their functions from home, in a contingency telecommuting system.

Codelco determined that structural telecommuting will be a new way of operating from here on out, in order to leverage the cultural change within the Corporation. This is in line with greater flexibility and best market practices, in order to increase productivity, contribute to well-being and our workers' balance of their personal, family, and professional lives, and continue to be competitive in terms of talent management, recruiting, developing, and retaining professionals with high potential.

Structural telecommuting will be implemented as a hybrid model, that considers part-time wherever the employee decides to work, and the rest in office. The system will be applied in waves during January 2021 in the Gabriela Mistral and El Teniente divisions, and during the following months in the other work centers, until it is executed across all of Codelco.

The new system was defined after a careful study based on interviews, data analysis, and indicators, national and international expert opinions, and a multidisciplinary round table to define which positions and areas would be suitable for telecommuting.

This model will have three fundamental pillars for its operation:

- Principles and best practices to favor the model's execution.
- The development of competencies through a training plan.
- A shift system to benefit the flexibility and efficiency of the teams.

This project looks to drive new ways of working according to the times in which we are living, with new leadership and team roles, leveraged by the deployment of our mark of leadership and an innovative digital reality.

CONECTAD@S 
CON LA TRANSFORMACIÓN DE CODELCO



NEW STRATEGY FOR DIVERSITY AND INCLUSION

This year we sought to reinforce the diversity and inclusion strategy, so as to create culture that will become a key driver of transformation. We proposed expanding our view on these topics and understanding them from six dimensions, which have varying degrees of maturity inside the company.

- Gender equality and balance in the organizations
- Team work among generations
- Recruit and form teams with multidisciplinary talents
- Generate spaces for people with different abilities
- Understand and welcome all cultures and origins
- Create a space that respects sexual diversity

	2020 baseline	Commitment for 2024
Total representation of women	10%	15%
Female professionals	20%	25%
Female executive	10,5%	15%

We also implemented a new governance system based on steer committees (SteerCo) at the corporate and divisional levels. The former is led by the CEO and is responsible for providing the focal points and priority goals, as well as monitoring progress. The committee includes executives from upper management and meets on a monthly basis. It is supported by the corporate team for Diversity and Inclusion in terms of its management and progress. Meanwhile, the divisional committees are led by the general managers, with their divisional team, who drive initiatives according to the reality of each work center. Each of these committees has a sponsor who is a member of the divisional executive committee, who represents the initiatives on the line, and drives progress towards goals and challenges at the level of the work center.

These committees defined challenging goals in terms of female representation for the 2020-2024 period, which were then validated by the Board of Directors. For example, and from now until 2024, all divisional executive committees must have at least one female representative.

In order to work on bridging the gender gap and driving the goals for 2020-2024, the Corporate Steer Committee agreed on the following positive actions applicable to the Corporation, and which will be measured on an annual basis:

A. Attraction, recruitment, and selection

Apprentice programs, focused on attracting/training for operations staff roles, must have at least **50% women**.

- The total hiring of operations staff must be 50% women.

For professional and executive roles:

- In the event of under-representation of women in the processes, women with less experience will be considered in the long list of candidates, as an affirmative action to increase their presence in recruitment and selection processes.
- For professional and executive roles, there must be at least one woman on the short list.
- A mapping of professionals with high potential shall ideally include 50% women.

Early recruitment:

- Actions to recruit university students, such as Inspira Codelco, with 100% female participation.
- Recruitment of Graduates, with 50% hiring of women.

B. Retention and development

- Promotion of female participation according to merit and performance in the *"Supervisor Empowerment" program*.
- The loyalty and sponsoring strategy will be expanded to women from talent groups and with high potential.
- Rapid mobility management for women from talent groups and with high potential with an immediate risk of leaving the company, subject to the approval of the VP of Human Resources and the CEO.
- Promotion of telecommuting as a way to reconcile professional, family, and personal life in 2021.



We defined challenging goals in terms of female representation for the 2020-2024 period, which were then validated by the Board of Directors. For example, **from now until 2024, all divisional executive committees must have at least one female representative.**

III. LABOR MANAGEMENT

According to the Corporation's strategy, in 2020, labor management was primarily focused on **facilitating relations with union organizations** from the creation of value for the business, with the goal of advancing and implementing the transformation strategy, through **dialogue and agreements** with union organizations, the deployment of initiatives based on the planning of Vice Presidency of Human Resources, and the generation of collaborative ties aligned with the company's priorities. In this way, we can highlight the following milestones:

- Based on the need to establish parameters for collective bargaining, we deployed the **Collective Bargaining Operating System (SONC)**, which is a work tool that organizes the preparation of different bargaining teams in a sequenced process so that they have the required information, the technical-legal knowledge, and the economic and market framework to formulate, validate, and reevaluate collective bargaining projects in a standardized way.



- One thing these initiatives achieved was to create a multidisciplinary **pool of professionals** (more than 100 in the Corporation) prepared and comprised of different talents, diversity, and potential to address the **2020–2022 collective bargaining cycle**.
- Despite the health crisis in 2020, we had **100% operational continuity from a labor perspective**, with no standstills or suspension of functions by the workers.
- According to the need to protect the life and health of our staff members, and ensure operational continuity, we implemented several action plans along with the work centers' main unions in order to reduce the impact of the pandemic. Among other initiatives, we established workforce adjustments, job schedule modifications, and the implementation of telecommuting.
- In Ventanas, Andina, and Gabriela Mistral, we put the **Supervisor Empowerment Program** into practice for the purpose of **driving transformation** by empowering supervisors and/or area heads through mentoring, training, and the delivery of knowledge on labor aspects, team management, and the Mark of Leadership. This initiative is based on a **flexible program with divisional and corporate modules** that incorporate the best practices performed with **the participation of upper management**, focused primarily on enabling supervisors as key leaders of transformation.
- Considering the need to guarantee institutional relations with union organizations based on transparency and probity, we modified the corporate standards that regulate essential aspects on this topic and implemented control systems in the delivery of resources to these organizations. For these purposes, in all work centers, we activated a **technological control system to ensure the traceability and reporting of union contributions**.
- In 2020, **27 agreements were signed to adjust or renew exceptional systems** of work and rest day distribution, to protect the health and safety of workers against the effects of the health crisis, and maintain the operational continuity of the work sites.

- In relation to the need to leverage workforce adjustments, we signed and/or executed leave programs on this matter with 22 supervisor and workers's unions in Chuquicamata, Radomiro Tomic, Casa Matriz, Salvador, Ventanas, Andina and El Teniente.

Collective Bargaining Finalized in 2020

During the year, we successfully agreed upon nine new collective bargaining processes in five work centers.

All of these processes were marked by responsibility, commitment, and the shared vision of union leaders, supervisors, and workers with management to achieve the goals; improve business results within a context impacted by the health crisis, and implement our company's transformation strategy.

In this sense, it is important to highlight the following bargaining topics:

- All collective bargaining processes were moved up, and characterized by good faith and the intention to reach agreements. The processes were developed without any days or hours of standstill.
- On average, the collective instruments included a valid term of 36 months and 0% base salary adjustments.
- They included management breakdowns and modernization of collective instruments.

- The termination bonuses of the collective bargaining processes were 50% lower than those granted in the last bargaining processes.
- It was agreed that the benefits would be extended to non-unionized supervisors and workers with indefinite contracts in all collective bargaining processes

Unionization

77.8% of supervisors and 99.6% of workers are affiliated with the different unions.

COLLECTIVE BARGAINING 2020

Work Center	Union	Role
Radomiro Tomic (*)	Professionals' Union	A
El Teniente	Supervisors' Union	A
Headquarters	Supervisors' Union	A
El Teniente	Workers' Union No. 7 (Rajo Sur)	B
El Teniente	San Lorenzo Union	B
Ventanas	Shift Workers' Union	B
Ventanas	Union N° 1	B
Chuquicamata	Professionals' Union	A



(*) With the Radomiro Tomic Supervisors' Union, a 12-month renewal was agreed upon in June, and in December 2020, a new early bargaining process began, with a valid term of 36 months.

Personnel Management

- This year in terms of personnel management, we implemented a corporate project that focused on the review of processes, the creation of risk and control matrices, the creation of RACI matrices (*Responsible, Accountable, Consulted, Informed*), and the updating of flow charts, as well as the definitions to implement **216 opportunities** for improvement detected in 2020 for 2021.
- To achieve greater efficiency, we implemented a self-managed services platform to obtain personnel information through different types of labor certificates.
- We made the **DEC5 digital signature** available for 100% of our own staff, to support the management of the job contract cycle in the validation of documents such as contracts and/or vacation request forms.

We organized, update, and standardized regulations and procedures for personnel management, such as the instruction regulating the status of benefits in the case of worker hiring processes that imply a transfer to another work center.

OWN STAFF BY LEVEL

	2019*	2020*	% Variation
Executives	214	201	-6,07%
Professionals/Supervisors	3,626	3,500	-3,47%
Operating/Administrative Staff	12,354	10,808	-12,51%
Indefinite Contract Staff	16,194	14,509	-10,41%
Temporary staff	532	758	42,48%
Total staff	16,726	15,267	-8,72%

*Staff as of each December

OWN STAFF BY DIVISION

	2019*	2020*	% Variation
Chuquicamata	4,899	3898	-20.43%
Radomiro Tomic	1,252	1261	0.72%
Ministro Hales	791	758	-4.17%
Gabriela Mistral	449	459	2.23%
Salvador	1,437	1438	0.07%
Andina	1,597	1437	-10.02%
El Teniente	4,058	3869	-4.66%
Ventanas	852	756	-11.27%
Headquarters	468	512	9.40%
Vice-Presidency of Projects	879	841	-4.32%
General Auditing	44	38	-13.64%
Total staff	16,726	15,267	-8.72%

*Staff as of each December

IV. IPERSONNEL DEVELOPMENT

The Covid-19 contingency required the adaptation of processes and the incorporation of technologies in the three areas of the Corporate Department of Personnel Development (recruitment, training, and performance), changing how we operate internally and moving from an in-person system to a remote/online approach to overcome the complexities of the context. This allowed management to become a key support in maintaining the operational continuity during the health crisis.

Recruitment, selection, and mobility

Value Proposition: **“To create and execute an agile, high-quality, and timely recruitment process, based on a standard Corporate vision, and supported by the integration of best practices and skills to respond to the challenges faced by the business.”**

In 2020, we received 72,176 applications for 385 processes that opened to the external market. As a result, 702 people were incorporated into Codelco. Likewise, we carried out 340 processes that allowed for the internal mobility of 244 people. In total, 11% of applications and 10% of candidates selected were women.

We integrated the recruitment processes for Andina, Ventanas, Ministro Hales, Chuquicamata and the Vice-Presidency of Projects within the “Center for Integrated Recruitment and Selection,” so that **100% of the position placement processes** operate under a standardized model, with high standards and the incorporated mark of

leadership, thus ensuring the recruitment of the right talent at the right time.

This integration helped obtain synergies among the processes and greater efficiency. The average job placement process dropped from 102 to 72 days, and **89% of internal clients** said they were satisfied with the service provided.

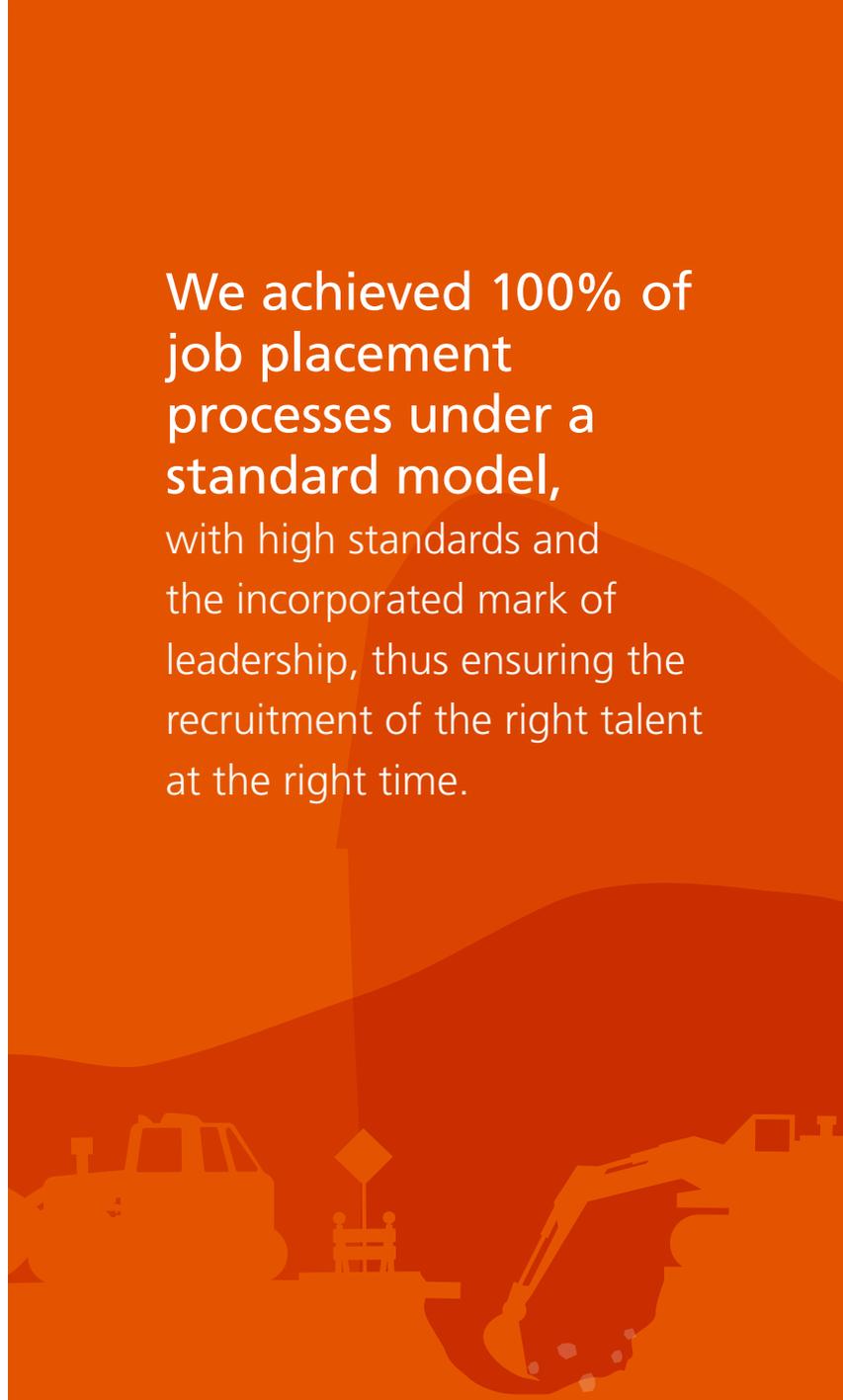
We had **432 students** doing internships or their final projects at the Corporation, **85%** from degree programs of interest or others related to the business, with a **9% increase** in programs related to Maintenance. There was also a **13% increase** in gender distribution, with **48% women**.

We hired 71 professionals (44% women), who were part of the 2020 Graduates Program. This year, we receive 7,834 applications to cover 102 vacancies for the 2021 program. The focus was on programs specializing in geology, mining, metallurgy, maintenance, and management, as well as those tied to the automation of processes, advanced analytics, and data management.

Additionally, we strengthened the talent recruitment networks (LinkedIn, universities, technical training centers, etc.), in order to increase the number of applicants that greatly meet the required profiles.

This reflects the ongoing corporate commitment to quality, continuous improvement, diversity, and inclusion, ensuring that all our processes feature transparency, traceability, and equal opportunities.

We achieved 100% of job placement processes under a standard model, with high standards and the incorporated mark of leadership, thus ensuring the recruitment of the right talent at the right time.





UCODELCO

UCodelco – training

Value Proposition: **“To transform the Codelco culture and skills, with a focus on operation and projects, through the development of the strategic and necessary skills to help maximize the economic value of the company and long-term sustainability.”**

During 2020, we implemented a new centralized training model through UCodelco, aimed at guaranteeing efficient and consistent training processes of excellence. UCodelco has eight academies (Digital, FURE Operations, Procurement, Maintenance, Leadership, C+, Sustainability and Occupational Safety & Health, and Support) which are aimed at leveraging the transformation and meeting the business objectives, through the development of workers’ skills at all levels of the Corporation.

We successfully developed new mass programs to respond to the contingency situation, in terms of their content and implementation methods. These included a gamified experience to transmit pandemic protection protocols, with the participation of 8,604 workers, and an e-learning course on occupational health and safety for telecommuting, aimed at 2,500 people working under this system. With both courses, we complied with legal regulations and directly contributed to operational continuity.

During the second half of the year, we deployed the SAP Ariba program, through live streaming sessions to 1,375 in-house staff from all work centers, for the purpose of improving

and making procurement processes more efficient, by incorporating and adapting a technological solution that integrates the digital transformation of people and processes.

For the purpose of adapting to the current conditions and context, we transferred nearly all courses to digital format, in order to execute 247,214 training hours tied to the strategic focuses of our company (see summary chart), which reached 13,280 people, that is, 87% of the Codelco workforce. The total investment in training was US\$ 4.6 million, while adherence to the consolidated Annual Training Plan in crisis was 113%.

DISTRIBUTION OF HOURS BY STRATEGIC FOCUS

Strategic focus	Horas de formación
Personnel and organization	98,038
Sustainability/SSO	85,189
Operational excellence	55,224
Project excellence	4,018
Digital transformation	3,689
Resources and reserves	920
Innovation	137
Total	247,214

Performance

Value Proposition:

“To create a culture of development and ongoing feedback to differentiate and motivate high performance to positively impact the business.”

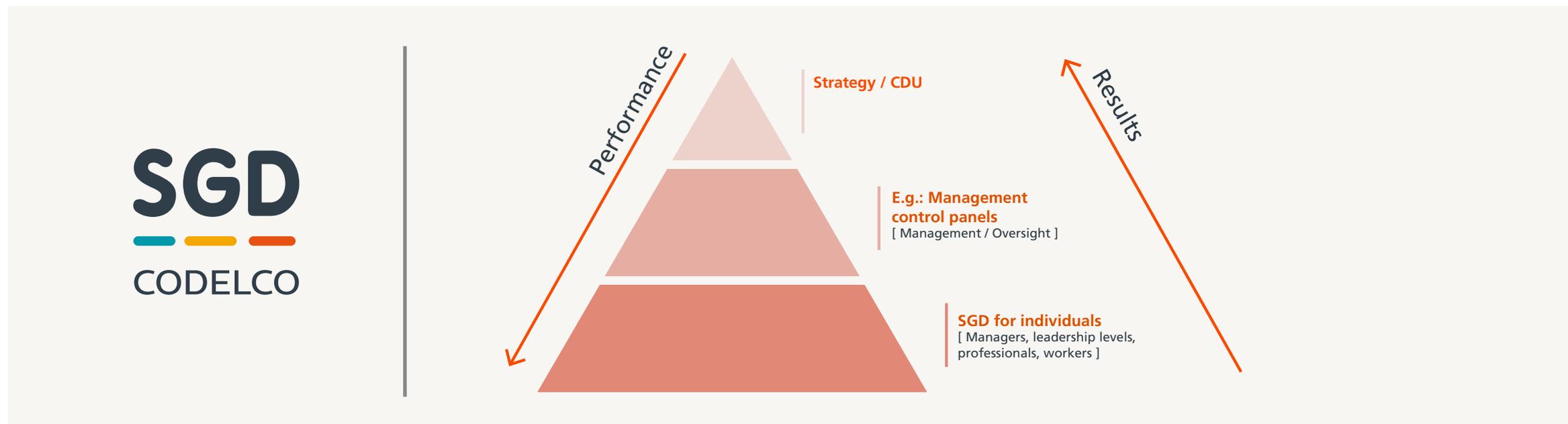
Performance management was key to creating **“minimal certainty”** in a year marked by ambiguity and uncertainty. This required us to delay the start of the cycle until May, and reduce annual planning to complete the different phases, with a focus on **“Conversations”** and quality assurance of tasks, strongly connected to the new mark of leadership and the purpose of contributing to increased earnings.

Performance management at the executive level incorporated a series of improvements, such as the change in the distribution of specific weighting between the work plan (what) and behaviors (how) from 70%/30% to 60%/40%, respectively, supported by a 360° evaluation for all executives and the alignment of goals, from the CEO to the executive committees at each work center.

The 360° evaluation included the participation of 548 professionals who gave feedback on 199 executives, and this process was completed over four weeks with a total of 2,451 evaluations, and an average of 12 for each executive,

reaching 98% completion and providing greater objectivity to the measurement of behavioral indicators based on the new mark of leadership.

With respect to the professional level, the entire workforce at this level was evaluated under the new mark of leadership, and for which we created the document **“Guidelines for evaluating professional behaviors,”** as well as the design and implementation of **online training assigned to 3,800** people, including professionals and executives



In other lines of progress, we incorporated high standards for graduates, with interim evaluations, feedback conversations, connection to goals related to C+, a matrix evaluation, and “Consistency review” committees for the performance matrix, to help close out the process.

Meanwhile, for interns and university students working on their final projects, we developed instruments in conjunction with the internship and final project area to evaluate their performance based on the Mark of Leadership, covering over 75% of participants.

In total over 2020, we incorporated the mark of leadership through the Performance Management System (SGD) in 25% of the total workforce, in order to strengthen the behaviors required by the business to take on the challenges it has proposed.



V. ORGANIZATIONAL EXCELLENCE

Labor productivity

Considering the Corporation's challenges to ensure long-term sustainability of the business and continue to contribute resources to the State, during 2020, we coordinated different initiatives to **improve labor productivity from 48.9 to 54.5 metric tons** of fine copper per person, with a **contribution of US\$ 168 million** to annual income. Additionally, thanks to our collaborative work with the different work centers, we incorporated savings of US\$ 274 million into the 2021 budget.

Some of the most important initiatives to improve labor productivity and ensure agile and efficient structures were the establishment of a standard methodology for the design of structures and the implementation of organizational simplification tools in different functions. Moreover, we designed and put into practice a Human Resources organization standard in the different work centers, under the lens of building a unified team with the same objective, articulated by the creation of the Department of Integration.

In this same line, the successful development of the "Center Role" initiative focused on identifying the support functions that were separated in each of the work centers to centralize them in the Headquarters, for the purpose of capturing synergies, standardizing processes, and improving effectiveness and efficiency.

This approach positively impacted the areas of Human Resources, Management Control, Accounting, Technology, and Sustainability, where we worked collaboratively to fill the positions as soon as possible with the best professionals.

Organizational innovation

One of the drivers for corporate transformation is the use of technology according to the current and future needs of the company.

Based on the master plan of technology initiatives in Human Resources, we enabled self-service platforms for workers in order to meet the digitalization and automation needs during the context of the Covid-19 pandemic.

We also began a process to position Success Factors at the corporate level as a personnel management tool, to ensure traceability, simplicity, and standardization in human resources processes among the different work centers.

Looking towards the future, our challenge is to **strengthen the advanced analytics and information management functions** to leverage agile and efficient decision-making, while continuing to bridge the gap between personnel management processes and our workers, through digital tools and automations.



PTR 5 plant operator, El Teniente division.

SOCIAL RESPONSIBILITY AND SUSTAINABLE DEVELOPMENT



BOARD OF DIRECTORS

As of December 31, 2020, our Board of Directors is comprised of 8 members, all Chilean men.



Age		Seniority Range	
	Personas		Personas
Under 30	0	Under 3 years	3
30 - 40 years old	0	3 - 6 years	4
41 - 50 years old	2	6 - 9 years	1
51 - 60 years old	0	9 - 12 years	0
61 - 70 years old	4	Over 12	0
Over 70	2	TOTAL	8
TOTAL	8		

DIVERSITY OF UPPER MANAGEMENT (CEO, VICE PRESIDENTS, GENERAL MANAGERS, AND MANAGERS)

In 2020, upper management was composed of 146 people, including 11 women. The following charts specify the nationalities, age ranges, and years of seniority at the company for upper management in 2020.

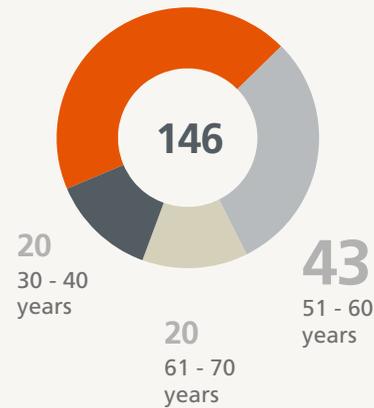
Nationality

145
Chileans



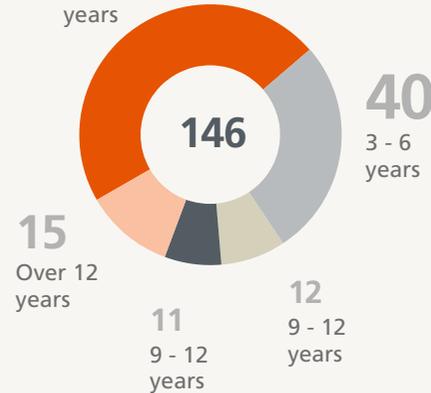
Age range

63
41 - 50 years old



Seniority Range

68
less than 3 years



Nearly **10%**
of our
workforce,
which totaled
14,509 people
as of December 31, 2020,
are **women.**



DIVERSITY OF THE ORGANIZATION

Our in-house workforce with indefinite contracts reached 14,509 people as of December 31, 2020, including 1,421 women. The following charts specify the nationalities, age ranges, and years of seniority for the company's workforce with indefinite contracts as of December 31, 2020.



Nationality	People
Chilean	14,429
Argentinean	10
Belgian	1
Bolivian	9
Brazilian	4
British	1
Colombian	7
Cuban	1
Ecuadorian	7
Spanish	6
French	2
Italian	2
Peruvian	13
Venezuelan	17
TOTAL	14,509



Age Range	People
Under 30 years old	608
30 - 40 years old	4,322
41 - 50 years old	4,937
51 - 60 years old	3,857
61 - 70 years old	779
Over 70 years old	6
TOTAL	14,509



Seniority Range	People
Under 3 years	1,048
3 - 6 years	2,488
6 - 9 years	1,637
9 - 12 years	3,467
Over 12 years	5,869
TOTAL	14,509

WAGE GAP BY GENDER

The following table represents the proportion of the average gross salary by position, responsibility and function for female executives versus male executives during 2020.




Position, responsibility, or function	Proportion of average gross salary of female executives and employees vs. male executives and employees
Vice Presidents	89.5
General Managers	N/A
Managers	93.1
Area Directors	83.2

OCCUPATIONAL HEALTH AND SAFETY

A YEAR MARKED BY COVID-19



In our Charter of Values, occupational health and safety are key pillars of our corporate management, whose principles are expressed through policy and materialized through the Occupational Health, Safety and Risk Management System (known internally as SIGO).

Thus, the protection of life and the dignity of our workers, both internal and external, constitutes the basis for decision-making on the planning and execution of each task.

In 2020, we confronted a greater risk that affected Chile and the world, so we focused all activity and guided efforts on the control and management of the complexities generated by the Covid-19 pandemic.

OCCUPATIONAL HEALTH AND SAFETY AND WORKPLACE HYGIENE

In the area of Occupational Health, we focused on prevention and control of the pandemic at the corporate level.

We issued procedures, protocols, and instructions for both personnel and the divisional healthcare centers, as well as the Vice-Presidency of Projects, with the support of the Departments of Infectious Diseases and Public Health in the Universidad Católica Faculty of Medicine.

We created the “Covid-19 Health Emergency Standards” (on workplace hygiene), which includes local checkpoints, as well as the ongoing review and analysis of the applicability of the best global practices to prevent and monitor the spread of the Coronavirus at the corporate level.

As additional support, we prepared technical forms and guides to select and properly use face masks and respirators, along with the respective cleaning and disinfection programs.

We also issued instructions on “Covid-19 Infection Management” in our work centers, which includes, among other aspects, how areas must handle a positive case of contagion. Meanwhile, the “Traceability Guide” allowed us to standardize outbreak management.

With respect to the delegated administration of Law 16,744 on Workplace Accidents and Occupational Illness (SATEP), we adapted our work to continue to provide for the safety of our workers during the pandemic, while addressing suspected or confirmed cases of Covid-19 with workplace origin, therefore we complied with numerous instructions issued by the Superintendency of Social Security on this topic. We also focused on legal adherence to the authority's telecommuting requirements.

On the other hand, we maintained the standardization of ergonomics processes and the control of the healthcare clinic operations at the divisional work sites and the VP.

We adjusted and maintained our environmental monitoring programs to legally reevaluate exposure to other health risk agents and factors; and we established the requirements to automate their monitoring through contractor companies, and updated the 5-year plans to control noise, silicon dioxide, and arsenic exposure. In relation to the last two, we performed self-evaluations and verified the on-site operation and performance of these controls in the different areas and contractor companies deemed to be critical.

We also evaluated the progress on projects to adapt to DL 43 on "Hazardous substance storage" and began the operation of modules to control access to chemical substances and comply with the storage specifications of contractor companies. We trained around 350 people on this matter. Additionally, we carried out an audit and radiometric study of ionizing radiations at the Chuquicamata Division.



PCR testing in the Andina Division, as part of the Covid measures.

LEADERSHIP, BEHAVIORS, AND REPORTING

- **Leadership:** From January to December 2020, we completed 95% of the executive safety leadership program and 97% of the supervisors plan. These activities included the executive nightly walk-throughs, work area inspections, Senior Council meetings with contractor companies and dialogue with workers in the field.
- **Behavioral observations:** These have been a key tool that allows us to identify risky behaviors, provide timely feedback, and take corrective actions to move towards our goals of “zero fatalities” and “zero occupational illness.”

This activity is carried out by supervisors and workers through the SGHP (Preventive Tools Management System) digital platform.

This year, we performed over 500,000 observations and detected more than 4,000,000 behaviors (98.8% “safe” and 1.2% “risky”), which were recorded and managed at each work center.
- **Technical work groups:** During the year, we transferred the leadership of several work groups to the organization’s specialized areas, while the GCSSO continued supporting each of their requirements and challenges. Given the health emergency, we prioritized the activation of some current work groups in the Corporation.
- **Training:** we continued to develop this plan in the Vice Presidencies of North and Central-South Operations.

We structured a new corporate induction course on occupational health and safety, consisting of eight training hours, which included a process to prepare and train instructors, and the content was uploaded to the corporate e-learning platform. Meanwhile, the training program for employees with limited work experience (BEL) saw 90% completion.
- **Corrective actions and lessons learned:** We recorded and investigated 74 high-potential incidents in the Preventive Tools Management System (SGHP), which implied the generation of over 2,700 corrective action plans that were uploaded for corporate learning. In April, we sent the “Instructions for managing and learning from high-potential incidents” was sent to the divisions and the VP to update the respective SGHP model, in accordance with corporate procedure guidelines.
- **Use of the green card:** Green card usage has been consolidated as a valuable preventive tool, that allows workers to not start or to stop a specific task if the controls established in the procedures have not been implemented. This action has been broadly backed by the Corporation’s executives and valued as an active participation in accident prevention. During the year, we recorded nearly 12,800 cases of Green Card usage.
- **Occupational health and safety reports (RSSO):** This reports constituted a source of information and learning to focus control mechanisms relating to fatality control standards, workplace health standards, and critical risks. During 2020, at the corporate level, we had over 360,000 reports, including 27,000 N1 RSSO reports related to critical risks. 99.6% of these reports were resolved and closed.

AND SUBCONTRACTOR COMPANY MANAGEMENT

The occupational health and safety management of contractor companies is done with the active participation of the professionals of the respective administrative bodies of Law 16,744, who advise and control specific activities related to legal compliance and the obligations established in the Special Regulations on Occupational Health and Safety (RESSO).

According to the SIGO 2020 activities plan, we performed monthly audits of the occupational health and safety performance of collaborator companies in the divisions and the VP.

During the first half of the year, we held a workshop with RESSO leaders from all work centers, as well as the Vice Presidencies of North and Central-South Operations, to transmit the work guidelines for the year.

In accordance with the Codelco transformation process, we reviewed and updated the RESSO and began a study to evaluate the impact of the safety and productivity activities of contractor companies, the results of which will be published in 2021.

Additionally, we included preventive management of contractor companies as part of the 2020 semi-annual SIGO audit process, with an overall compliance rating of 98%.

JOINT HEALTH AND SAFETY COMMITTEES (CPHS)

For 2020, we established that the CPHS activities should comply with the requirements of article 66 of Decree 54; however, given the threat of Covid-19, additional activities were suspended in order to provide fundamental support to address the pandemic, which was effectively achieved.

We also suspended the Annual Encounter of Joint Health and Safety Committees (Ecopar), given the health crisis that they had to participate in. The members of these committees demonstrated their job and administrative commitment, as well as their ability to adapt and protect people, who are the Corporation's biggest asset.

WE REPEATED THE LOWEST SEVERITY RATE EVER

In 2020, we mourned one fatal accident in June at the Radomiro Tomic Division. Despite an 11.2% reduction in accidents involving lost time over 2019, the overall frequency rate (internal and external staff) increased this year, recording a value of 0.83, while the overall severity rate (internal and external staff) was 128, repeating the lowest rate recorded in the history of the company.

In 2020, we confronted a greater risk that affected Chile and the world, so we focused all activity and guided efforts on the control and management of the complexities generated by the Covid-19 pandemic.

SUSTAINABILITY COMMITMENTS TO SUSTAINABLE DEVELOPMENT



Five commitments
in our hands



The five commitments of sustainable development are associated with concrete business cases.

As part of the Codelco transformation process, in 2020 we incorporated a medium- and long-term perspective on sustainability in our business plan, to hold ourselves accountable for new global trends and the requirements of our customers, investors, and society in general.

We are convinced that we must drive our transformation as a company with sustainable development as one of our business values, publicly committed to explicit goals by 2030, linked to the environment, communities, the country, and the future of the planet.

For this, we have made the following five commitments:

- **Lower carbon footprint:** We will reduce our greenhouse gas emissions by 70%



will enable a 100% clean energy matrix. We will innovate to replace all production and logistics equipment in underground mines with electric equipment, and we will actively participate in the pursuit of new clean energy sources, with a focus on green hydrogen.

- **Lower water footprint:** We will reduce the unitary consumption of continental water by 60%



We will reduce the make-up (use of fresh resources in operations) of continental water use through process efficiency; we will incorporate a desalination plant for the North District and, through innovative solutions, we will reuse the water from our reserves.

- **Circular economy:** We will recycle 65% of our non-hazardous industrial waste



We will recycle 100% of mine tires and increase our recycling of the main non-hazardous industrial solid waste from our operations and projects, such as steel, wood, packaging materials, organic waste, and scrap.

- **New tailings deposit standard:** 100% of deposits will have world-class sustainability measures



We will use innovative systems for online monitoring of the physical and chemical stability of tailings deposits, and we will apply leak control systems.

- **Land development with social value:** We will increase the goods and services supplied by local providers by 60% and increase local labor



Additionally, we will implement a new land integration strategy, focused on generating social value, by driving local labor, reinforcing mining education, and increasing land sustainability.

To implement these commitments, we are developing business cases with their respective road maps up to 2030, identifying specific initiatives, as well as resources and responsible roles inside the organization. This is an innovation challenge that forces us to make changes to the way we operate and develop future projects, but that first requires an internal cultural transformation. As the main producer of copper in the world, we must transform, starting with our operations, to give sustainability to our business, neighboring communities, and the future of Chile.

Also related to the land, in 2020, we established a new Corporate Environmental Management System to materialize the transformation in terms of sustainability, in order to standardize the way in which our different operations assume responsibility for environmental protection, regulatory compliance, and implementation of international trends.

The new system is based on the management of the following four elements:

- Critical environmental risks
- Compliance with environmental regulations
- 2030 sustainability goals
- Incidents with environmental consequences

In 2020, the El Teniente Division was certified under ISO 14001, within the framework of a corporate implementation process and the absence of operational incidents with severe or very severe environmental consequences throughout the company.

We also generated a new Community Management System based on the best international practices and new expectations of the communities in our areas of influence, and supported upon four elements:

- The Land Development Corporate Strategy
- The annual cycle that considers the identification of the area of influence, the mapping of interest groups, the land needs and opportunities, community plans, and evaluation
- Governance
- The Community Management platform (GECO)

To implement these commitments, we are **developing business cases with their respective road maps up to 2030**, with specific initiatives, resources, and responsible roles.

LOWER CARBON FOOTPRINT

During 2020, in the context of our sustainability commitments, we developed a “Climate change strategy” for the 2020-2030 period, with two clear objectives: in terms of mitigation, to reduce our greenhouse gas emissions, to meet the national goal of carbon neutrality by 2050; and in terms of adaptation, to identify the risks and, if necessary, modify the infrastructure in the event of threats caused by climate change.

With this purpose in mind, during the year we created a methodological guide to develop global warming adaptation studies, which helped us carry out two research projects at the El Teniente and Andina divisions.

Greenhouse gas emissions (scope 1 y 2)

During 2020, our company’s greenhouse gas emissions (GHG) were 4,532,359 tons of carbon dioxide equivalent (t CO₂ eq), with 1,718,287 t Co₂eq of scope 1 emissions, mainly for the consumption of fossil fuels in our operations, and 2,814,072 t Co₂eq of scope 2 emissions, for the use of electricity generated by third parties using fossil fuels, considering the National Electricity System’s emissions factor. With it, the unitary emissions were 2.8 t Co₂eq per ton of fine copper (scope 1 and 2).

We are also planning to gradually incorporate upstream emissions measurements for our vendors, that is, scope 3 emissions. For this, we developed preliminary analyses during 2020.



We are planning to gradually incorporate our vendors in the measurement of their greenhouse gas emissions in our operations.

Sustainable energy

In 2018, we signed a modification to the energy supply contract for the Chuquicamata Division. During 2020, we advanced in this area so that, by 2021, 80% of the supply of this work center comes from non-conventional renewable energies (NCRE).

Our company is committed to the sustainability of its operations, so we have traced the goal of replacing all fossil fuel energy we use through electricity contracts with renewable energy.

Advances in e-mobility

In 2020, we continued to make progress in our corporate electromobility program, in order to replace diesel engines in our equipment with electrical engines.

In this line, we began to pilot the first electric mining truck in Chile, and promoted the conversion of the first electric minibus to enter underground mines from diesel equipment. In this same sense, we signed an agreement to develop a pilot program for a 100% electric LHD during 2021, making it the first mining production machine with zero emissions.

Foundry & refinery emissions

During 2020, the Chuquicamata, Potrerillos, and Caletones foundries focused on consolidating their operations under new standards, with the start-up of investment projects executed to comply with the emissions regulations of Supreme Decree 28 by the Ministry of the Environment, which went into effect on December 12, 2018. Meanwhile, the Ventanas Foundry is fully compliant with legislation for the third year in a row, since December 2016.

We have recorded 100% compliance with these environmental regulations, allowing us to reduce sulfur and arsenic emissions, and increase collection levels. It should be noted that, in order to comply with these requirements, we carried out important investment projects totaling over US\$ 2.2 billion at the corporate level. This great effort is consistent with the environmental protection provided in our Sustainability Policy.

In terms of results, average collections of our foundries reached 97.1% at the corporate level, for both arsenic and sulfur, in order to achieve 95% compliance with Supreme Decree 28.

In Ventanas, our efforts were focused on complying with the "Prevention and air decontamination plan for the communities of Concon, Quintero, and Puchuncavi," issued by the environmental authority in December 2018.

On the other hand, on March 1st the new Vice Presidency of Foundry & Refinery began to operate under the wing of the Executive Presidency, for the purpose of giving greater visibility to the individual management and contribution of each of the foundry, refinery, and roasting plant assets, generating greater synergy, and improving the transparency of business practices, to maximum their contribution to the Corporation.

Emissions Collected (%)	 	
	Arsenic	Sulfur
Chuquicamata	97.2%	97.7%
Potrerillos	97.7%	98.9%
Caletones	96.6%	96.6%
Ventanas	95.1%	95.2%
TOTAL	97.1%	97.1%
DS 28	95.0%	95.0%

LOWER WATER FOOTPRINT

To advance towards our commitment to reduce our water footprint, in 2020, we focused on strengthening a culture of resource management to improve efficiency and the monitoring of our processes, and update our strategies for the north and central-south districts.

We consolidated water governance, based on roles, documents, and processes that allow for better information and decision-making. For this, we created a corporate water committee, with its respective divisional committees, to enhance the communication and coordination among the different roles involved in water resources management.

Our “Corporate water resource management model” advanced in its implementation, emphasizing the early development of management plans for each of the operations. These look to reduce unitary fresh water consumption and incorporate supply risk in the water balance evaluations, as well as to identify best practices and opportunities for improvement through monitoring.

The strategic project on desalinated water supply for the North District remains a priority, so we are evaluating the best alternative for its development under optimal conditions for the Corporation and which provides certainty to the water matrix for Calama operations, in the medium- and

long-term. This plan is aligned with a sustainable vision of the continental extraction of water resources and with the current and future condition of the region.

Two important achievements are that we had 90% recirculation of water in the Radomiro Tomic Division and 87% in the Chuquicamata and Gabriela Mistral Divisions, in the North District, and unitary fresh water consumption has followed a downward trend in recent years, especially in the Andina and El Teniente Divisions, in the Central-South District. Improvements in this indicator help minimize the impact of the drought in these regions and, at the same time, establish a foundation for a better future in this area.



En la fotografía, el embalse Los Patos, El Teniente.

LIQUID WASTE

At Codelco, we have nine discharge points for industrial liquid waste: four in Andina, three in Salvador, one in Ventanas, and one in El Teniente. All of these are authorized and comply with regulations established regarding the element concentration limits determined in the authority's resolutions.

Of all authorized points, five presented no waste flows in 2020. Meanwhile, the Radomiro Tomic, Chuquicamata, Ministro Hales, and Gabriela Mistral divisions do not discharge industrial liquid waste into waterways.

We will continue to find ways to reduce the number or volume of our discharges, as well as increase the recirculation of water.

CIRCULAR ECONOMY

In terms of solid industrial waste, in 2020 we focused on creating a **corporate strategy on circular economy and solid waste** to be implemented in the upcoming years, so as to achieve our goal of sustainability by 2030 and reduce hazardous waste.

Today, we generate 250,000 tons/year. The substantial increase in the valuation of non-hazardous waste, which is close to 35%, sets the foundation for compliance with the objectives established in the "Extended Producer Liability Law," currently in force in Chile.

In this context, we established lines of communication and collaborative work among our experts in different work

centers and other companies and workshops, to identify the challenges and potential solutions in this area; and we defined a road map considering the different territorial contexts of each division.

We will analyze the best practices in the industry and make progress in the implementation of a corporate monitoring and control platform to manage this issue.

NEW TAILINGS DEPOSIT STANDARD

To implement a new sustainability standard in our tailings deposits and improve operations management, during 2020 we continued to prioritize establishing and consolidating the new governance—incorporating documents, regulations, and guides, as well as decision-making processes—, based on the risks identified and reported to the highest level of the organization.

In this sphere, we continued to work with the International Council on Mining and Metals (ICMM) to develop and fully review the "Global Industry Standard on Tailings Management," which was formalized in August 2020. For implementation, we prepared a plan to meet each of its objectives.

During the year, we reinforced our organization, including both operations and projects, to give it greater resources and tools to improve deposit controls and minimize the probability of occurrence of catastrophic defects.

We have developed lines of work to improve community relations and the transparency of our reserve operations with neighboring communities, based on emergency plans related to these deposits. We will carry out this work with the community between 2021 and 2023



LAND DEVELOPMENT WITH SOCIAL VALUE

Our main challenge was to solidify a new land development strategy for 2020-2030, for the purpose of promoting the progress of the areas where we have presence, based on the participation of multiple actors, to co-create socioeconomic opportunities and reinforce environmental conservation.

From this perspective, we have proposed a plan with three main areas of operation: local economy, education and social capital, and environmental sustainability, plus an overarching line of action aimed at generating at

generating a new community relations model that will give us new participation and dialogue mechanisms. For each of these areas, we have proposed shared programs and ambitious goals for 2030.

The procedure for community investment, community tools, the "Social and environmental grievances and suggestions line," all of which were updated during 2020, are an integral part of the Community Management System.

Indigenous groups: greater commitment

We foster relations with the **Aymara, Atacameño, Quechua and Colla indigenous communities**. We recognize their uniqueness and widely respect their forms of organization, customs, world view, and way of life. We coordinate with them in the field, through periodic work meetings, workshops, trainings, and participatory and collaborative community projects.

Social and environmental grievances and suggestions line

To more promptly respond to the concerns, problems, and problems arising from the community in relation to our production processes and/or investment projects, we have a "Social and environmental grievances and suggestions line," which offers ongoing and open communication with the communities from the different territories where we operate, which can be contacted by e-mail or a toll-free phone number (800 222 600).

During the period, we received 67 requests through this Line.

Of these, 11 were related to social aspects, 35 environmental, and 21 were related to other topics.

No grievances or suggestions were received in relation to Human Rights.

Our performance 2020 in numbers

25 communities
make up our area of influence

21 indigenous communities

14 agreements with indigenous groups

70 social investment agreements signed with social organizations or institutions

\$3.724.012.825 in investment

\$761.297.037 in investment in agreements with indigenous communities

INVESTMENTS IN SUSTAINABILITY

In 2019, we completed the execution of US\$2.2 billion in the ambitious projects portfolio to capture the emissions of our foundries to comply with DS 28. In 2020, investments in sustainability, which totaled US\$ 265 million, went to personal safety and health, better emissions management, the management of solid industrial waste and mass waste deposits, such as tailings, slag and other waste products.

REGULATORY COMPLIANCE

During the year, the Environmental Impact Assessment System (SEIA) approved of four initiatives presented by the Corporation, an Environmental Impact Study (EIA), and three Environmental Impact Statements (DIA):

- **EIA for the “Rajo Inca Project,” Salvador Division. RCA No. 19/2020**

The purpose of this is to extend the useful life of the Salvador Division, through the open-pit extraction of the remaining resources of the main deposit, Indio Muerto, which have historically been extracted by underground mining.

- **DIA on “Operational adjustments for MChS,” Chuquicamata Division. RCA No. 139/2020**

The objective is to ensure that the Chuquicamata

Underground Mine operation can achieve the authorized production of 140,000 tons per day, during the established terms.

- **DIA on “Increase in Mine Activity,” Ministro Hales Division. RCA No. 235/2020**

The goal is to increase the open-pit extraction rate from 450,000 to 500,000 tons per day (t/day) as an annual maximum, without increasing the mineral processing rate approved or extending the division’s useful life.

- **DIA on “Exploration of Salar de Maricunga,” CM. RCA No. 119/2020**

The objective is to collect hydrogeological information, both in the Maricunga Salt Flat and in the basin, as well as to perform a preliminary evaluation of on-site lithium resources found in the brine.

Additionally, 23 queries were filed and evaluated before the Environmental Assessment Service (SEA), of which 16 received a favorable pronouncement, while the remaining 7 are still being evaluated at year-end.

In terms of environmental compliance management, we worked to define guidelines aimed at improving the compliance indicators and strengthening the management of

the requirements derived from our Environmental Qualification Resolutions (RCA), leading us to issue the “Environment Compliance System Procedure GCS-DCA-PRO-002,” in May 2020, which will regulate and standardize this management within our company.

In parallel, and among the relevant activities during the first half of 2020, we updated the non-compliance records and rated them according to the severity criteria established by the Superintendency of the Environment (SMA). This is in addition to the definition of action plans to manage and control said regulatory risks, which are currently being implemented, with a high percentage of completion during 2021.

Moreover, we worked intensively to ensure the proper management of responses to audits and information requirements by the Superintendency of the Environment (SMA) and sectoral authorities regarding our operations and projects, which are summarized in the following annual figures:

- N° of SMA audits: 37
- N° of information requirements: 32
- N° of sectoral audits: 27

This year, we obtained the following significant permits:

DGA

- Reception of the “710 masl layer contour channel system” for the “Ovejera reserve operational continuity up to 710 masl” project and authorization of its operation, Andina Division.
- Authorization of modification of water way in the “Buttress protection project for the right wall of the Caren dam, 7th phase,” El Teniente Division.

SERNAGEOMIN

- 9th phase of banking, Talabre dam, Chuquicamata Division.
- Construction modifications project, 8th phase, Talabre, Sectors 6 and 2, Chuquicamata Division.
- Leaching of the waste dump, “Operational continuity project, Salvador Division.”
- Southeast landfill, Rajo Inca Project, Salvador Division.

CONAF

- Extraction method, Rajo Inca Project, Salvador Division.
- Modification of the north waste deposit, “Andina mining works modification project for operational continuity,” Andina Division.
- Modification of extraction, Rajo Don Luis, “Andina mining works modification project for operational continuity,” Andina Division.
- Preservation management plan, 7th phase, banking, Caren dam, El Teniente Division.
- Native forest flooding management plan, 7th phase, banking, Caren dam, El Teniente Division.
- Electrification in S/E mining expansion, 110 kV and S/E line, Sewell Andes Norte- New Mine Level, El Teniente Division.



In the Salvador Division, in addition to the approval of the Environmental Qualification Resolution for Rajo Inca, we obtained other relevant permits.

MANAGEMENT OF OPERATIONAL INCIDENTS WITH ENVIRONMENTAL CONSEQUENCES

One of the priorities of our environmental management is to prevent, control, record, and learn from each operational incident with environmental consequences.

This year, no serious or very serious events of this kind occurred, according to company standards; moreover, the total number of incidents dropped by 60% over the previous year. In 2020, we formalized the lessons learned in these events to take effective preventive measures, such as the development of **“Analysis and diagnostic of own operational incidents in tailing transport systems,”** which established recommendations for the development of actions, specific studies, and procedures.

CLOSURE OF MINE SITES AND FACILITIES

In compliance with Law No. 20,551, which regulates the closure of mine sites and facilities, we have six closure plans approved by the authority (the National Mining Service, Sernageomin), under the transitory framework of the law, and two closure plans approved in the general framework of the law, corresponding to the Chuquicamata and Ventanas Divisions.

As a result of the Covid-19 pandemic, the authority modified the terms for updating the closure plans every five years, for all industries, which in our case meant the extension for all divisions, according to a calendar that ends in May 2021.

According to these new dates, during 2020, we submitted the updated closure plans to Sernageomin, under the general framework of the law, for the Radomiro Tomic, Ministro Hales, Gabriela Mistral and Andina Divisions, while that of El Teniente is under evaluation since December 2019, and that of the Salvador Division will be submitted during the first quarter of 2021.

As of December 31, 2020, we have guarantees constituted for a total of 33,100,482 UF, of which 24,785,063 UF are bank guarantee bonds, and 8,315,419 UF correspond to insurance policies in favor of the State of Chile, to ensure compliance with the closure of our facilities within the approved terms.

WE TRACED 100% OF OUR PRODUCTION, BEFORE THE INITIAL COMMITMENT

During the year, we continued the process to trace the entire mining cycle of the different operations, which began in 2019 at the Gabriela Mistral Division, and was replicated in the other work centers.

In this way, we obtained an inventory of the life cycle for our entire production, through the collection of Information, analysis, and the validation of results by Dictuc, at the Pontificia Universidad Católica de Chile. This classification

yields indicators of sustainability that reflect the operational performance in terms of the environment.

Likewise, we developed and implemented a process focused on transparency and business management, according to the different geographical zones, in order to organize all documentation and indicators related to governance over social-labor, community, human rights, environment, and production sales aspects.

With this, we reached our goal of tracing all copper and molybdenum production ten years earlier, originally committed for 2030.

This 100% traceability of production will allow us to identify and manage the risks derived from different aspects related to sustainability, in order to develop action plans aimed at creating a due process that involves operations, monitoring, management, and reportability.

The overall goal is to reduce any vulnerability that may affect our workers and communities and, at the same time, to consolidate and facilitate the information requested and required by all actors involved.



We provided medical supplies to 100,000 families. Fishermen from Tocopilla.

OUR SUPPORT FOR THE COMMUNITY DURING THE PANDEMIC

In April 2020, just one month after declaration of the global pandemic, we began the **#JuntosNosCuidamos** (in English, "Together we take care of ourselves"), aimed at strengthening the hospital and healthcare support networks in our areas of influence, while helping meet the basic medical supply needs for communities and our staff and contractors' families.

The plan focused on the following areas:

- 1. Early detection of Covid-19 in neighboring communities:** We activated six molecular laboratories with PCR equipment to strengthen the capacity for early detection of the virus in our areas of influence. Additionally, and in alliance with the Fusat Hospital, we implemented the "Corona Movil," an ambulance with nurses and nurse technicians to perform PCR exams and provide primary care in different areas of the O'Higgins Region. A total of 2,000 PCR tests were performed.
- 2. Support for 83 community healthcare centers:** We collaborated with high nasal flow cannula equipment for the treatment of coronavirus patients, as well as health and medical supplies (face masks, face shields, hand sanitizer, surgical gloves, and bleach), for healthcare staff (hospitals, family healthcare, local public clinics, etc.). Additionally, to strengthen the emergency response, we installed a temporary hospital in the El Teniente Stadium, which provided beds and basic services as an agile response in the most critical moments of the pandemic, and enabled a special module to expand the capacity of the Carlos Cisternas Hospital in Calama.



The Family Healthcare Centers received ongoing support to combat the pandemic.

3. Healthcare support for the community and workers' families: We directly distributed 100,000 kits with hygiene products for at-home care.

4. Coronavirus education: The Ventanas Division, along with the Community Council of Quintero and Puchuncaví, implemented an online program focused on primary care (psychologists, therapists, nutritionists).

In this same context, we carried out education campaigns through communications media in all areas of influence. We also distributed to the communities, along with supply kits, information

sheets to prevent the spread of disease, recognize symptoms, care of Covid-19 patients, and others.

5. Disinfection of public spaces: We applied hygiene products in 39 neighboring sectors around our operations and distributed across different regions of the country, to disinfect streets, squares, neighborhood councils, schools, and highly transited areas.

6. Copper and Health: Leveraging the antibacterial properties of copper, we supported several start-up companies to promote their businesses using copper, as a way to combat Covid-19.

Additionally, we managed the delivery of antimicrobial paint to be used in critical and highly-transited areas, and collaborated with 227 copper elements for healthcare centers to mitigate contagion.

We also organized a series of initiatives in which the community to support the prevention measures, including 15 women from the town of Coya who sewed masks using medical fabric, which were distributed in the areas of influence and the El Teniente Division. This allowed them to obtain revenue during a period marked by high levels of unemployment.

IMPACT OF MEDIA CAMPAIGN

5
regions where we operate

66
communities

3.154.317
approximate population



7. #CodelcoLive: As part of the community support plan #JuntosNosCuidamos, in conjunction with the Communications Area, we supported.

The communities with weekly live conversations through our Facebook page (from early May to the end of the year). These conversations include the participation of experts on occupational health, safety, psychology, geriatrics, physical therapy, occupational therapy, gender and equality, general medicine,

domestic violence, and others. Our goal is to educate and promote an attitude of self-care, using non-traditional digital media to position messages, simple tips, and answers to our listeners' questions regarding routines, practices, and dynamics for the prevention of Coronavirus and the comprehensive protection of people and their families.

8. Media campaign: To reach a greater number of people in our areas of influence, in conjunction

with the Department of Communications and Public Affairs, we offered advice for at-home prevention and care, through a media campaign consisting of five radio sentences transmitted on the top 28 radio stations in regions where we operate and one television spot on three regional networks and six local channels. The radio campaign was aired for six weeks from the end of May, and televised for two weeks starting in early June.

HEALTHCARE CENTER



HEALTHCARE CENTER



EDUCATION



COPPER HOSPITAL



ELIVERY OF PCR EQUIPMENT



LOCAL LABOR



PANDEMIC



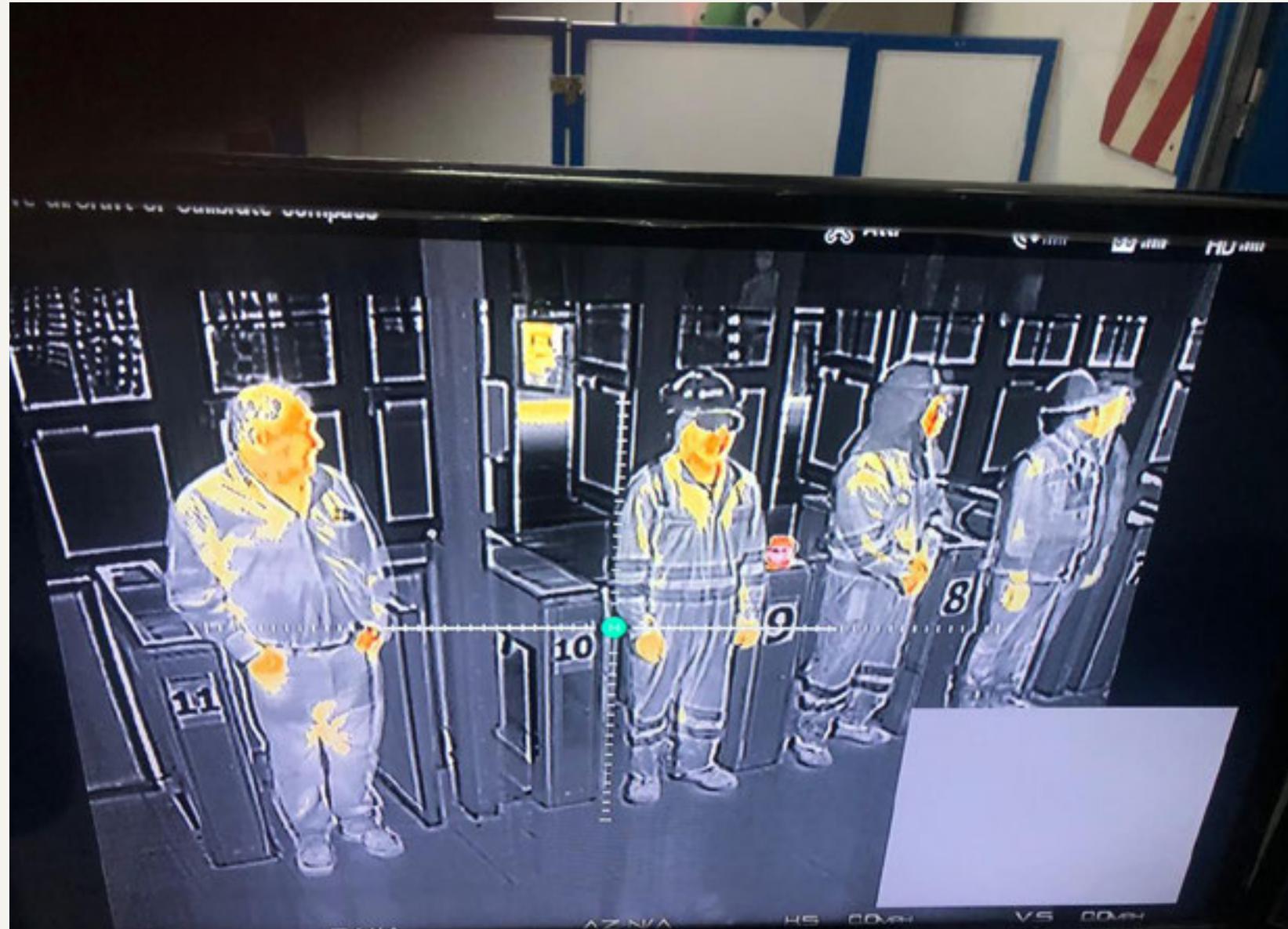
PANDEMIC



PANDEMIC



SANITIZATION



VOLUNTEER WORK



VOLUNTEER WORK



VOLUNTEER WORK





WE HAVE UPDATED OUR CRIME PREVENTION MODEL

We are aligned with the
new legislation passed
in the context of
the pandemic

CORPORATE
PROFILE



RELEVANT
INDICATORS



HOW OUR
MANAGEMENT



TRANSPARENCY,
PROBITY,
AND GOOD CORPORATE
GOVERNANCE



TRANSFORMATION
AND FUTURE



SUBSIDIARIES
AND RELATED
COMPANIES



CONSOLIDATED
FINANCIAL
STATEMENTS



OFFICES AND
REPRESENTATIVES



TRANSPARENCY, PROBITY AND GOOD CORPORATE GOVERNANCE TO ADVANCE TOWARDS A CULTURE OF INTEGRITY



We are convinced that the adoption and fulfillment of high standards of probity and transparency is fundamental for us to be able to deploy the transformation process in a way that is harmonious and aligned with the expectations of our owner and the Chilean people.

South access tunnel, El Teniente.

ETHICAL PERFORMANCE AS A STRATEGIC FACTOR



Connecting with the strategy and transformation process

The transformation process we launched a year ago is supported not only on classical business plans, like an increase in productivity and efficiency, but also fundamentally on modern principles like sustainable development, concern for communities and a values-based culture. We know that it does not suffice to generate greater earnings for Chile, but how we achieve our goals also matters.

In this context, **at Codelco we are looking for driving elements, leverage, factors that not only make it possible, but accelerate and strengthen the transformation process:** one of these is compliance with the highest standards of probity and transparency. We are certain that our company must carry out its business guided by these principles, as key drivers that reinforce and activate our transformation.



Crucial element

We are convinced that the adoption and fulfillment of high standards of probity and transparency is fundamental for us to be able to deploy the transformation process in a way that is harmonious and aligned with the expectations of our owner, the Chilean people.

We cannot transform ourselves in the way the country requires without first placing transparency and probity as a key foundation for this profound change.

We are a State-owned company; society holds us to a standard of impeccability, and we must respond to this trust they place in us.

We are aware that the success of this process depends in large part on our ability to not defraud the trust our country has placed in us.



Virtuous circle

We understand that our company, through the generation of surplus, contributes to the economic and social development of Chile. In this way, it also contributes to the growth of infrastructure and institutions, delivering resources that can be used to enable society's leaders to strengthen their role and advance towards a culture of integrity.

We are looking to be part of this virtuous circle that society requires today more than ever. The better we do this, the more capable we will be to continue contributing to the development and strengthening of a culture of integrity within our company and for the good of Chile.



Our commitment to integrity

Our actions, in all areas of the business and levels of the organization, must be inspired by the highest ethical standards of probity and transparency.

All who work at Codelco have the responsibility to represent and embody these principles.

We can and we must make a difference for Chile.

KEY CONCEPTS AND TOOLS

To strengthen and clearly set out the connection between our ethical commitment and the company's strategic objectives, this year we defined the key concepts that must inspire us and integrated them within our "dictionary of transformation."

CONCEPTS

Probity: honesty, integrity, and uprightness in the exercise of our functions. The honest and loyal performance of our role, where the interest of our company shall always prevail over private interests.

Transparency: the way we conduct and perform our processes and activities, ensuring that information is recorded in a complete and timely fashion to support decision-making and provide evidence of compliance with the law and regulations. This will allow the auditability of our indicators, accountability for our results and the use of resources, as well as the due availability of this information for the Chilean citizens, the authorities, and the oversight bodies under terms required by law.

Tools

Codelco Values: ethical and professional principles that inspire our actions, and that we at Codelco are committed to respecting in all processes, activities, and business dealings. They regulate the life of our organization, define the basis for our corporate identity and are the support for our organizational culture.

Code of Conduct: our organization's management instrument that establishes specific practices and behaviors that must be encouraged and those that will not be accepted within Codelco, according to our values.



Thanks to the commitment, efforts, cooperation, and participation of many areas of all our work centers
we managed to maintain the certification of our crime prevention model for an additional two-year period (2020-2022).

COMPLIANCE OFFICER

Considering the best corporate governance practices of different international entities and the need to continue advancing in the development and installation of risk control environment, during 2020, the Board of Directors created the compliance officer function. As of July 1st, the position was filled by the corporate Risk and Control Manager, who is also in charge of crime prevention (Law 20,393 Criminal Liability of Legal Entities).

Aware of the importance of having a role responsible for leading and coordinating the company's compliance strategy, defining its structure and process, we made progress in the design of this function, whose essence is to support all areas in the identification of these types of risk, with the greatest possible sense of prevention. He must also work to ensure that the company has the resources, processes, and systems in place to guarantee compliance with standards and regulations.

The definition of this role is framed within the path that Codelco has been paving in our ethics and probity agenda. It represents significant progress in our culture and compliance system that is being consolidated and, therefore, requires a specific and formal leadership figure. But, it also responds to the need to remain up-to-date on a series of regulatory standards related to national and international best practices.

The role of the compliance officer reports to the CEO, both in the independence required to exercise his functions and in the fact that the Corporate Risk and Control Manager position was incorporated as part of the Executive Presidency staff in early 2020.

WORK PILLARS 2020

We are committed to improving the company's ethical performance, and are working through different lines of action to accomplish this:

Regulatory framework: ongoing review work to raise and improve standards and requirements, as well as to simplify and update regulations.

This year we focused our work on regulations that have created to manage and control business dealings with companies that have specific qualities, such as **ties with related persons, people with political exposure, or former company employees.**

We reviewed and updated our set of standard to strengthen controls, simplify the associated processes and close gaps, based on lesson learned during the implementation of previous versions.

- **Dissemination and training:** focused on our people and development of the awareness and knowledge each one must have, especially those participating in business decisions. People are the ones who make a difference.

- In a particularly challenging context, characterized by limitations imposed by the global pandemic, this year we sought out new ways of carrying out our ethics and probity training processes.

Taking advantage of technological tools and adopting the Digital transformation process, we debuted remote training opportunities which were added to the already existing *e-learning* channels.

Some statistics:

- In terms of conflict of interest prevention, we have trained **over 2,100 people during 2020.**
- On the criminal liability of companies, we **trained more than 2,000 people**, for an increase of nearly 60% in people already trained, and reaching a total of around 3,400 people during the last two-year period (employees still at the Company).

- Additionally, **during 2020, we trained more than 2,400 people** in our Business Code of Conduct, to reach over 9,600 trainees on this topic during the last two years (employees still at the Company).
- Tools for prevention: we reviewed the processes, weighed out the risks, and designed and implemented controls, because it is imperative that we take all possible actions to avoid circumstances that would imply any damage to our company's reputation, financial position, or others, and which could indirectly affect Chile as a whole.

- **Declarations processes:** each year we carry out employee declarations processes (of interests and equity, related persons, etc.), with more than 3,000 participants in 2020.
- **Supporting analysis:** we cross-checked and verified key information for the prevention of conflicts of interest, with nearly 2,000 ties reviewed.
- **Review of counterparts:** we offer support to the different areas to perform *due diligence* on counterparts, through detailed analyses of specific business cases, operations, or relevant counterparts.



Ore transport conveyor, Chuquicamata Underground.

CRIME PREVENTION MODEL

We updated our Crime Prevention Model, in line with new legislation passed in the context of the pandemic.

Within the framework of the actions to prevent the spread of Covid-19, on June 20th, a new law (No. 21,240) was published in the Official Gazette to dissuade actions and behaviors that endanger public health during a pandemic, and which incorporated sanctions in the Criminal Code for those who violate an order by the health authority and generate any risk of spreading the virus.

Moreover, the new legislation increased to 13 the number of violations to be considered in companies' prevention systems (Law 20,293 on Criminal Liability of Legal Entities), which must be reviewed and adjusted.

Lead by the Company's head of crime prevention and compliance officer, we worked on a process to ensure and formalize, as soon as possible, the control tools to comply with these new legal regulations. For this purpose, we adopted specific preventive measures regarding the new violations, strictly linked to pandemic and epidemic situations.

This update to the crime prevention system is framed within and coordinated with other definitions of the plan put in place to confront the current health crisis, and is aligned with our company's commitment to act with the highest standard of probity and transparency.

WE OBTAINED RECERTIFICATION OF OUR MODEL FOR TWO MORE YEARS

The certification process has the purpose of verifying if the company complies with its leadership duties defined by law and ensuring correct implementation and operation of the model. It also ensures that the model is under constant review, in order to identify opportunities for improvement and areas of attention that must be addressed through different action plans.

In a review process that took several months, the controls and regulations of our main processes involved were sampled and reviewed by an external and independent entity (duly registered with the Financial Market Commission, CMF), as established by law.

Thanks to the commitment, efforts, cooperation, and participation of many areas of all our work centers, we managed to maintain our certification for an additional two-year period (2020-2022).

We are convinced that the value of the certification process is more than just a tool to prove compliance before the law, as it helps create value for our company and promptly detects any weaknesses or insufficiencies, and corrects them.

Recertification of this model represents our commitment to keep this important tool of legal protection up-to-date for our company.

It also gives us the chance to sustain a permanent view of our business processes from the perspective of legal compliance, and to create opportunities for integration with different areas, which allows us to move forward in our corporate transparency and probity agenda.

Renewing this certification, along with all other elements, tasks, and actions mentioned, helps us continue in our ongoing efforts to achieve the results we want, that is, a serious, effective, and real probity and transparency program.

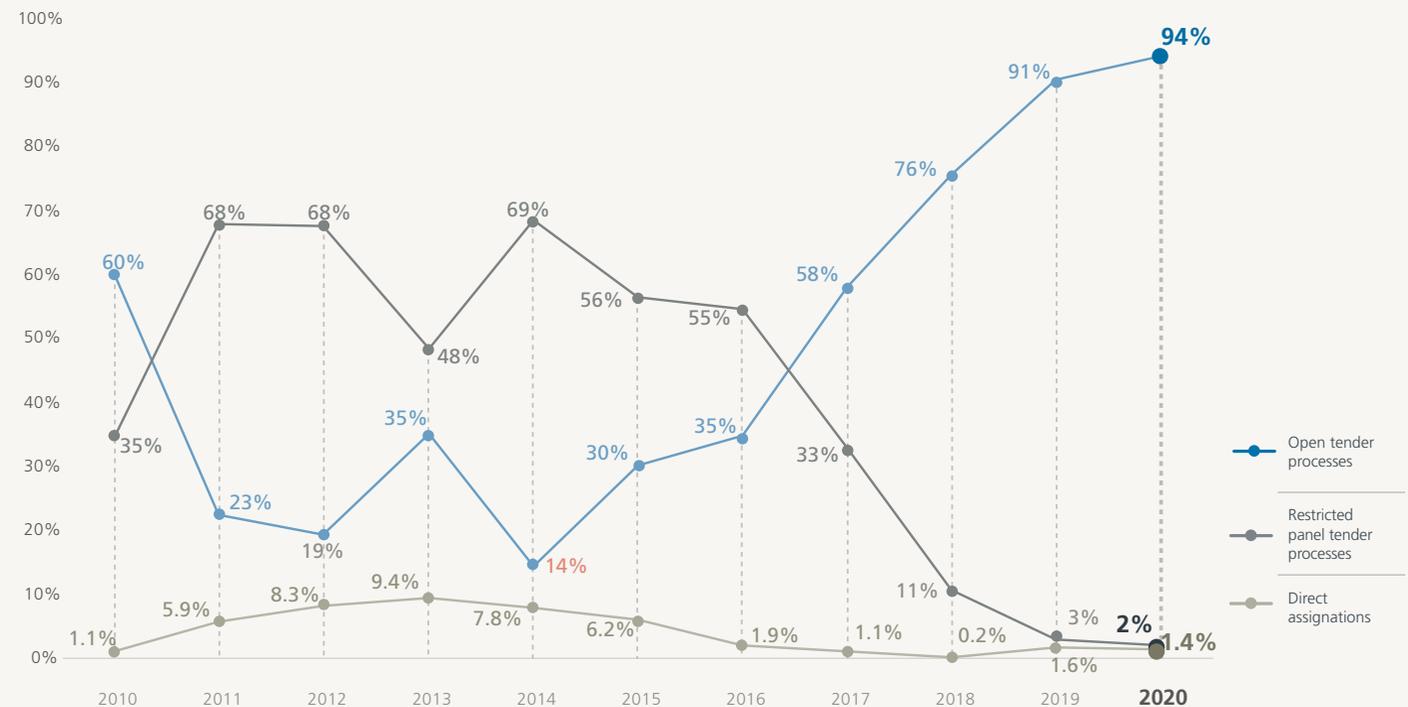


TRANSPARENCY AND PROBITY IN PROCUREMENT PROCESSES

During 2020, the Department of Procurement, along with the Vice-Presidency of Technology & Automation in Business Processes implemented the first phase of the SAP Ariba system, in which the "Sourcing", "Contract" and "Supplier Lifecycle" went live. "and Performance" (SLP). Through the use of this platform, we will strengthen transparency, traceability, and adherence to corporate regulations in the execution of the processes to contract goods and services.

Also in terms of transparency and probity, this **Year, we hit a new** record of open tender processes (94%), while continuing to maintain a low level of direct assignments (1.4%), which has promoted greater **competitiveness** to reach unprecedented levels within Codelco.

BUSINESS EVOLUTION: OPEN TENDERS, RESTRICTED-PANELS, AND DIRECT ASSIGNMENTS

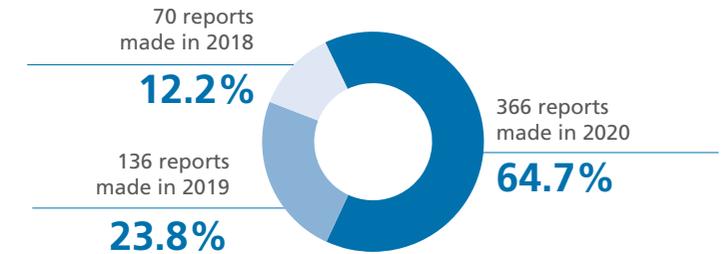


The rest of the transactions are with sole providers (meaning, there are no others in the market), direct assignments to our subsidiaries and/or related companies (in which we possess holdings) and other assignments.

REPORTING LINE



572 investigations of reports concluded in 2020



Our [reporting line](#) has operated since 2009 and allows for the anonymous or known reporting of events that may constitute breaches of the [Business Code of Conduct](#), legal regulations, and policies, procedures, or any other standards that apply to our workers, their relationships with contractors and/or third parties. **During 2020 a total of 506 reports were received**, representing a **15% drop** over 2019. Investigations into **572 reports** were completed during this year (70 made in 2018, 136 in 2019, and 366 in 2020); another **164 continue under investigation**. Of the cases concluded, **51 resulted in sanctions**.

In 2020, there were 15% fewer reports in comparison to the previous year.

RANKINGS AND REPUTATION

CODELCO LEADS THE REPUTATION RANKING IN THE INDUSTRY

For the eleventh year running, our company has led the mining sector ranking and is the most highly valued state-owned company in Chile, according to the Merco 2020 study performed by the Corporate Reputation Monitor group. It also took tenth place in the ranking of the 100 companies with the best reputation in the country.

CEO [Octavio Araneda](#) was included for the first time ever on the list of the top 100 most influential leaders in the country, ranking No. 19. Meanwhile, Chairman of the Board, [Juan Benavides](#), moved up 23 spots over the previous year, from 63rd to 40th.



Chairman of the Board, Juan Benavides, moved up to 40th place among the top 100 most influential leaders in the Merco ranking, while CEO, Octavio Araneda, debuted on the list in 19th place.



TRANSPARENCY LAW

2020 saw the eleventh anniversary of Law 20,285, the Law on Transparency in Public Office and Access to Information on State Administration. This law establishes, among other regulations, that State-owned companies must update the “active transparency” section on their corporate website. At www.codelco.com you can find the following information:

- Regulatory framework.
- Organizational structure.
- Executive personnel functions and competencies.
- Financial statements and annual reports.
- Subsidiaries and related companies, and holdings in other organizations and entities.
- Board of Directors members and company management.
- Consolidated personnel information.
- Remunerations paid to Codelco personnel and the company’s board of directors, including the executive president and managers responsible for decision making and administration of the company.
- Other background information, including our probity and transparency standards, board meetings and decisions, shareholders’ meeting minutes, and tenders.

82.8% POSITIVE NEWS

Our company is never far from the media spotlight both in Chile and internationally. In 2020, there was broad coverage of the #JuntosNosCuidamos plan, deployed to support our communities during the health crisis. To lay a foundation for this program, we carried out a television and radio media campaign in the zones of influence, to reinforce people's self-care.

Of the **2,862 news articles published** by national media during the year (excluding those valued as neutral) related to different areas of interest on our company, **82.8% were positive, that is, 2,370 news articles.**

NEW SPACES AND MORE SOCIAL MEDIA FOLLOWERS

In 2020, a new space debuted to connect with our audiences: **#CodelcoLive**. Live sessions streamed every Thursday on the Codelco Facebook and LinkedIn accounts, with two main lines of content: #JuntosNosCuidamos and #CodelcoSeTransforma (in English, Codelco Transforms Itself). This space had a total reach and impressions of close to one million Facebook and LinkedIn accounts between May and December 2020.

At present, **the company's platforms reach a total audience of more than 1.215 million followers**, with robust and active communities on Facebook, Twitter, LinkedIn, and Instagram.

During 2020, the number of followers grew on all of our networks, with the largest increases on Twitter (31%), LinkedIn (17%), and Instagram (17%).

In May, we created the MiCodelco 2.0 App for workers, contractors, and the general community, to report on our latest news and support the citizens with multiple tips and advice. By the end of the year, the application had over 40,000 followers.

The mini-site **www.juntosnoscuidamos.cl** was created around mid-year to disseminate the measures adopted within our company as high-quality information and didactic content (in the format of videos, printable info sheets, etc.) regarding the main hygiene and health measures to protect us as a whole during the pandemic.

SOCIAL MEDIA

Audience of over one million

215,000 followers

Increased presence of Codelco on social media

17%



17%



31%



WWW.CODELCO.COM

2,706,084
logins

5,561,381
site visits in 2020

SITE



we created a mini-site
www.juntosnoscuidamos.cl

42,060 logins

91,731 site visits

Between July and December 2020.

ANNUAL MANAGEMENT REPORT BY THE DIRECTORS' COMMITTEE 2020



The divisional leadership team performs an inspection of the Chuquicamata Underground project. The development of this and other structural projects is continuously

ANNUAL MANAGEMENT REPORT

President of the Directors' Committee, Blas Tomic Errázuriz, said that, as per article 50 bis of Law No. 18,046 on Corporations (LSA), Codelco's Directors' Committee, that is the Auditing, Compensations, and Ethics Committee, is responsible for presenting in the annual report and the report to the ordinary shareholders' assembly, the activities carried out, its annual management report, and expenses incurred, including those of its advisors, during 2020. For these purposes he put forward the following text for approval by the committee:

Annual Director's Committee Management Report

In 2020 the CODELCO Directors' Committee was comprised of Juan Enrique Morales Jaramillo, Isidoro Palma Penco, Paul Schiodtz Obilinovich, and Blas Tomic Errázuriz.

During the year, the committee was dedicated to fulfilling its duties and exercising the powers established in DL 1,350 of 1976, and Law No. 18,046 on Corporations (LSA), which among other things, implied examining the reports presented by external auditors, quarterly financial statements, remuneration systems, and manager and key executive compensations plans.

Finally, it examined the information related to operations under Title XVI of Law No. 18,046 on Corporations. With regard to the latter point, it should be noted that the committee analyzed the transactions specified in that section and verified that all operations were in accordance with market conditions.

The principal activities and matters covered by the Directors' Committee during the 2020 period are listed below.

1. General Information

Auditing matters:

Throughout the 2020 reporting period, and at each of its ordinary sessions, the Directors' Committee met with the general auditor to learn the results of work in that area, specifically to analyze activities under the Internal Auditing Plan and any deficiencies that had been detected, as well as the Cochilco audit processes.

In particular,

- **At the ordinary session held on January 30, 2020,** the Directors' Committee reviewed the results of the Internal Audit Plan and of the 2019 Cochilco audits, and the action plans to follow. It also agreed on how to address the claims filed before the Internal Auditing area.
- **At the ordinary session held on February 27, 2020,** the 2020 Audit Calendar was presented, and acknowledgment was made on the Cochilco audit processes.

- **At the ordinary session held on April 30, 2020,** the Directors' Committee met with the General Auditor to learn the results of quarterly activities in that area, specifically to analyze activities under the Internal Auditing Plan and the deficiencies that had been detected. It also learned of adjustments to the 2020 audit calendar and the Cochilco audit processes.
- **At the ordinary session held on June 25, 2020,** the new adjustments to the 2020 Audit Calendar were presented based on the health crisis, and to learn and acknowledgment was made on the Cochilco audit processes.
- **At the ordinary session held on July 30, 2020,** the Directors' Committee met with the General Auditor to learn the results of quarterly activities in that area, specifically to analyze activities under the Internal Auditing Plan and the deficiencies that had been detected. It also heard about the Cochilco and Comptroller General of the Republic audit processes.
- **At the ordinary session held on August 27, 2020,** the Directors' Committee analyzed and approved of the modification to the Manual on the Scope of Internal Auditing Powers and was informed of the audit procedures performed by Cochilco and the Comptroller General of the Republic.
- **At the ordinary session held on September 24, 2020,** the Directors' Committee analyzed and approved the 2021 Internal Auditing Budget and was informed of the Cochilco audit processes.



Chairman of the Board, Juan Benavides (on the right), visit to the CIO facilities of DMH.

- **At the ordinary session held on October 29, 2020,** the Directors' Committee met with the general auditor to learn of the area's quarterly results, and specifically to analyze.

It also heard about the Cochilco and Comptroller General of the Republic audit processes.

Due to the general auditor's resignation, the Committee designated Mr. Rodrigo Miranda S. as interim general auditor.

- **At the ordinary session held on December 23, 2020,** the Directors' Committee approved the 2021-2024 Internal Auditing Plan. It was also informed regarding monitoring of agreements and audits by Cochilco.

Related party and related person matters:

Throughout the 2020 period and at each ordinary session, the Directors' Committee reviewed all transactions with related parties, parties with exposure to CODELCO, and politically exposed parties, as well as all transactions in which any director, executive, or manager of the company could have conflicts of interest, and advised the board to approve the contracts presented, verifying that each of these were consistent with market conditions.

The Directors' Committee prepared a report with an analysis and approvals agreed at each session. A copy of this report was sent to the Board for information purposes.

- **At the ordinary session held on January 30, 2020,** the Directors' Committee analyzed the status

of the declarations of equity and interest inside Codelco.

- **At the ordinary session held on April 30, 2020,** the Directors' Committee reviewed the status of declarations of equity ownership and interest within the Corporation, as well as advances made in terms of organizational training on conflicts of interest.
- **At the ordinary session held on June 30, 2020,** the Committee was informed of the status of declarations of equity and interest in accordance with NCC 18.
- **At the ordinary session held on November 26, 2020,** the Directors' Committee reviewed the recommendations on the conflict of interest regulations and the Code of Conduct.

Compensations matters:

During 2020, the Directors' Committee examined and monitored the remunerations systems and compensations plans (Performance Agreements) for the CEO and the division general managers, as well as the vice presidents and other second-tier executives, and read and examined the company's Human Capital and Compensations Policies.

In particular:

- **At the ordinary session held on January 30, 2020,** they heard a presentation from the Vice-Presidency of Administration and Finance, and the Directors' Committee reviewed the results, indicators, and key focus points of the 2019 Performance Agreement. They were also informed of the direct contracting report.

- **At the ordinary session held on February 27, 2020,** after an exhaustive analysis, they approved the proposal for the 2020 Performance Agreement, presented by the Vice-Presidency of Administration and Finance, and asked that management consider the opinions and considerations of the Committee.
- **At the ordinary session held on May 28, 2020,** the Directors' Committee reviewed and analyzed in detail the proposal for modification of incentives for Codelco executives, before approving management's proposal.
- **At the committee workshop held on September 5, 2020,** information was presented on the compensation plan for the Executive Role (E Role), and they heard and examined its incentives.
- **At the ordinary session held on September 24, 2020,** the Directors' Committee heard and analyzed in detail the presentation on the compensations Management Model for the E Role.
- **At the ordinary session held on December 23, 2020,** they were informed of the upcoming changes planned for short-term executive incentives. They also approved the Performance Agreement Proposal submitted by the Vice-Presidency of Administration and Finance, and asked management to take the committee's opinions and remarks into consideration.



Ethics and control matters:

The Directors' Committee learned about compliance with the company's Code of Conduct and Ethics in Business, particularly with respect to trends aimed at preventing and addressing situations of conflict of interest, transparency, corruption, and fraud. It also oversaw compliance with regulations on criminal liability for legal entities.

In particular, during all ordinary sessions held in 2020, it studied, analyzed, and received reporting prepared by the management regarding contracts signed with related, linked, and subsidiary companies, and reporting on all direct assignments entered into.

It also reviewed the results of monitoring audits and the risk control and management culture at the Vice-Presidency of Projects and throughout the corporation as a whole. Risks and critical events from 2020 were analyzed.

- **At the extraordinary session held on January 2, 2020,** they analyzed in detail scenarios given the result of internal audits on collective work instruments.
- **At the ordinary session held on January 30, 2020,** the Directors' Committee was informed regarding the results of investigations into complaints concluded during 2019. It also reviewed the results of monitoring audits and the risk control and management culture in the Vice-Presidency of Projects and at the corporate level. Risks and critical events from 2019 were analyzed.

The Directors' Committee reviewed the semi-annual report on the Crime Prevention Model, due

to the modification of Law 20,393, and heard the presentation on the enforceability of the Code of Conduct in the different work centers, subsidiaries, and related companies.

It analyzed in detail the tender procedures, purchases, contracts, and contract modifications presented by the departments of corporate procurement and the Vice-Presidency of Projects, according to the Corporation's Manual on the Scope of Powers, recommending its approval by the Board.

Finally, it was informed of the progress made in the judicial sphere with respect to actions filed regarding the contracting of insurance, contract execution contingencies, and the vendor registration and follow-up model.

- **At the ordinary session held on February 27, 2020,** the Directors' Committee was informed of the annual insurance plan.

It reviewed in detail the competitiveness report on tenders awarded in 2019.

Finally, it analyzed in detail the tender procedures, purchases, contracts, and contract modifications presented by the departments of corporate procurement and the Vice-Presidency of Projects, according to the Corporation's Manual on the Scope of Powers, recommending its approval by the Board.

At an ordinary session held on March 26, 2020, they examined Codelco's consolidated financial statements and external auditors' reports.

The Directors' Committee, after a Q&A session with presenters, unanimously approved the company's financial statements, the notes thereto, the statement of income, and relevant events, as well as the external auditors' reports.

The Directors' Committee conducted a full study into the various proposals and put forward the gazette for publications in 2020 and the risk rating agency for the same period.

It also reviewed the competitiveness report on the tenders awarded, as well as the Dispute Prevention and Management Model.

Finally, it analyzed in detail the tender procedures, purchases, contracts, and contract modifications presented by the departments of corporate procurement and the Vice-Presidency of Projects, according to the Corporation's Manual on the Scope of Powers, recommending its approval by the Board.

- **At the ordinary session held on April 30, 2020**, the Committee reviewed the competitiveness report on the tenders awarded, the critical risk management report, and the results of investigations of complaints filed.

It also reviewed the follow-up on audits of the Vice-Presidency of Projects and critical corporate risks.

The Directors' Committee reviewed the amendments to the Scope of Powers Manual.

It was also informed regarding trading guidelines and progress in the vendor financial evaluation system.

It reviewed and approved the updated Codelco Cybersecurity Policy and modifications to the Crime Prevention Model.

It reviewed the status of enforceability of the Code of Conduct at Codelco, subsidiaries, and related companies.

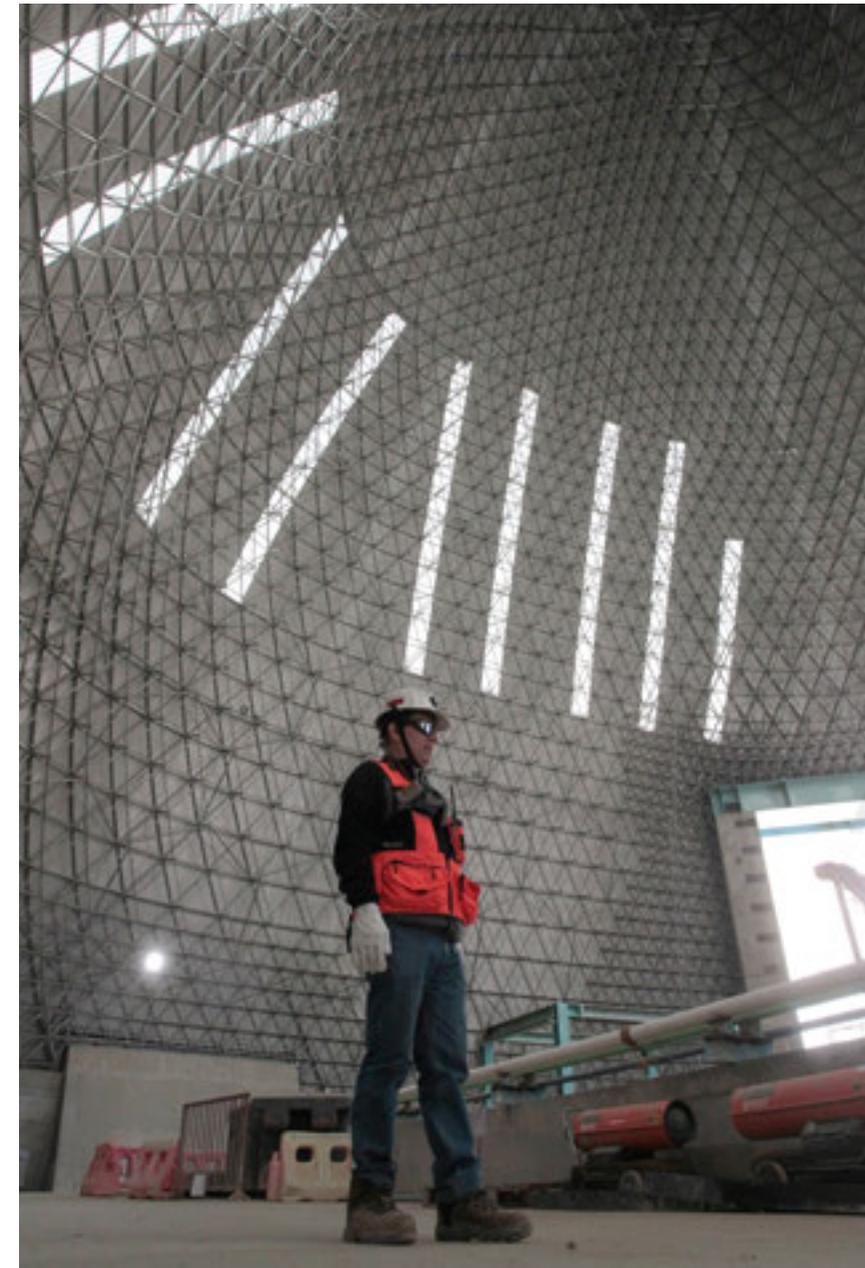
Finally, it analyzed in detail the tender procedures, purchases, contracts, and contract modifications presented by the departments of corporate procurement and the Vice-Presidency of Projects, according to the Corporation's Manual on the Scope of Powers, recommending its approval by the Board.

- **At the ordinary session held on May 28, 2020**, the Directors' Committee reviewed and analyzed the external auditors' work plan, the report on the March 31st review, and the financial statements from the first quarter. It also examined the proposal for improvements to accounting controls for subsidiaries.

It learned of the status and progress towards certification of the Crime Prevention Model.

The Directors' Committee analyzed in depth the tender procedures, purchases, contracts and contract modifications presented by the departments of corporate procurement and the Vice-Presidency of Projects, according to the Corporation's Scope of Powers Manual, recommending its approval by the Board.

Finally, it discussed the competitiveness report for tender processes and the renegotiation of contracts due to the health contingency.



- **At the ordinary session held on June 25, 2020,** the Directors' Committee was informed of the new crime incorporated in Law 20,393 and the project to incorporate environmental crimes.

It analyzed in detail the tender procedures, purchases, contracts, and contract modifications presented by the departments of corporate procurement and the Vice-Presidency of Projects, according to the Corporation's Manual on the Scope of Powers, recommending its approval by the Board.

- **At the ordinary session held on July 30, 2020,** the Directors' Committee received information on critical risk management and monitoring of agreements at Internal Auditing and the audit departments of Cochilco, and the quarterly complaints report.

It reviewed the report by the Ethics and Sanctions Committee.

The Directors' Committee analyzed in depth the tender procedures, purchases, contracts, and contract modifications presented by the departments of corporate procurement and the Vice-Presidency of Projects, according to the Corporation's Scope of Powers Manual, recommending its approval by the Board.

It then analyzed the CODELCO financial statements and external auditors' reports.

The Directors' Committee, after a Q&A session with the presenters, unanimously declared the company's financial statements, the notes thereto, the statement of income, and relevant events as examined, as well as the external auditors' reports.

Finally, it analyzed the competitiveness report on tenders awarded.

- **At the ordinary session held on August 27, 2020,** the basic standards on accounting controls were presented for the Directors' Committee's analysis and information.

The Directors' Committee was informed regarding progress in the vendor financial evaluation system.

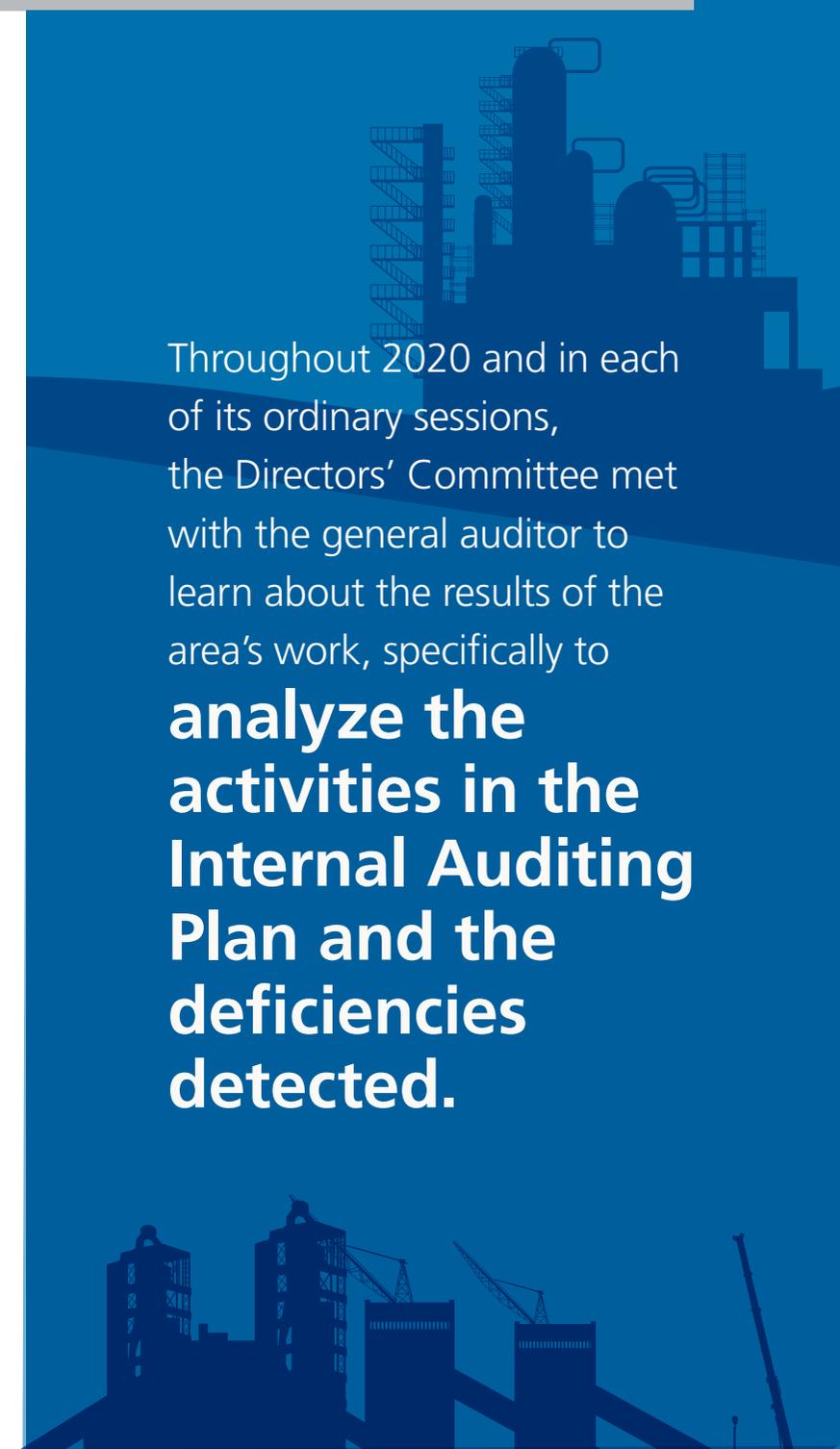
The Directors' Committee analyzed in depth the tender procedures, purchases, contracts, and contract modifications presented by the departments of corporate procurement and the Vice-Presidency of Projects, according to the Corporation's Scope of Powers Manual, recommending its approval by the Board.

Finally, it analyzed the competitiveness report on tenders awarded.

- **At the ordinary session held on September 29, 2020,** the Committee heard the presentation on the operation of the Ethics and Sanctions Committee.

It analyzed in detail the tender procedures, purchases, contracts, and contract modifications presented by the departments of corporate procurement and the Vice-Presidency of Projects, according to the Corporation's Manual on the Scope of Powers, recommending its approval by the Board.

Finally, it examined the competitiveness report on tenders awarded.



Throughout 2020 and in each of its ordinary sessions, the Directors' Committee met with the general auditor to learn about the results of the area's work, specifically to **analyze the activities in the Internal Auditing Plan and the deficiencies detected.**



Gabriela Mistral, facilities and operations

- **At an ordinary session held on October 29, 2020,** the Committee proceeded to examine Codelco's financial statements and external auditors' reports. Following a Q&A session with the presenters, the Directors' Committee unanimously declared the company's financial statements to have been reviewed, together with the corresponding notes, statements of income, and relevant events, as well as the external auditors' reports.

It learned about the critical risk management, the follow-up on Internal Auditing and Cochilco audit agreements, the productivity indicators of the Corporate Department of Risks and Control, and the quarterly complaints report.

Finally, it analyzed in detail the tender procedures, purchases, contracts, and contract modifications presented by the departments of corporate procurement and the Vice-Presidency of Projects, according to the Corporation's Manual on the Scope of Powers, recommending its approval by the Board.

- **At the ordinary session held on November 26, 2020,** the Directors' Committee analyzed in depth the tender procedures, purchases, contracts, and contract modifications presented by the departments of corporate procurement and the Vice-Presidency of Projects, according to the Corporation's Scope of Powers Manual, recommending its approval by the Board.

It also read and examined the competitiveness report on tenders awarded, legal strategies for dispute management, and recertification of the Crime Prevention Model.

- **At the ordinary session held on December 23, 2020,** the Directors' Committee proceeded to examine the letter to management on internal controls prepared by the external auditors, analysis of management accounts, and the 2021 insurance plan. Following a Q&A session with the presenters, the Committee acknowledged the information presented.

The Directors' Committee analyzed in depth the tender procedures, purchases, contracts, and contract modifications presented by the departments of corporate procurement and the Vice-Presidency of Projects, according to the Corporation's Scope of Powers Manual, recommending its approval by the Board.

Finally, it discussed the competitiveness report for tender processes and the renegotiation of contracts due to the health contingency.

2. Cochilco

The Directors' Committee was informed regarding the Cochilco Annual Review Plan, which for the 2020 period comprised 28 activities, defined as:

- 14 audits
- 9 oversight visits
- 1 review (compliance with Law 13,196).
- 4 monitoring actions.

During 2020, Cochilco issued 28 reports, covering 22 projects that began in 2020 and 6 that began in 2019. Of these, 14 were audits, 9 oversight visits, 4 monitoring actions, and 1 review of compliance.

The general auditor gave a monthly presentation to the Ethics, Compensation, and Auditing Committee on the progress and results of work completed by Cochilco relating to its oversight and audits of Codelco during 2020.

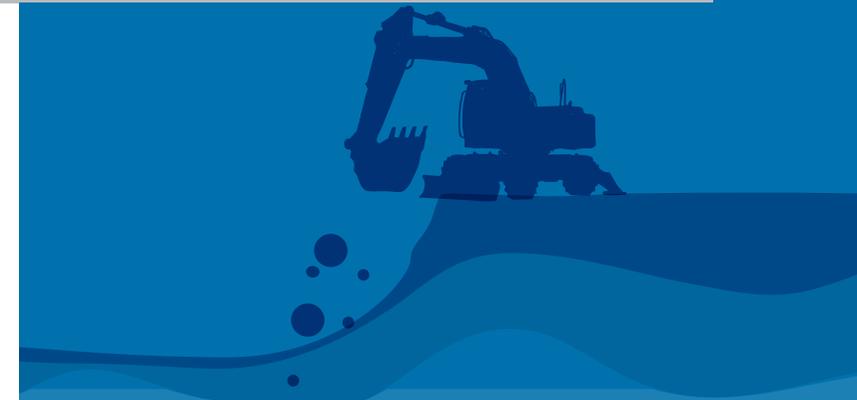
The general auditor reported that all reports issued Cochilco at the corresponding times had been reviewed and analyzed. Similarly, he periodically reported to the Committee that there had been no delays in responding to requests for background information issued by the oversight body, and therefore no sanctions processes had been launched for such issues. He also reported that the relationship with the oversight authority was appropriate, allowing for proper conclusion of all works done by Cochilco in 2020.

The monitoring of Codelco's relations with the oversight entity, in form and content, was done by way of a Coordination Committee, that met on a monthly basis. This committee is comprised of executives from Internal Auditing, the General Secretariat of Corporate Management, Legal Counsel, the Corporate Department of Risks and Control, the Corporate Department of Project Investment and Control, and the Department of Project Standards and Control of the Vice-Presidency of Projects.

The specific coordination tasks included bimonthly meetings with Codelco professionals designated as counterparts (to address the oversight authority's requirements), led by the Codelco Corporate Department of Risks and Control. Bimonthly meetings were also held with supervisors from the Cochilco Oversight Department, led by Codelco's Internal Auditing area. This area performs, among its internal processes, ongoing monitoring of the status of oversight actions, as well as activities to ensure the provision of information and/or background data requested by the oversight body.

3. Directors' Committee expenditure on advisory services

The Directors' Committee does not possess a budget for operating expenditure, so has not commissioned any advisory services.



The annual Cochilco review plan for 2020 included:

- **14 audits**
- **9 oversight visits**
- **1 review (compliance with Law No. 13,196)**
- **4 follow-ups**

IN MARCH, WE LAUNCHED THE NEW INVESTMENT POLICY

We are designing and executing better projects.



CORPORATE PROFILE



RELEVANT INDICATORS



OUR MANAGEMENT



TRANSPARENCY, PROBITY, AND GOOD CORPORATE GOVERNANCE



TRANSFORMATION AND FUTURE



SUBSIDIARIES AND RELATED COMPANIES



CONSOLIDATED FINANCIAL STATEMENTS



OFFICES AND REPRESENTATIVES



OPTIMIZES THE INVESTMENTS PORTFOLIO TO PRIORITIZE THE BEST PROJECTS, WITH AN ADJUSTMENT OF US\$ 1,020 MILLION

December 2020 marked nine months since the the new “Investment Policy” approved by the Board in January was signed by the CEO, Octavio Araneda, in early March. This policy reinforces three main aspects.

The first is alignment with the Compnay’s strategy and executing and financing capacities, which implies a prioritization of the investments portfolio, to focus resources on the initiatives that add the most value to Codelco.

The second is the application of processes to ensure that, from the early stages of the projects, the best practices and methodologies are implemented to adjust the designs to the business needs.

The third is openness to innovation with moderate technological risks, to more avidly incorporate in the design phases those innovations that present proven potential benefits over conventional technologies.



The new investment policy created clear guidelines for adjusting the budgeted expenses in 2020. and **rationalized the new project portfolio**, necessary to preserve cash flow and **address the effects of the health crisis.**

In this way, the new policy has allowed for us to coordinate the incorporation of improvements to the governance model and investment management. These include expanding the scope and composition of steering committees for structural and relevant projects, the reinforcement of prioritization criteria in the formulation of the investment budget and improvements to the quality assurance and control processes for decision-making.

In practical terms, at the corporate and divisional levels, the participation of upper corporate executives was extended in the “investment system roles” structure and in the formal processes of “project portfolio formulation and follow-up,” to strengthen the governance model.

During the year, the criteria for **incorporating new projects in the portfolio** were revamped, considering the key aspects of consistency with the strategy, the robustness of their justification and business case, the scope of their

information and/or definition, and management capacities. In sum, the goal is to execute “the best projects.”

At the beginning of the year, we reviewed along with the work centers, adjustments to the annual investment budget, in the context of the health crisis and cash preservation measures. In this way, we managed to reduce expenses established in the annual budget by US\$1,020 million and optimize the new project portfolio, reducing its number.

Among the progress made since the issuance of the new policy, we can mention greater participation and involvement of upper corporate executives in the key processes associated with Investment management, greater alignment between the business needs and the scope of the projects and, with respect to project development, stronger divisional execution areas and the transfer of best practices from the Vice-Presidency of Projects.

Adjustment of US\$ 1,020 million in the expenses budgeted for 2020

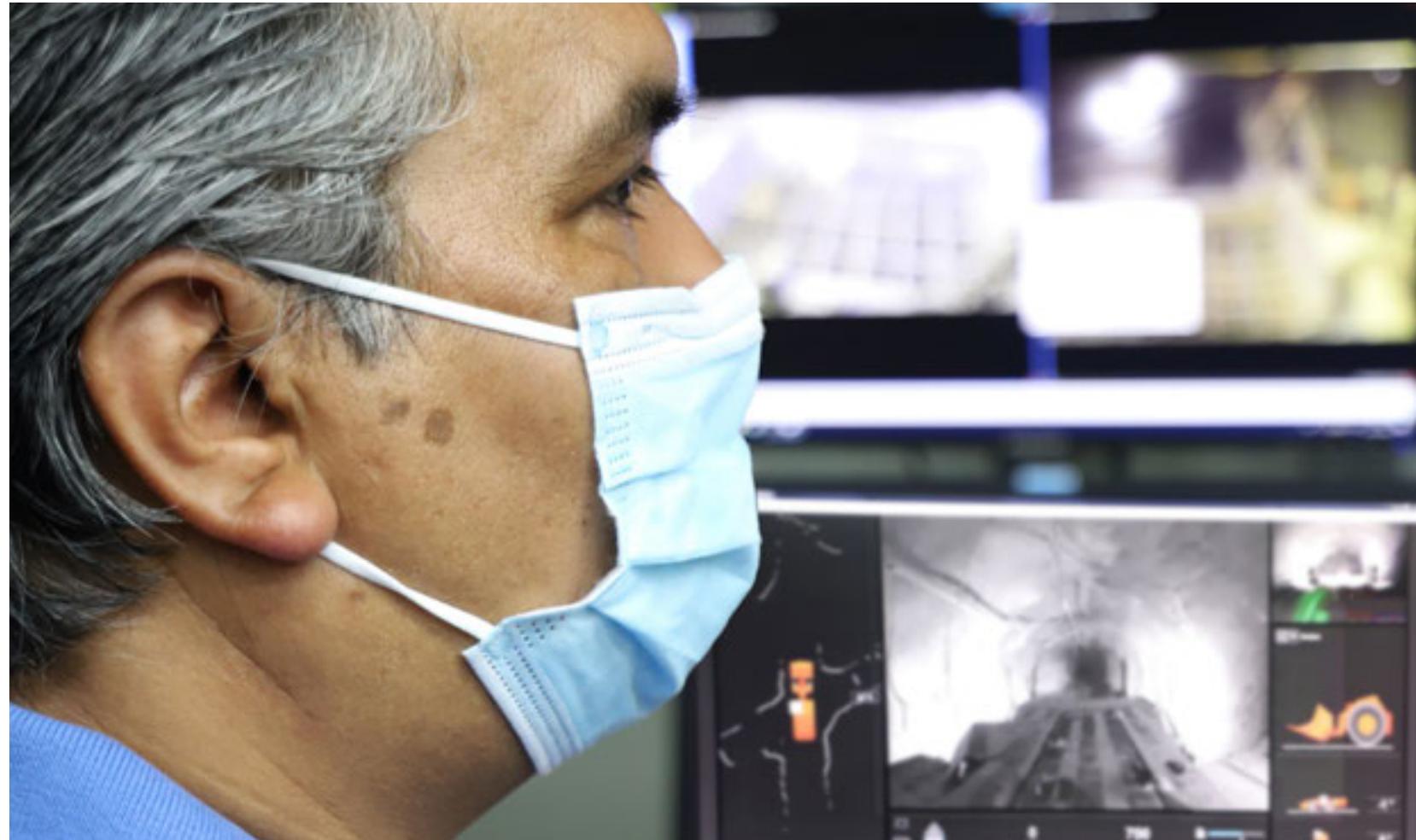
3 key concepts of the policy:

- Alignment of projects with the company’s strategy and execution and financing capacities
- Application of processes to increase value in the development of projects.
- Openness to innovations that offer moderate technological risks, but high potential benefits, to be incorporated in design phases.



INVESTMENTS AND PROJECTS

As a result of the pandemic's impact on the development of the project portfolio, we reinforced our focus on the most relevant activities in execution and on solely authorizing new priority projects, reaching a **level of investment of US\$ 2,143 million** in 2020, which represents a decrease of US\$1,020 million over the budget originally authorized.



The use of technology in operations and work sites, such as the CIO of Patio Rancagua in El Teniente, helps increase the competitiveness of our company.

In line with the Corporation’s strategic priorities in the pandemic scenario, investment associated with the execution of structural projects at Chuquicamata Underground, El Teniente, and Traspaso Andina amounted in 2020 to **US\$ 908 million**, representing **42%** of total investment for 2020.

Among the achievements for the year, we can mention progress on the Chuquicamata Underground mine, which is concluding the exploitation project works and beginning investment in **“Level 1 continuity infrastructure”** and **“Development of mining works.”** In the El Teniente Project portfolio, we can mention the continuity of the Andes Norte project construction works and the early works on Diamante and Andesita, as well as the authorization of the exploitation projects for the last two.

In Traspaso Andina, progress has been made in civil and assembly works that will allow for the project start-up to occur during the first half of 2021.

In terms of the prioritization of the portfolio and optimization of projects, we continued to advance in the definition of initiatives aimed at achieving the goal of **US\$ 8 billion in savings** in investments between 2019 and 2028.

2020 INVESTMENTS IN MILLIONS OF US\$

TOTAL US\$ 2,143

Mine development and deferred expenses	568	1,120	Development projects
Expl.	25	Research and studies	87
Neg.	6	Equipment replacement and facility renovation	68
		Sustainability	265

Note: Data extracted from real costs as of December 2020 SAP/R3, nominal currency, subject to accounting adjustments.



In 2020, we continued the pre-feasibility study to exploit the second level of Chuquicamata Underground.

STRUCTURAL PROJECTS

Within the framework of the corporate transformation strategy, the Vice-Presidency of Projects has an ambitious goal to save 20% in expenses during the 2019-2028 ten-year period, while **its investments total US\$ 23 billion** (approximately 60% of Codelco's total investments projected for the same period).

To achieve this objective, in 2020, significant progress was made in the implementation of the project transformation strategy, in the areas of lean design, lean execution, lean procurement, and enabling strategies of cultural changes and digital transformation.

The strategy to identify initiatives that allow for the expense reduction goal to be met helped mitigate the health crisis' impact on productivity. This implied that, despite stoppage, the projects advanced in their execution to implement new ways of operating, reducing the effects of the pandemic, and meeting the commitments assumed.

During 2020, the Vice-Presidency management saw **no fatal accidents**.

CHUQUICAMATA DIVISION

Chuquicamata Underground Mine structural project

The project entered into operation in 2019, and this year extracted over **6 million tons of mineral** from the underground mine, fulfilling the production target as planned for the project ramp-up.

However, in mid-2020 a contingency occurred that affected some zones that had to be isolated and duly controlled. The explanation is that, in the development of an underground mine exploited using the block caving method (which consists of a baseline cut into an ore body causing it to begin to collapse and allowing the rock to break under its own weight), conditions are generated in the infrastructure that exposes it to the potential instability of the rock mass when production activities begin. These instabilities may generate "settlement" risks in the extraction levels, which is undesirable though expected in a block caving mine that is already under control.

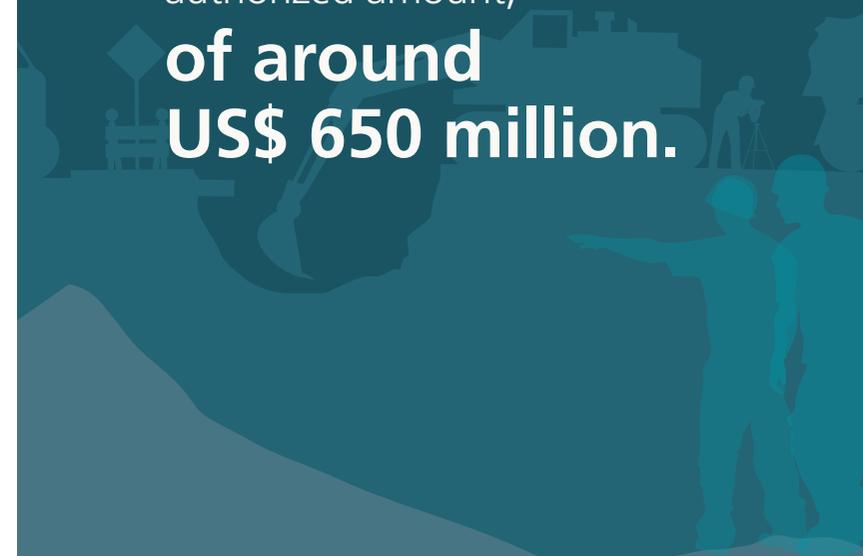
In terms of the execution of construction works, the underground mine project program currently comprises three main investments: "**Initial exploitation**," which is winding up; as well as "**Phase I continuity infrastructure**" and "**Development of mining works**," as investments authorized during 2020.

We managed to maintain continuity of the initial exploitation project of

Chuquicamata Underground,

projecting its completion during the first half of 2021, with estimated savings over the authorized amount,

of around US\$ 650 million.





The final phase of construction of the “Initial exploitation” project had to face the impact of the health crisis in 2020, with two temporary suspensions and a slowdown in its works. Nevertheless, we managed to maintain continuity of the construction, projecting its completion during the first half of 2021, with estimated savings over the authorized amount, of around **US\$ 650 million**.

During 2020, we continued to make progress in the pre-feasibility study for operation of a second mining level at Chuquicamata Underground, which will help define the optimum elevation level for its placement and the development of engineering to support the business case and apply for funding to proceed with the following feasibility study stage.

Other projects

The 8th phase of the construction project works on the Talabre Dam was finalized, to increase the wall height by six meters. Feasibility studies are currently being developed for the 9th phase of construction and the tailings thickener plant.

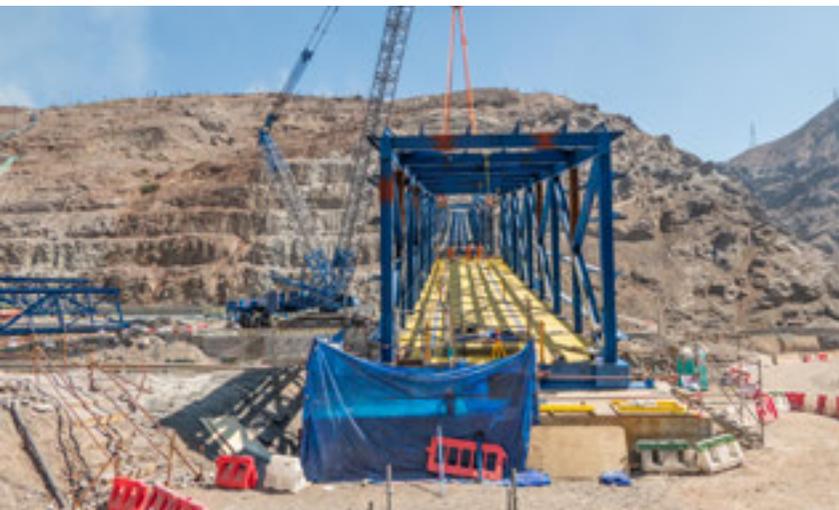
Chuquicamata Underground project.

EL TENIENTE DIVISION

Teniente Projects Portfolio

The Andes Norte New Mine Level (NMN), Diamante, and Andesita projects constitute the Teniente Projects Portfolio, which replaced the original New Mine Level project, **and will add an additional 50 years** to the divisional operations and begin the exploitation of the Teniente 9 level, the deepest of all sectors currently being exploited.

While it was a complex year for the execution of its projects due to the pandemic, which implied temporary suspension in July and a slowdown in activities, during the year we managed to maintain operational continuity, with a focus on managing the critical activities of each project and measures for handling the health crisis. Moreover, it should be noted that these projects are carried out in high-stress zones and under geomechanical conditions



that require ongoing attention and the application of necessary innovations for their progress.

In 2020, we made cumulative progress of **65%** on Andes Norte NNM, **55%** on the early works for Diamante and **65%** on Andesita.

Additionally, and as part of the portfolio financing program, funds were authorized for the execution of Diamante and Andesita exploitation works, thus finalizing the authorization of investment in the plan.

Other projects

Progress has continued on the expansion of the capacity of the Caren Reservoir, with Stage 7 construction that comprises expansion of the main wall height by nine meters, together with other related works. During 2020 and considering the updated operational requirements and better information provided by monitoring systems, we had to adjust designs according to best international practices and the project's construction sequence, in order to better meet the business requirements.

Among the division's other projects, we can mention the **conclusion of the construction and beginning of operation of the slag plant.**

As part of the portfolio financing program, **funds were authorized for the execution of Diamante and Andesita exploitation works.**





Zone where the Rajo Inca project will be located.

SALVADOR DIVISION

Rajo Inca

Rajo Inca is a project that will allow operations at the Salvador Division to be extended an additional 47 years, given that the resources in the current sector have been exhausted.

During 2020, we made significant progress in the project's development. In February, the project was approved by the Environmental Assessment Commission, and early works were completed in March.

In December, an agreement was reached with the State Defense Council, overseen by the Environmental Court of Antofagasta, to protect **60 hectares of vegetation** to be recovered and another **175 hectares** of high-Andean meadows to be restored, in a plan with an estimated cost of over **US\$ 56 million**.

In late December, the Board of Directors approved of the necessary funds for this new structural project, which will maximize the existing infrastructure, reusing mining equipment from other operations, and perform corrective and preventive maintenance on the concentration and hydrometallurgy plants, to begin operations in 2022.

The Rajo Inca project will allow operations at the Salvador Division to be extended an additional 47 years, given that the resources in the current sector have been exhausted



RADOMIRO TOMIC DIVISION

Sulfuros Radomiro Tomic II

We continued to carry out the pre-feasibility study and review the strategy for future development of the division.

Northern District desalination plant

With respect to the desalinated water system for the Northern District, which considers the funding, execution, and operation of the facilities by a third party, we continued to evaluate the best alternative for its implementation.

Other projects

Feasibility studies are underway to extend the oxidized mineral processing until 2027 and to expand the landfill and phase 9 of the secondary waste leaching process. Both are estimated to begin their investment phase in 2022.



ANDINA DIVISION

Traspaso Andina

Traspaso Andina is a project to relocate the existing primary crusher unit, to allow the mine pit to be expanded. For this purpose, we are building a new crusher unit and necessary infrastructure in a zone known as Node 3,500. The project includes an ore transport conveyor tunnel (4.8 km), connecting the new unit with the current concentrate plant.

In a year marked by the effects of the pandemic, the project had to be temporarily suspended during April and was subject to the application of measures to manage the health crisis. Despite these restrictions, the project saw overall progress of 93% in 2020, and is projected to go into operation during the first half of 2021.

Desarrollo Futuro Andina

In the context of evaluating corporate business scenarios, and considering alignment with corporate goals, the future development strategy for the division is currently under review

Other projects

According to the 2019 authorization of the Environmental Assessment Resolution (RCA) for the "Adjustment of Andina mining works for operational continuity," during 2020, we advanced in the conditioning works for the North Waste Rock Deposit project, which will help mitigate the term risk, and in September, funds were authorized for execution of the main project.

Regarding the Ovejera tailings dam for the division, phase II of project works over the 640 masl elevation level were completed with the evacuation tunnel and start-up of the facilities. The project is currently in the process of being closed.

In other investments, the early works on the "Node 3,500 connectivity construction project" are underway, and phase 1 was authorized for the "Infrastructure replacement and maintenance project for the open-pit mine, 4,000 elevation level."

Despite the restrictions of the pandemic, Traspaso Andina made overall progress of 93% in 2020, and its start-up is projected to begin in the first half of 2021.



RESOURCES AND ORE RESERVES

With mineral resources built on a total of 120 million tons of fine copper, Codelco can sustain its mining plans with solidity in the long term.



Ministro Hales open-pit mine.

We at CODELCO report our inventory of mineral assets in accordance with applicable regulations.

We also report the geological resources that indicate the potential of the ore deposits identified to date.

Geological resources are derived from the exploration process and are estimated using geo-scientific models. They are classified as measured, indicated, and inferred resources. When these geological resources show a reasonable perspective for economic extraction, they are referred to as **mineral resources**.

Our mining assets are categorized using a standard similar to the one in use throughout the industry. We undertake comprehensible and verifiable monitoring of the categorization process, as well as quality control on geological modeling and the resource estimation process.

Total geological resources remain similar to those reported in 2019, with a **decrease of 0.3% in fine copper**. The most relevant changes are the updated rock/fill and outer limit (0.2% CuT) of the El Teniente Division ore deposit, and the updated inventory of artificial resources of the Chuquicamata, Radomiro Tomic, and Salvador divisions.

Each year we prepare our Business and Development Plan, containing projections for the short, medium, and long term, through to the exhaustion of resources at each deposit. This long-term strategic plan is formulated based on the mineral resources with economic potential and includes corrections of a geological, metallurgical, geomechanical, economic, and environmental nature, to ensure the viability of their exploitation.

MINERAL ASSETS INVENTORY

■ Geological resources

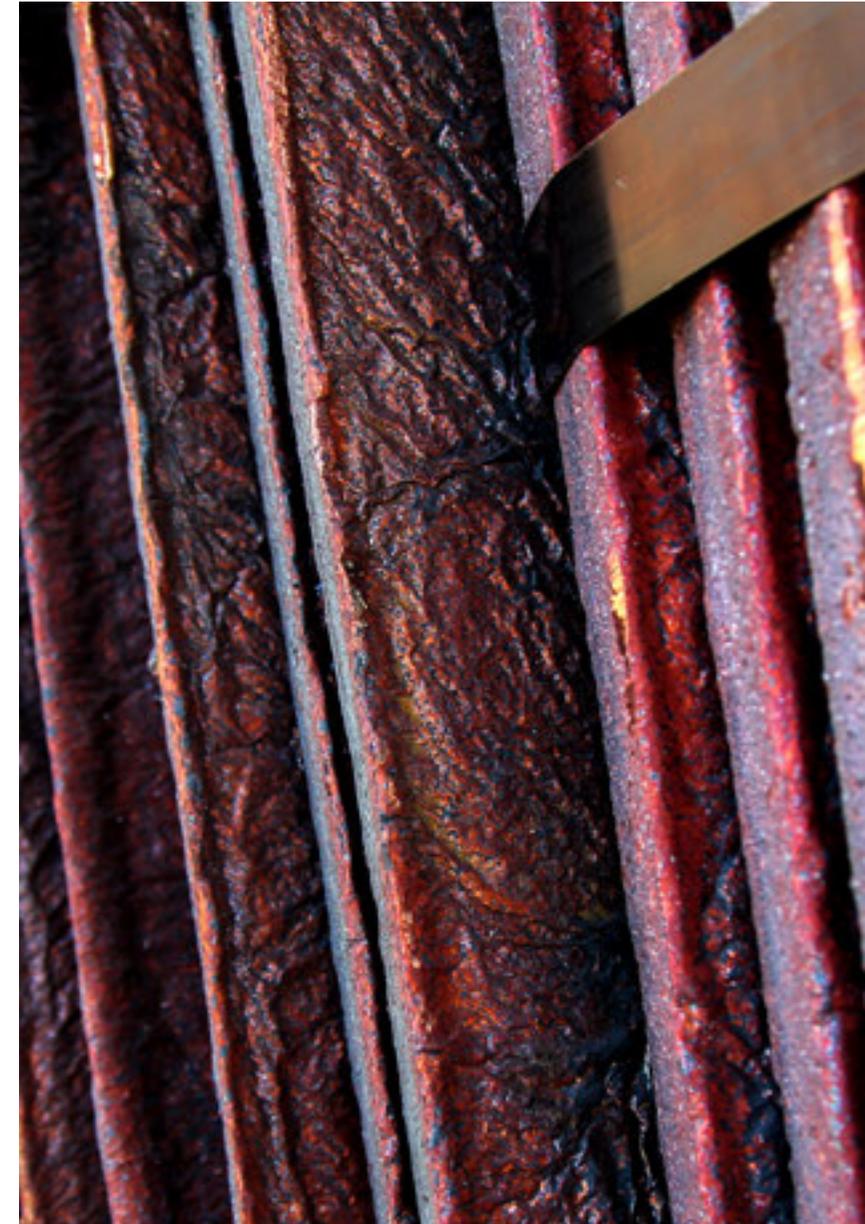
These correspond to all geological resources estimated at a cut-off grade of 0.2%

■ Mineral resources

The resources contained in economic surroundings

■ Ore reserves

A portion of the reserves measures and indicated, determined based on the mining plans



Ventanas, foundry details.

**TOTAL GEOLOGICAL
RESOURCES INVENTORY**

		Mineral (Mt)		Grade (CuT%)		Fine Copper (Mt)	
		2020	2019	2020	2019	2020	2019
Andina	Category						
	Measured	22,016	22,063	0.62	0.61	135,6	135,3
	Indicated	2,775	2,790	0.72	0.72	20,1	20,1
	Inferred	2,555	2,569	0.64	0.65	16,5	16,7
El Teniente	Category						
	Measured	16,686	16,704	0.59	0.59	99,0	98,6
	Indicated	16,322	16,418	0.57	0.57	92,6	93,9
	Inferred	2,605	2,533	0.84	0.85	21,9	21,6
Other deposits	Category						
	Measured	2,709	2,766	0.59	0.59	15,9	16,2
	Indicated	11,008	11,119	0.50	0.50	54,8	56,1
	Inferred	3,035	3,035	0.34	0.34	10,5	10,5
Artificial Resources	Category						
	Measured	149	149	0.26	0.26	0,4	0,4
	Indicated	170	170	0.27	0.27	0,5	0,5
	Inferred	2,716	2,716	0.35	0.35	9,6	9,6
TOTAL RESOURCES	Category						
	Measured	5,540,4	5,333	0.36	0.36	20,0	19,1
	Indicated	182	182	0.86	0.86	1,6	1,6
	Inferred	499	499	0.68	0.68	3,4	3,4
	Inferred	4,859	4,652	0.31	0.30	15,1	14,2
	Category						
	Measured	77,010	76,997	0.51	0.51	392,9	394,2
	Indicated	10,547	11,214	0.68	0.68	71,2	76,2
	Inferred	11,326	10,599	0.56	0.56	63,9	59,8
	Category						
Inferred	55,137	55,184	0.47	0.47	257,8	258,2	

Mt: Million tons

CuT%: Total copper grade

Artificial resources comprise broken rock and other material remaining from mining at sectors that have already been worked as underground mine and stock, which is the resource extracted from open pit mines and heaped in duly identified areas



Facilities and operations in the conventional mill of the Colon Bajo Plant, El Teniente.

INVENTORY OF MINERAL RESOURCES

Each year we undertake drilling campaigns that allow us to develop robust resource models that support progress in operations and the different stages of engineering at divisional projects.

In accordance with best practices, the geological/mining/metallurgical information on which our divisional inventories are based is systematically reviewed by independent auditors.

Our corporate resource inventory includes mineral reserves and consolidates information on oxide and sulfide ores at all divisions, by means of surveying the scale of economic deposits at open pit mines and

volumes of ore to be extracted at underground mines. In 2020, mineral resources show a decrease of 1.3 million tons of fine copper compared to the values reported in 2019. This is primarily explained by the consumption of resources during the year and adjustments to the mine designs in the Radomiro Tomic, Gabriela Mistral, and El Teniente divisions.

Considering our holdings in the Anglo American Sur, Inca de Oro, and El Abra deposits, the inventory incorporates 17.1 million tons of fine copper.

In total, CODELCO's mineral resource amount to 137.9 million tons of fine copper.

**INVENTORY OF
MINERAL RESOURCES
BY DIVISION**

	Category	Mineral (Mt)		Grade (CuT%)		Fine Copper (Mt)	
		2020	2019	2020	2019	2020	2019
Radomiro Tomic		4,167	4,282	0.44	0.44	18,5	18,9
	Measured	1,171	1,214	0.49	0.48	5,8	5,9
	Indicated	1,321	1,368	0.44	0.44	5,8	6,0
	Inferred	1,675	1,700	0.41	0.41	6,9	7,0
Chuquicamata		1,847	1,889	0.68	0.69	12,6	13,1
	Measured	666	679	0.82	0.85	5,5	5,8
	Indicated	587	588	0.73	0.73	4,3	4,3
	Inferred	594	622	0.48	0.49	2,9	3,0
Ministro Hales		1,321	1,328	0.86	0.87	11,3	11,5
	Measured	179	212	0.96	1.00	1,7	2,1
	Indicated	379	371	0.92	0.90	3,5	3,4
	Inferred	764	745	0.80	0.81	6,1	6,1
Gabriela Mistral		409	374	0.34	0.35	1,4	1,3
	Measured	259	254	0.34	0.35	0,9	0,9
	Indicated	43	40	0.32	0.33	0,1	0,1
	Inferred	107	81	0.34	0.34	0,4	0,3

Mt: Million tons

CuT%: Total copper grade

INVENTORY OF MINERAL RESOURCES BY DIVISION

Category	Mineral (Mt)		Grade (CuT%)		Fine Copper (Mt)	
	2020	2019	2020	2019	2020	2019
	Salvador	800	813	0.62	0.60	4,9
Measured	353	374	0.65	0.65	2,3	2,4
Indicated	249	262	0.64	0.61	1,6	1,6
Inferred	199	177	0.51	0.46	1,0	0,8
Andina	4,683	4,796	0.77	0.75	36,2	36,1
Measured	1,238	1,241	0.78	0.74	9,7	9,2
Indicated	963	893	0.74	0.72	7,2	6,5
Inferred	2,482	2,662	0.78	0.77	19,4	20,4
El Teniente	4,586	4,633	0.78	0.79	35,9	36,4
Measured	1,440	1,448	0.96	0.96	13,8	13,9
Indicated	1,098	1,139	0.79	0.79	8,7	9,0
Inferred	2,048	2,047	0.66	0.66	13,4	13,5
TOTAL RESOURCES	17,813	18,114	0.68	0.67	120,8	122,1

Mt: Million tons

CuT%: Total copper grade

CORPORATE INVENTORY OF MINERAL RESOURCES BY ORE TYPE

Category	Mineral (Mt)		Grade (CuT%)		Fine Copper (Mt)	
	2020	2019	2020	2019	2020	2019
Sulfide	16,575	16,822	0.70	0.70	115,9	117,1
Measured	4,749	4,816	0.78	0.78	37,3	37,7
Indicated	4,271	4,237	0.69	0.69	29,7	29,2
Inferred	7,556	7,770	0.65	0.65	48,9	50,2
Oxide	1,237	1,292	0.40	0.39	4,9	5,0
Measured	557	604	0.42	0.41	2,3	2,5
Indicated	368	424	0.40	0.40	1,5	1,7
Inferred	313	263	0.36	0.32	1,1	0,8
TOTAL RESOURCES	17,813	18,114	0.68	0.67	120,8	122,1
Measured	5,306	5,420	0.75	0.74	39,6	40,2
Indicated	4,639	4,661	0.67	0.66	31,1	30,9
Inferred	7,868	8,033	0.64	0.64	50,1	51,0

Mt: Million tons

CuT%: Total copper grade

CORPORATE INVENTORY OF ON-SITE AND ARTIFICIAL MINERAL RESOURCES

Category	Mineral (Mt)		Grade (CuT%)		Fine Copper (Mt)	
	2020	2019	2020	2019	2020	2019
<i>On-Site</i>	16,292	16,893	0.69	0.68	112,9	115,3
Measured	5,125	5,252	0.75	0.75	38,4	39,3
Indicated	4,340	4,400	0.67	0.66	29,1	29,2
Inferred	6,827	7,241	0.67	0.65	45,4	46,8
<i>Artificial</i>	1,520	1,221	0.52	0.56	7,8	6,8
Measured	181	168	0.64	0.55	1,2	0,9
Indicated	298	261	0.69	0.64	2,0	1,7
Inferred	1,041	792	0.45	0.53	4,7	4,2
TOTAL RESOURCES	17,813	18,114	0.68	0.67	120,8	122,1
Measured	5,306	5,420	0.75	0.74	39,6	40,2
Indicated	4,639	4,661	0.67	0.66	31,1	30,9
Inferred	7,868	8,033	0.64	0.64	50,1	51,0

Mt: Million tons

CuT%: Total copper grade

In 2020, our ore reserves are documented in each division in the **public reports on resources and reserves issued each year**, signed by the competent people within the company and with their respective **certificates of validity issued by the Resources and Reserves Qualification Commission**.

Mineral reserves dropped by **one million tons of fine copper** over 2019, despite the fact that 2020 consumption was around **two million tons of fine copper**. The difference

is due to the fact that the reserves at the Ministro Hales and Gabriela Mistral divisions increased thanks to optimizations in the design of the open-pit mines.

Considering our holdings in El Abra and Anglo American Sur, the inventory of mineral reserves incorporates **3.4 million tons of fine copper**. With this, we have a total of **49.1 millions tons of fine copper in ore reserves**.

CONTRIBUTIONS OF MINERAL RESOURCES FROM RELATED

Mineral resources	Mineral (Mt)	Grade (CuT%)	Fine Copper (Mt)
Related company share			
Anglo American Sur (20%)	1,533	0.81	12,4
Inca de Oro (33.8%)	153	0.41	0,6
El Abra (49%)	1,067	0.39	4,1
Subtotal related companies	2,753	0.62	17,1
Subtotal divisions	17,813	0.68	120,8
TOTAL RESOURCES	20,565	0.67	137,9

Mt: Million tons

CuT%: Total copper grade



**INVENTORY OF ORE RESERVES
BY DIVISION**

		Mineral (Mt)		Grade (CuT%)		Fine Copper (Mt)	
Category		2020	2019	2020	2019	2020	2019
Radomiro Tomic		1,876	1,943	0.49	0.49	9,2	9,4
Sulfide		1,375	1,390	0.50	0.50	6,9	7,0
	Proven	463	440	0.52	0.52	2,4	2,3
	Probable	912	950	0.50	0.50	4,5	4,7
Oxide		501	553	0.45	0.44	2,3	2,4
	Proven	150	216	0.54	0.49	0,8	1,1
	Probable	351	337	0.41	0.41	1,5	1,4
Chuquicamata		1,301	1,289	0.71	0.73	9,2	9,4
Sulfide		1,254	1,243	0.72	0.74	9,0	9,2
	Proven	376	625	0.90	0.88	3,4	5,5
	Probable	878	618	0.64	0.60	5,6	3,7
Oxide		47	46	0.45	0.44	0,2	0,2
	Proven	30	24	0.45	0.44	0,1	0,1
	Probable	17	22	0.46	0.45	0,1	0,1
Ministro Hales		334	278	0.88	0.97	2,9	2,7
Sulfide		334	278	0.88	0.97	2,9	2,7
	Proven	163	167	0.94	1.05	1,5	1,8
	Probable	171	111	0.83	0.86	1,4	1,0
Gabriela Mistral		287	285	0.34	0.35	1,0	1,0
Oxide		287	285	0.34	0.35	1,0	0,9
	Proven	252	250	0.35	0.35	0,9	0,1
	Probable	35	35	0.33	0.34	0,1	0,1

Mt: Million tons

CuT%: Total copper grade

INVENTORY OF MINERAL RESERVES BY DIVISION

		Mineral (Mt)		Grade (CuT%)		Fine Copper (Mt)	
Category		2020	20 19	2020	2019	2020	2019
Salvador		535	582	0.68	0.64	3,7	3,8
Sulfide		411	423	0.70	0.67	2,9	2,9
	Proven	265	277	0.70	0.67	1,9	1,9
	Probable	146	147	0.69	0.68	1,0	1,0
Oxide		124	159	0.64	0.57	0,8	0,9
	Proven	46	64	0.66	0.58	0,3	0,4
	Probable	78	95	0.63	0.56	0,5	0,5
Andina		1,251	1,213	0.71	0.76	8,9	9,2
Sulfide		1,251	1,213	0.71	0.76	8,9	9,2
	Proven	421	284	0.67	0.75	2,8	2,1
	Probable	831	929	0.74	0.76	6,1	7,1
El Teniente		1,293	1,338	0.83	0.83	10,7	11,2
Sulfide		1,293	1,338	0.83	0.83	10,7	11,2
	Proven	906	930	0.98	0.98	8,9	9,1
	Probable	387	409	0.48	0.49	1,9	2,0
TOTAL RESERVES		6,878	6,929	0.66	0.67	45,7	46,6

Mt: Million tons

CuT%: Total copper grade

**CORPORATE INVENTORY
OF ORE RESERVES
BY MINERAL TYPE**

Category	Mineral (Mt)		Grade (CuT%)		Fine Copper (Mt)	
	2020	2019	2020	2019	2020	2019
Sulfide	5,918	5,886	0.70	0.72	41,4	42,1
Proven	2,594	2,723	0.80	0.83	20,9	22,6
Probable	3,324	3,163	0.62	0.62	20,5	19,5
Oxide	960	1,043	0.44	0.43	4,3	4,5
Proven	479	554	0.44	0.44	2,1	2,4
Probable	480	489	0.44	0.43	2,1	2,1
TOTAL RESERVES	6,878	6,929	0.66	0.67	45,7	46,6
	3,074	3,277	0.75	0.76	23,0	25,0
	3,804	3,652	0.60	0.59	22,7	21,6

Mt: Million tons

CuT%: Total copper grade

**CONTRIBUTION OF ORE
RESERVES FROM
RELATED COMPANIES**

Ore reserves	Mineral (Mt)	Grade (CuT%)	Fine Copper (Mt)
Anglo American Sur (20%)	411	0.48	2,0
El Abra (49%)	351	0.41	1,5
Subtotal Related	762	0.45	3,4
Companie	6,878	0.66	45,7
TOTAL RECURSOS	7,640	0.64	49,1

Mt: Million tons

CuT%: Total copper grade

Each division's declaration of resources and reserves is certified each year by competent persons at Codelco, as established under Chilean Law 20,235, which regulates the classification as a "competent person" and creates the [Mining Resources and Reserves Qualification Commission](#).

The following competent persons signed the public reports on resources and reserves, which constitute the core information used in the preparation of our company's inventory of resources and reserves. These competent persons hold current registrations in the [Registry of the Mining Resources and Reserves Qualification Commission](#).

Registry No.	Competent person	Division	Codelco / organization area
99	Patricio Zúñiga Rojas	Headquarters	Mineral Resources Dept.
93	Manuel Mansilla Orellana	Headquarters	Mineral Resources Dept.
192	Raúl Cancino González	Radomiro Tomic	Mineral Resources & Development Dept.
206	Sebastian de la Fuente	Radomiro Tomic	Mineral Resources & Development Dept.
142	Christian Ardiles W.	Chuquicamata	Mineral Resources & Development Dept.
252	Juan Carlos Peña Pérez	Chuquicamata	Mineral Resources & Development Dept.
257	Renato Valdés Romo	Ministro Hales	District Development Dept.
93	Manuel Mansilla Orellana	Ministro Hales	Mineral Resources Dept.
203	Claudio Nicolás Vargas	Gabriela Mistral	Mineral Resources & Development Dept.
395	Patricio Martinez Fernandez	Gabriela Mistral	District Development Dept.
99	Patricio Zúñiga Rojas	Salvador	Mineral Resources Dept.
93	Manuel Mansilla Orellana	Salvador	Mineral Resources Dept.
254	Michel Galeb Nicolás	Andina	Mineral Resources & Development Dept.
419	José Miguel Castro	Andina	Mineral Resources & Development Dept.
84	Felipe Celhay Schoelerman	El Teniente	Mineral Resources & Development Dept.
198	Daniel Bustamante Valdés	El Teniente	Mineral Resources & Development Dept.

EXPLORATIONS IN CHILE AND ABROAD



INTRODUCTION

Our strategy during 2020 was aligned with Codelco's strategic challenges, prioritizing **acceptable risk investments in copper explorations**, in existing districts, to incorporate new resources in the inventory, maintain production capacity, and increase Codelco's mining base.

Our objectives are to **maintain production capacity in the medium- and long-term**, open up opportunities for business growth, and consolidate activities in countries with major geological potential, and acceptable risk levels, to open up opportunities for future growth.

We look to **add value to the company**, through geological explorations based on our own mine properties, expert management of geo-scientific knowledge, and integrated data analysis. We do this with competitive discover costs, high safety standards in our operations, care for the environment, and respect for nearby communities.

To strengthen our options and opportunities for business growth, we apply new concepts of exploration, technology and innovation, in order to **increase the probability of finding ore bodies of economic interest**.

EXPLORATION INVESTMENTS 2020

Likewise, we develop robust conceptual geological models that provide a early valuation of geological resources and, with it, **ensure the continuity of the exploration process.**

In Chile, exploration plans are carried out regionally (“greenfield”) and by district (“brownfield”).

At the international level, we have continued our exploration programs in Ecuador and Brazil, and are evaluating business opportunities in other countries with an acceptable ratio of geological potential to risk.

The global exploration programs, considering all mining companies, were reduced in 2020 due to the Covid-19 pandemic. As a result, non-ferrous metal exploration budgets, for all phases of project development, have **dropped by 11%, to US\$ 8.3 billion** in 2020 from **US\$ 9.3 billion** in 2019.

Australia, Canada, and the USA continue to be the main destinations, totaling **43% of global exploration budgets**, while **Latin America represents 25%**. Six countries together—Chile, Mexico, Peru, Brazil, Ecuador and Argentina—, represent **87% of the region’s total budget.**

Chile has once again landed **fourth place in the global ranking**, with a total of **US\$ 458 million**, mostly focused on copper explorations (75%). The major mining companies around the world represent **84% of the country’s budget.**

Codelco invested **US\$ 45.6 million** in exploration during 2020, 30% less than in the previous year. Of this total, **US\$ 38 million went to Chile: US\$ 3.7 million to greenfield and US\$ 34.3 million to brownfield**, in activities developed around Codelco’s divisional areas. International expenditure amounted to **US \$ 7.6 million.**

1 S&P Global Market Intelligence (2020, Corporate Exploration Strategies).
2 Codelco-Chile, Explorations Department (in 2020 currency).



EXPLORATIONS IN CHILE

During 2020, we aligned with our company's new exploration strategy, which looks to maintain long-term production capacity and open up new options for business growth. To implement this, we considered the incorporation of new models, prioritizing brownfield exploration in Chile (75% of annual exploration expenditure) and accelerating the incorporation of resources into the business plan.

Based on the exploratory brownfield results, we can mention progress in basic exploration, with the identification of ore bodies of interest with leachable Cu (oxides and secondary sulfides) at the Radomiro Tomic Division (RT Norte sector, with a potential of 150-200 Mton @ 0.4-0.5% CuT) and around the Gabriela Mistral Division (Zeus Oxidos sector with a potential of 70-90 Mton @ 0.30-0.31% CuT and Gaby

Sur-Oeste sector, with 30-60 Mton @ 0.3% CuT). The latter work center's sectors will be recommended to proceed on to the advanced exploration phase in 2021.

In greenfield exploration, the most important results have been obtained in the Exploradora prospect, near the Salvador Division, where two ore bodies have been defined: the first, entitled Campamento Noroeste, with a mineralization of leachable Cu (oxides and secondary sulfides) (190-280 Mton @ 0.4% CuT at a cut-off grade of 0.2% CuT) and a oxidized gold mineralization (with a potential of 75-119 Mton @ 0.3-0.31 g/t Au); the second, by the name of Los Tambores, has a combined mineralization of low-grade Cu-Au (64-24 Mton @ 0.1-0.14% CuT / 0.18-0.24 g/t Au).

To carry out the lithium exploration campaign in the Maricunga Salt Flat, we filed and processed an Environmental Impact Statement (DIA) to the Environmental Impact Assessment System (SEIA), obtaining the Environmental Assessment Resolution (RCA) in November 2020. The on-site campaign will be carried out in 2021, including drilling for hydrogeological modeling and an estimate of lithium resources and other elements.

2020 WORK AREAS. BROWNFIELD AND GREENFIELD EXPLORATION IN CHILE

	Anomalie	Prospects ²	Targets ³	TOTAL
# of study areas	63	29	18	110
# of areas drilled	Studies w/o drilling	2	7	9
Meters Drilled	-	8,348	17,815	26,163

¹ Anomalies: zones with specific geological characteristics.

² Prospects: areas of preliminary mining geology interest.

³ Targets: geological objectives of mining interest.



INTERNATIONAL EXPLORATIONS

During 2020, we continued our exploration activities in Ecuador, in an area featuring porphyry-type copper deposits, and in Brazil, targeting major IOCG-type copper lodes (massive iron ore, copper, and gold deposits). In the rest of the world, we continued to monitor and evaluate business opportunities in regions with geological potential and economic, social, environmental, and legal conditions that meet Codelco's requirements, to provide early detection of high-potential copper prospects.

BRAZIL

The subsidiary "Codelco do Brasil" has continued with evaluation of its portfolio of prospects, including those relating to current partnerships. Its activity concentrated primarily on the geological evaluation of the exploration assets in the prospects portfolio, both in the traditional district of Carajas, State of Para, and in emerging metallotects. To date, the subsidiary has a portfolio of approximately 1.2 million hectares.

ECUADOR

Exploration carried out by our subsidiary Emsaec, 100% owned by Codelco, covers a portfolio of 16 prospects on its 55,000 hectares (ha) of concessions. The initial exploration works helped identify at least four prospects with attractive

geological potential, the most advanced to date being Tres Cerrillos, where a hydrothermal system was identified with geochemical anomalies consisting of porphyry-type deposits of Cu-Au (Mo), in an extension of 8 x 2 km. In these prospects, the Environmental Impact Studies have begun which, once approved by the sectoral authority, will allow the subsidiary to obtain the Environmental Permit, which is required prior to drilling exploration.

In the framework of the mining exploration agreement signed by the state-owned Empresa Nacional Minera del Ecuador (Enami EP) in the Llurimagua project, during 2020, we continued negotiations of contractual instruments to constitute the company agreed upon in prior agreements and move forward towards the project's economic evaluation phase.

For these purposes, we notified Ecuador through a letter sent to the Federal Office of the Inspector General of that country, of our request to begin friendly conversations, as Enami EP has not complied with the agreements to form a company for the development of the Llurimagua project, or ratified the shareholders' agreement signed in late 2019.



Analysis of minerals in Llurimagua, Ecuador.



APPLICATION OF TECHNOLOGIES FOR EXPLORATION

The new options and opportunities for growth of the mining business are strengthened through the incorporation of concepts and new technologies aligned with our exploration strategy. The main goal is to develop conceptual geological models that provide a basis for the early valuation of geological resources to ensure continuity of the exploration process.

This year, the **Corporate Explorations Department (GCEX)** consolidated its operational practices with vectorization tools, in the geophysical and geochemical spheres, and applied mathematical models in district and regional areas.

In these spheres, projects have been led alongside universities and national and international research centers, including:

- **Geophysical vectorization (seismic tomography via deep learning):** this project looks to identify areas of economic interest that may harbor ore bodies, particularly porphyry copper deposits, under sterile rock. This tool uses wave speeds generated by natural earthquakes, which can be correlated to the deep ore bodies of interest. This technique is low cost, applicable on a large scale, and has no impact on the environment or communities. In Chile, we have performed regional studies and local studies (Gabriela Mistral Division, in process), along with the Advanced Mining Technology Center (AMTC) group from Universidad de Chile.
- **Mathematical vectorization (algorithm projects for explorations):** this project is aimed at building mathematical models for regional and district exploration, through the use of the concepts of artificial intelligence and geostatistics to identify anomalies and prospects of geological interest. The results obtained offer probability models that identify new anomalies based on known deposit patterns or criteria defined upon the data. Today we have a new mathematical tool to apply to initial phases of the exploratory cycle, which offers quick and low-cost guidance on anomalies of interest.
- **Geochemical vectorization (green halo and white halo projects):** the purpose of these projects is to identify zones with greater potential for the mineralization of copper and associated metals, analyzing specific substances from the periodic table, contained in the minerals found around the porphyry copper deposits. The methods are fast, capable of covering large areas with surface samples, with no environmental impact, and a low cost versus drilling. They were validated in the northern zone and emerging areas in the central-south of Chile, with good results in terms of vectorization and identification.

EXPLORATION PARTNERSHIP

During 2020, we solidified our **exploration partnership strategy**, focused on driving business with mining companies looking to develop exploration projects in the areas defined by Codelco as non-priority mine property (for own exploration), for the purpose of obtaining geological information and developing exploration project options to increase the probability of new discoveries, increase resources for existing exploitation projects, and capture value to **open up opportunities for future growth**.

Exploration partnerships with third parties helps leverage synergy in projects, installed infrastructure, license to operate, and know-how, so as to confront the ongoing challenges presented by new mining projects in their exploration and exploitation phases, in order to make the mine property more profitable.

In Chile, during 2020, we maintain 12 confidentiality agreements in force with different mining companies that are looking to develop explorations at the national level, to evaluate potential joint mining developments. Moreover, the option contract with Pucobre is still valid for the Puntillas-Galenosa project, located in the Antofagasta Region.



WE ARE MAJORITY OR MINORITY SHAREHOLDERS IN NEARLY 40 COMPANIES

CORPORATE
PROFILE



RELEVANT
INDICATORS



VALUE OUR
MANAGEMENT



TRANSPARENCY,
PROBITY,
AND GOOD CORPORATE
GOVERNANCE



TRANSFORMATION
AND FUTURE



SUBSIDIARIES
RELATED
COMPANIES



CONSOLIDATED
FINANCIAL
STATEMENTS



OFFICES AND
REPRESENTATIVES

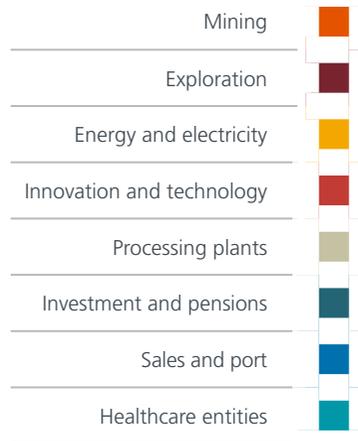


CODELCO SUBSIDIARIES AND RELATED COMPANIES

As of December 31, 2020

Codelco participates as a majority or minority partner in 40 companies

Nuestra red de empresas filiales y coligadas abarca rubros como la minería, exploraciones mineras, inversión, comercialización de cobre, salud, portuario, procesadoras de barros anódicos, concentrados de molibdeno y residuos mineros, entre otros. Varias de estas compañías venden o entregan servicios a Codelco.



In 2020, Codelco made capital contributions to its subsidiaries and related companies in the amount of US\$ 14.5 million.

In 2020, we made capital contributions to these companies for a total of **US\$ 14.5 million**, while some Codelco related companies have received dividends or capital decreases in the amount of **US\$ 29.5 million**.

Our network of subsidiaries **employed a total of 1,926 people as of December 31, 2020**. Codelco directors and executives who sit on the boards of subsidiaries and related companies do not receive any additional remunerations for these duties.

NEW BUSINESS

We have a Business Development Department, for the main purpose of **identifying opportunities to create value for our company**, evaluating or proposing businesses to enable or complement corporate operations, based on attracting the experience, technology, market access, capital, or other third-party contributions. This area carried out strategic consulting within The Corporation and analyzes transactions related to our core business, such as acquisitions and sales, as well as associations of mining, technology, and exploration assets both in Chile and abroad.

Anglo American Sur S.A.

Identification and legal capacity

Capital subscribed and paid by Codelco

ThUS\$ 248,147

RUT:	77.762.940-9
Corporate ID:	Anglo American Sur S.A.
Type:	Corporation
Incorporated:	July 31, 2007
Partners:	<p>Inversiones Anglo American Sur S.A. 50.05992%</p> <p>Clarent SÀRL 0.00008%</p> <p>Inversiones Mineras Becrux SpA 29.5%</p> <p>MC Resource Development Ltd. 20.44%</p>

Business Area

The company's principal activity consists of exploration, extraction, exploitation, production, value-added activities and trade in minerals, concentrates, precipitates, copper bars and all metallic and non-metallic mineral substances and, in general, all liquid and gaseous hydrocarbons and fossil fuels, in any form in which they naturally occur. This includes exploration, extraction and use of all natural energy sources suitable for industrial use, and the products and byproducts obtained thereof and, in general, any other related, connected or complementary activities as agreed by the shareholders.

Directors

- Ruben Fernández
- Aaron Puna
- Juan Carlos Román
- Norihide Tsutsumi
- Rodrigo Barrera O. (*)

Alternate directors

- Domenico Pelliccia
- Trevor Dyer
- René Muga
- Masahiro Deguchi
- Kazutaka Shiba

CEO

Aaron Puna

Codelco capital holdings and variations during the reporting period

- Codelco indirectly holds 20% of the company's shares.
- There were no variations during the reporting period.

Commercial relationship with Codelco

- Sale of anodes, cathodes, and concentrate to Inversiones Mineras Nueva Acrux SpA.
- Sale of sulfuric acid to Codelco.
- Sale of copper concentrates to Codelco.

Contracts in place with Codelco

- Contracts for sale of anodes, cathodes, and concentrate, via Inversiones Mineras Nueva Acrux SpA.
- Sulfuric acid sale contracts.
- Copper concentrate sale contract.

(*) Codelco directors or executives.

SCM El Abra

Identification and legal capacity

RUT:	96.701.340-4
Corporate ID:	Sociedad Contractual Minera El Abra - SCM El Abra
Type:	Mining contract company.
Incorporated:	June 28, 1994
Partners:	<p>CODELCO 49%</p> <p>Cyprus El Abra Corporation (Freeport-McMoRan Inc.) 51%</p>

Capital subscribed and paid by Codelco

ThUS\$ 317,059

Corporate Purpose

Prospecting, exploring, and mining the ore deposit known as El Abra, located in Antofagasta Region, including its expansion areas and adjacent or nearby zones.

Extraction, purification, and processing of minerals obtained from mining operations at the tenure areas that cover this deposit and areas, and the transport and sale of products and byproducts derived from mineral processing and other operating activities at the deposit.

Directors

- Joshua Olmstead
- Francisco Costabal M.
- Steven Tanner
- Alejandro Rivera (*)
- Mauricio Barraza (*)

Alternate directors

- Rubén Funes M.
- Kathleen Quirk
- Taylor Melvin
- Rodrigo Barrera (*)
- Patricio Vergara (*)

President
Rubén Funes M.

CEO
Boris Medina K.

Codelco capital holdings and variations during the reporting period

- CODELCO directly holds 49% of the company's shares. During the year, there were no capital increases.

Commercial relationship with Codelco

- The principal shared business activity relates to the sale of copper and cathodes by SCM El Abra to Codelco. Additionally, Codelco sells sulfuric acid to SCM El Abra, with quantities and prices that are negotiated each year.

Contracts in place with Codelco

- The sale of copper is covered under a contract signed on January 1, 2004 between SCM El Abra and Codelco, which is automatically renewed based on annual data. Contracts exist for sales of sulfuric acid, running through to December 31, 2022.

(*) Codelco directors or executives.

<h2 style="margin: 0;">SCM Purén</h2> <p style="margin: 0;">Identification and legal capacity</p>	
RUT:	76.028.880-2
Corporate ID:	Sociedad Contractual Minera Purén
Type:	Mining contract company.
Incorporated:	September 23, 2003
Partners:	<p>CODELCO 35%</p> <p>Minera Mantos de Oro (Kinross) 65%</p>

Capital subscribed and paid by Codelco

ThUS\$ 9,913

Business Area

Exploring, assessing, prospecting, researching, developing and mining mineral deposits with the purpose of extracting, producing, and processing minerals, concentrates or other products derived from mineral substances, for which purpose it may install and operate mineral treatment and process plants. Constitute and acquire mineral rights of any nature; sell, transport, export and trade mineral products and substances, for which purpose it may perform all acts and enter into all contracts and conventions that directly and indirectly aid compliance with the purpose.

Directors

- Rolando Cubillos Basaure
- Ximena Matas Quilodrán
- Guillermo Olivares Ardiles
- Carlos Wulff Moreno (*)
- Diego Brieba Vial (*)

Alternate directors

- Claudia Onetto
- Fabiola Meza
- Regulo Sánchez Troncoso
- Jaime San Martín (*)
- Christian Dummer (*)

CEO
Rodrigo Moscoso

Codelco capital holdings and variations during the reporting period

- Codelco holds 350 of the 1000 shares issued, for a holding of 35%.
There were no variations during the reporting period.

Commercial relationship with Codelco

- There were no sales or purchases of goods and services, other than the contracts in place between the company and CODELCO.

Contracts in place with Codelco

- No contracts or documents existed that substantially affect operations or financial results of CODELCO.

(*) Codelco directors or executives.

Inca de Oro S.A.

Identification and legal capacity

RUT:	76.063.022-5
Corporate ID:	Inca de Oro S.A.
Type:	Corporation
Incorporated:	June 11, 2009
Partners:	<p>CODELCO 33.19%</p> <p>PanAust 66.81%.</p>

Capital subscribed and paid by Codelco

ThUS\$ 33,587

Business Area

Operating mining and mineral processing facilities. Forming or forming part of other companies with similar, related, connected, or complementary purposes; and acquiring and disposing of rights or shareholdings in the same.

Acquiring, constituting, and selling mining rights, properties, deposits, and concessions, and real estate and movable property in general, as well as financial instruments and securities or any type. Undertaking all classes of services for the mining sector in Chile and abroad.

Directors

- Daling Zheng
- George Piggott
- Scott Alexander Cowie
- Jaime San Martín (*)
- Diego Brieba Vial (*)

Alternate directors

- Qun Yang
- Geoff Kernick
- Shaun Massey
- Christian Dummer (*)
- Rodrigo Barrera O. (*)

CEO
Shane Matthew Young

Codelco capital holdings and variations during the reporting period

- Codelco directly holds 33.19% of the company's shares.
- There were no variations during the reporting period

Commercial relationship with Codelco

- The company did not engage in any commercial activity during 2020.

Contracts in place with Codelco

- Service contract between Inca de Oro S.A. and Codelco, for the provision of administration services for the mining property of Inca de Oro S.A.

(*) Codelco directors or executives.

<h2 style="margin: 0;">Agua de la Falda S.A.</h2> <p style="margin: 0;">Identification and legal capacity</p>	
RUT:	96.801.450-1
Corporate ID:	Agua de la Falda S.A.
Type:	Corporation
Incorporated:	July 25, 1996
Partners:	<p>Codelco 42.26%</p> <p>Minera Meridian Limitada 57.74%</p>

Capital subscribed and paid by Codelco

ThUS\$ 18,499

Business Area

Prospecting, exploring, and operating mining tenures that contain gold, precious metals, and other metals, and trading the same in any form

Directors

- Vacante
- Jason Joseph LeBlanc
- Gerardo Fernández Tobar
- Denny Díaz Rodríguez (*)
- Jaime San Martín (*)

Alternate directors

- Sergio Orrego Flory
- Andres Guzmán Bosque
- Miguel Pérez Aspe
- Santiago Núñez Lagos (*)
- Christian Dummer (*)

CEO

Pending appointment

Codelco capital holdings and variations during the reporting period

- CODELCO directly holds 42.26% of the company's shares. During the reporting period, corporate capital increased from US\$ 43,363 to US\$ 43,780, fully subscribed and paid up by the shareholders Codelco and Minera Meridian Limitada.

Commercial relationship with Codelco

- There were no sales or purchases of goods and services, other than the contracts in place between the company and CODELCO.

Contracts in place with Codelco

- The company holds contracts with Codelco for the following services: freshwater supply, industrial water supply, electricity, and leasing.

(*) Codelco directors or executives.

Exploraciones Mineras Andinas S.A. Identification and legal capacity	
RUT:	99.569.520-0
Corporate ID:	Exploraciones Mineras Andinas S.A.
Type:	Sociedad anónima
Incorporated:	July 29, 2004
Partners:	CODELCO 99.9% Inversiones Copperfield SpA 0.1%

Capital subscribed and paid by Codelco
ThUS\$ 6,570

Business Area

Provides services for the planning, management, and implementation of mining and water resource exploration programs, including exploratory drilling, chemical analysis, sampling, laboratory analysis, geological mapping, geophysics, measurement of physical properties, characterization of materials, support services, and all other services necessary for the implementation of said programs; advisory services in the fields of geology, geophysics, geo-statistics, geotechnical science, geo-metallurgy, hydrogeology; all classes of personnel training in areas relating to mining exploration, publications, seminars, workshops, and courses

Directors

- Jaime San Martín Larenas (*)
- Mauricio Méndez Mardones (*)
- Carlos Wulff Moreno (*)

Alternate directors

None.

Staffing

Executive and managers: **6**
 Professionals and technicians: **49**
 Workers: **1**

CEO

Marcelo Santibáñez Aldana

Codelco capital holdings and variations during the reporting period

- CODELCO directly and indirectly holds 100% of the company's shares. There were no variations during the reporting period.

Commercial relationship with Codelco

- The company provides geological and mining exploration services.

Contracts in place with Codelco

- Contract for mining exploration services. Since October 15, 2004, the company has formed a range of contracts with Codelco for the implementation and performance of the Corporations' exploration programs in Chile and abroad.
- The current contract is titled Integrated Mining Exploration Services for programs in the 2018-2021 period, and covers acquisition of geological information and preliminary resource evaluation.

(*) Codelco directors or executives.

Exploraciones Mineras Andinas Ecuador S.A.

Identification and legal capacity

Capital subscribed and paid by Codelco
ThUS\$ 6,658

RUC:	1792431565001	Business Area Provides mining-related and similar services. Accordingly, the company engages in services on its own behalf or for third parties for planning, management, and implementation of mining and water resource exploration programs, including exploratory drilling, chemical analysis, sampling, laboratory analysis, geological or geophysical mapping, measurement of physical properties, characterization of materials, support services, and all other services necessary for the implementation of said programs; it also provides advisory services in the fields of geology, geophysics, geo-statistics, geotechnical science, geochemistry, geo-metallurgy, and hydrogeology.	CEO Santiago Bustamante Sáenz
Corporate ID:	Exploraciones Mineras Andinas Ecuador EMSAEC S.A.		Codelco capital holdings and variations during the reporting period <ul style="list-style-type: none">CODELCO indirectly holds 100% of the company's shares.
Type:	Corporation		Commercial relationship with Codelco <ul style="list-style-type: none">Subsidiary of Exploraciones Mineras Andinas S.A.
Incorporated:	December 19, 2012 in Ecuador		Contracts in place with Codelco <ul style="list-style-type: none">None.
Partners:	Exploraciones Mineras Andinas S.A. 99% Inversiones Copperfield SpA 1%	Directors <ul style="list-style-type: none">María Susana Rioseco (*)Olivar Hernández Giugliano (*)Verónica Bilbao Solar (*)Guillermo Müller Masser (*)Rodrigo Barrera Orellana (*)	Alternate directors None.
			Staffing Executive and managers: 1 Professionals and technicians: 22 Workers: 68

(*) Codelco directors or executives.

Codelco do Brasil M. L.

Identification and legal capacity

RUT:	N/A
Corporate ID:	Codelco do Brasil Mineração Limitada
Type:	Limited liability company (Brazil).
Incorporated:	September 14, 2001, in Brazil
Partners:	<p>Codelco Canada 99.99%</p> <p>Inversiones Copperfield SPA 0.01%</p>

Capital subscribed and paid by Codelco

ThUS\$ 77,942

Business Area

Holding shares in mining companies of any kind in Brazil and/ or abroad, and administration of its own assets and those of third parties.

Performing any activities relating to mining, including but not limited to research, exploration, and exploitation of economic resources and/ or mineral deposits in Brazil.

Performing, in general, any other civil or commercial activity, directly or indirectly related to the research, exploration, economic exploitation, production, or sale of mineral products or their derivatives.

Directors

- Diego Brieba Vial (*)
- Jaime San Martín (*)
- Alejandro Sanhueza (*)
- Fabio Spina
- Guillermo Müller (*)

Alternate directors

None.

Staffing

Executive and managers: **1**
 Professionals and technicians: **17**
 Workers: **3**

CEO
 Marcos André Gonçalves

Codelco capital holdings and variations during the reporting period

- CODELCO indirectly holds 100% of the company's shares. There were no variations during the reporting period.

Commercial relationship with Codelco

- No commercial relationships between the companies, except being a subsidiary of a subsidiary of CODELCO

Contracts in place with Codelco

- No contracts or documents exist that substantially affect operations or financial results of CODELCO.

(*) Codelco directors or executives.

Cobrex prospecção Mineral S.A.

Identification and legal capacity

RUT:	N/A
Corporate ID:	Cobrex prospecção Mineral S.A.
Type:	Corporation (Brazil)
Incorporated:	January 14, 2013, in Brazil
Partners:	Codelco do Brasil Mineração Ltda. 51% Xstrata do Brasil Exploração Mineral Ltda. 49%

Capital subscribed and paid by Codelco

ThUS\$ 12,000

Business Area

Holding shares in mining companies of any kind in Brazil and/or abroad, and administration of its own assets and those of third parties.

Performing any activities relating to mining, including but not limited to research, exploration, and exploitation of economic resources and/or mineral deposits in Brazil.

Performing, in general, any other civil or commercial activity, directly or indirectly relating to research, exploration, economic exploitation, production, or trade in mineral products and derivatives of the same.

Administration Council

- Jaime San Martín (*)
- Felisberto Pereira de Castro Junior
- Luiz Mauricio Ferraiuolli de Azevedo

Staffing

None.

Paid-in Capital **ThUS\$ 5,256 as of October 2020.**

Codelco do Brasil Mineração Ltda.: **34.11%** of capital subscribed and paid up, and **16.89%** of capital subscribed and not paid up as of October 2020.
 Xstrata do Brasil Exploração Mineral Ltda.: **49%** of capital subscribed and paid up

Gerente general Marcos André Gonçalves

Codelco capital holdings and variations during the reporting period

- CODELCO indirectly holds 51% of the company's shares.
- There were no variations during the reporting period.

Commercial relationship with Codelco

- No contracts or documents exist that substantially affect operations or financial results of Codelco.

Contracts in place with Codelco

- No contracts or documents exist that substantially affect operations or financial results of Codelco.

(*) Codelco directors or executives..

CCM Los Andes

Identification and legal capacity

Capital subscribed and paid by Codelco

ThUS\$ 33,721

RUT:	78.860.780-6	Business Area Supports Codelco in geological or other exploration, with the aim of discovering and surveying mineral deposits in the country or abroad.	CEO Denny Díaz Rodríguez (*).	
Corporate ID:	Compañía Contractual Minera Los Andes - CCMLA		Codelco capital holdings and variations during the reporting period	
Type:	Mining contract company.		<ul style="list-style-type: none"> CODELCO directly and indirectly holds 100% of the company's shares. 	
Incorporated:	May 16, 1996		Commercial relationship with Codelco	
Partners:	Codelco 99.97% Inversiones Copperfield SpA 0.03%	Directors <ul style="list-style-type: none"> Guillermo Müller Masser (*) Patricio Zúñiga Rojas (*) 	Alternate directors None.	Contracts in place with Codelco <ul style="list-style-type: none"> Framework exploration contract, in place since 2014. In September 2018, a service provision contract was signed with Codelco.
				Staffing None.

(*) Codelco directors or executives.

Inversiones Mineras Los Leones SpA

Identification and legal capacity

Capital subscribed and paid by Codelco
ThUS\$ 1,000

RUT:	76.237.866-3	<p>Business Area</p> <p>Exploration of mineral resources at properties in the Andina-Los Bronces district.</p>	<p>CEO</p> <p>None.</p>							
Corporate ID:	Inversiones Mineras Los Leones SpA		<p>Codelco capital holdings and variations during the reporting period</p> <ul style="list-style-type: none"> • CODELCO 100%. No variations during the reporting period. 							
Type:	Joint Stock Company		<p>Commercial relationship with Codelco</p> <ul style="list-style-type: none"> • A contract exists under which Codelco conducts exploration at the mining tenures owned by this company. The Codelco expenditure was recorded in the account between the companies between the companies. 							
Incorporated:	August 20, 2012		<p>Contracts in place with Codelco</p> <ul style="list-style-type: none"> • In August 2018, a service provision contract was signed with CODELCO 							
Partners:	Codelco 100%		<table border="1" style="width: 100%;"> <tr> <td style="width: 50%;">Directors</td> <td style="width: 50%;">Alternate directors</td> </tr> <tr> <td>None.</td> <td>None.</td> </tr> <tr> <td></td> <td>Staffing</td> </tr> <tr> <td></td> <td>None.</td> </tr> </table>		Directors	Alternate directors	None.	None.		Staffing
Directors	Alternate directors									
None.	None.									
	Staffing									
	None.									

Molyb Ltda.
Identification and legal capacity

Capital subscribed and paid by Codelco
ThUS\$ 217,343

RUT:	76.148.338-2	<p>Business Area</p> <p>Processing molybdenum concentrates or concentrates of other elements that contain molybdenum and/or byproducts produced in said processing, on its own behalf or by means of third parties, with the purpose of transforming them into commercial products and recovering the byproducts that they contain.</p>	<p>CodeLco capital holdings and variations during the reporting period</p> <ul style="list-style-type: none"> CODELCO directly and indirectly holds 100% of the company's shares. There were no variations during the reporting period. 	
Corporate ID:	Sociedad de Procesamiento de Molibdeno Limitada			<p>Commercial relationship with CodeLco</p> <ul style="list-style-type: none"> Subsidiary engaged in processing of molybdenum concentrates from CODELCO divisions.
Type:	Limited liability company			
Incorporated:	May 18, 2011			
Partners:	<p>CodeLco 99.95%</p> <p>Inversiones Copperfield SpA 0.05%</p>	<p>Directors</p> <ul style="list-style-type: none"> Alejandro Rivera Stambuk (*) Carlos Wulff Moreno (*) Carlos Alvarado Hernández (*) Francisco Ruiz Figueroa Pauline de Vidts S. 	<p>Alternate directors</p> <p>None.</p>	<p>Contracts in place with CodeLco</p> <ul style="list-style-type: none"> Molybdenum concentrate processing service contract, signed on October 31, 2012. Sale and purchase contract for molybdenum products and derivatives, signed on January 23, 2015. Barter account contract, signed on June 3, 2013. This contract was modified on December 10, 2015, and November 21, 2016. Information technology service contract, signed on March 1, 2013.
		<p>Staffing</p> <p>Executive and managers: 3</p> <p>Professionals and technicians: 100</p> <p>Workers: 157</p>		
		<p>CEO Nicolás Espinosa Navarro</p>		

(*) CodeLco directors or executives.

Planta Recuperadora de Metales SpA

Identification and legal capacity

Capital subscribed and paid by Codelco
ThUS\$ 12,376

RUT:	76.255.054-7	Business Area Processing of intermediate products derived from refining and processing copper and other metals, with the purpose of recovering copper, other metals, and byproducts contained in these substances; transforming them into commercial products; and trading and distributing all classes of goods or supplies relating to said processing.	CEO Sung Jik Kim				
Corporate ID:	Planta Recuperadora de Metales SpA		Codelco capital holdings and variations during the reporting period				
Type:	Joint Stock Company.		<ul style="list-style-type: none"> CODELCO directly holds 34% of the company's shares. There were no variations during the reporting period 				
Incorporated:	December 3, 2012		Commercial relationship with Codelco				
Partners:	<p>Codelco 34%</p> <p>LS Nikko 66%</p>	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">Directors</td> <td style="width: 50%;">Alternate directors</td> </tr> <tr> <td> <ul style="list-style-type: none"> Choong Goo Kang Sung Sil Park Sung Jik Kim José Sanhueza (*) Diego Brieba Vial (*) </td> <td> <ul style="list-style-type: none"> Han Young Cho Woochul Kang Sang Yul Lee Germán Richter (*) Christian Dummer (*) </td> </tr> </table>	Directors	Alternate directors	<ul style="list-style-type: none"> Choong Goo Kang Sung Sil Park Sung Jik Kim José Sanhueza (*) Diego Brieba Vial (*) 	<ul style="list-style-type: none"> Han Young Cho Woochul Kang Sang Yul Lee Germán Richter (*) Christian Dummer (*) 	Contracts in place with Codelco
Directors	Alternate directors						
<ul style="list-style-type: none"> Choong Goo Kang Sung Sil Park Sung Jik Kim José Sanhueza (*) Diego Brieba Vial (*) 	<ul style="list-style-type: none"> Han Young Cho Woochul Kang Sang Yul Lee Germán Richter (*) Christian Dummer (*) 						
			<ul style="list-style-type: none"> In 2016, a process contract was signed to regulate the treatment of refinery precipitate rich in copper (PRRC) produced by Codelco for 20 years, for the recovery of precious metals contained therein. 				

(*) Codelco directors or executives.

Ecometales Limited

Identification and legal capacity

Capital subscribed and paid by Codelco
ThUS\$ 181,592

RUT:	59.087.530-9	Business Area Development of technological innovations for treatment of smelter dust and other waste materials derived from smelting and refining ores. Providing mining project management and operation services requiring the usage of technological innovations for treatment of smelter dust and other waste materials derived from smelting and refining ores. Operating mining industry processing plants requiring the usage of technological innovations for treatment of impurities, smelter dust, and other foundry & refinery waste. Trading, both in Chile and abroad, in mining industry products created in the plants that the company operates.	CEO Iván Valenzuela Rabí
Corporate ID:	EcoMetales Limited		
Type:	Limited liability company. Operates in Chile as an agency.		
Incorporated:	August 22, 2000 in Jersey		
Partners:	Codelco 100%	<p>Directors</p> <ul style="list-style-type: none"> • José Sanhueza R. (*) • Renato Fernández Baeza (*) • Christian Dummer Scheel (*) • María Francisca Domínguez M. (*) • Sebastián Carmona Caldera (*) 	<p>Codelco capital holdings and variations during the reporting period</p> <ul style="list-style-type: none"> • CODELCO directly holds 100% of the company's shares. • No variations.
		<p>Alternate directors</p> <p>None.</p>	
		<p>Staffing</p> <p>Executive and managers: 7</p> <p>Professionals and technicians: 111</p> <p>Workers: 43</p>	

(*) Codelco directors or executives.

Ecometales Limited

Identification and legal capacity

Commercial relationship with Codelco

- Smelter dust processing service contract signed on March 31, 2007, and subsequent amendment to the same.
- Inter-division dust transfer agreement (PEPA) of June 1, 2008.
- Arsenic and antimony abatement and disposal service contract, of January 10, 2011, and subsequent amendments.
- Service contract for research and assessment of the construction of a hazardous industrial waste deposit at División El Teniente, of March 7, 2012, and amendment 6, of June 6, 2012.
- Service contract for environmental impact and community relations research for the project to build a hazardous industrial waste deposit at El Teniente Division, of July 13, 2012.
- Service provision contract for detailed engineering and support for environmental approval of the project to improve the generation, transport, and disposal of waste products containing arsenic at El Teniente Division, of April 1, 2014, and amendment No. 5 dated December 30, 2018.
- Memorandum of understanding with El Teniente Division for the development of the project to increase copper production at an SX-EW plant, signed on December 20, 2017.
- Memorandum of understanding with El Teniente Division for the development of the project to increase copper production at an SX-EW plant, signed on December 20, 2017.
- Collaboration agreement for information technology and automation services (ITCA services), of February 6, 2013.
- DMH processing service provision contract, signed on October 01, 2019.
- HL+ supply service provision contract for industrial testing of leach heaps at DMH, signed on November 13, 2019.
- DMH processing service provision contract, signed on February 27, 2020.
- Service provision contract with El Teniente Division signed on August 3, 2020, "Trade Off of ETP arsenic waste generation and recovery of treated waste water."

Complejo Portuario Mejillones S.A.

Identification and legal capacity

RUT:	96.819.040-7
Corporate ID:	Complejo Portuario Mejillones S.A.
Type:	Closed corporation
Incorporated:	March 18, 1997
Partners:	<p>Codelco 99.99%</p> <p>Inversiones Copperfield SpA 0.01%</p>

Capital subscribed and paid by Codelco
ThUS\$ 17,593

Business Area

Planning, building, and operating a port complex in Mejillones Bay, Antofagasta Region. The Complejo Portuario Mejillones (CPM) developed the project and adjudicated the construction and operation of Terminal 1, under a 30-year concession contract to Compañía Portuaria Mejillones S.A., a private consortium comprising Grupo Ultramar, Inversiones y Construcciones Belfi Ltda., and Inversiones Portuarias Norte Grande S.A.

Directors

- Juan Villarzú Rohde
- Guido Sagues Lagos (*)
- Lorena Ferreiro Vidal (*)
- Pedro Jaramillo Valdés
- Teodoro Wigodski Sirebrenik

Alternate directors

None.

Staffing

Executive and managers: **3**
Professionals and technicians: **1**
Workers: **3**

CEO

Álvaro Arroyo Albala.

Codelco capital holdings and variations during the reporting period

- CODELCO directly and indirectly holds 100% of the company's shares.

Commercial relationship with Codelco

- Codelco provides IT services to Complejo Portuario Mejillones (CPM), which are charged to its cost center and subsequently invoiced.
- Meanwhile, CPM leases offices to CODELCO in the Terminal I administration building, as well as containers and support equipment for loading copper concentrates.

(*) Codelco directors or executives.

Complejo Portuario Mejillones S.A.

Identification and legal capacity

Contracts in place with Codelco

- In November 1999, a guarantee contract was signed between Codelco, Complejo Portuario Mejillones S.A., and Compañía Portuaria Mejillones S.A., whereby Codelco guarantees to Compañía Portuaria Mejillones S.A. the payment of any and all amounts payable by CPM to Compañía Portuaria, under the port facilities construction contract and the provision of port services in Terminal 1, Mejillones (BOT Contract), signed between the two, in the event of CPM's non-payment.
- Lease contract for offices in the administration building at Terminal 1 by CPM to Codelco, October 2003 (renewed in October 2011).
- Lease contract for containers and additional equipment, for use in the ground transport and ship loading of copper concentrate, by CPM to Codelco, of March 2014 (amended in May 2015 to include additional containers and replacement parts).

Codelco Shanghai Co. Ltd.

Identification and legal capacity

Capital subscribed and paid by Codelco
ThUS\$ 2,000

RUT:	N/A	<p>Business Area</p> <p>Sales agency services for copper products, molybdenum products, and other byproducts.</p> <p>Supply agency services for mining industry products and materials.</p>	<p>CEO Helmut Arbert Gebert</p> <p>Codelco capital holdings and variations during the reporting period</p> <ul style="list-style-type: none"> Codelco directly holds 100% of the company's shares. No variations. <p>Commercial relationship with Codelco</p> <ul style="list-style-type: none"> Sales agency services for copper products, molybdenum products, and other byproducts. Supply agency services for mining industry products and materials. 	
Corporate ID:	Codelco Shanghai Company Limited			
Type:	Limited liability company (China)			
Incorporated:	November 2, 2011, in China			
Partners:	Codelco 100%	<p>Directors</p> <ul style="list-style-type: none"> Carlos Alvarado Hernández (*) Susana Rioseco Zorn (*) Michael Gubbins Infante (*) Alejandro Sanhueza Díaz (*) 	<p>Alternate directors None.</p> <p>Staffing Executive and managers: 3 Professionals and technicians: 20 Workers: 0</p>	<p>Contracts in place with Codelco</p> <ul style="list-style-type: none"> Since March 15, 2012, a commercial agency services contract is in force. Since March 15, 2012, a supplies agency services contract is in force.

(*) Codelco directors or executives.

Codelco Group (USA) Inc.

Identification and legal capacity

Capital subscribed and paid by Codelco
ThUS\$ 1,706

RUT:	N/A	<p>Business Area</p> <p>Aiding in meeting the objectives of the Codelco Group.</p>	<p>CEO</p> <p>George Howard Gavilán (*)</p>
Corporate ID:	Codelco Group (USA) Inc.		<p>Codelco capital holdings and variations during the reporting period</p> <ul style="list-style-type: none"> CODELCO directly holds 100% of the company's shares. No variations.
Type:	Corporation (USA)		<p>Commercial relationship with Codelco</p> <ul style="list-style-type: none"> Related to Codelco as a physical trading company for copper and molybdenum on behalf of the Corporation, engaging in complementary work to that of Codelco Chile, from which it purchases products that it then sells to clients in the USA that require delivery to their plants.
Incorporated:	December 18, 1992 in Delaware, USA		<p>Contracts in place with Codelco</p> <ul style="list-style-type: none"> Purchasing contracts for copper, molybdenum, and rhenium.
Partners:	Codelco 100%	<p>Directors</p> <ul style="list-style-type: none"> Carlos Alvarado Hernández (*) Maria Susana Rioseco Zorn (*) Alejandro Sanhueza Díaz (*) 	<p>Alternate directors</p> <p>None.</p>
			<p>Staffing</p> <p>None.</p>

(*) Codelco directors or executives.

Codelco Metals Inc. Identification and legal capacity	
RUT:	N/A
Corporate ID:	Codelco Metals Inc.
Type:	Corporation (USA)
Incorporated:	December 18, 1992 in Delaware, USA
Partners:	Codelco 100%

Capital subscribed and paid by Codelco
ThUS\$ 800

Business Area

Any act or activity permitted under the General Corporation Law in the State of Delaware. As of December 31, 2020, this company has two subsidiaries: Codelco USA Inc., which acts as a sales agent and representative for Codelco Chile in the sale of copper Products and byproducts in the NAFTA market; and Codelco Metals Inc., whose objective is to sell copper and byproducts internally in the NAFTA market, with the corresponding logistics and conversion processes, and similar.

Directors

- Carlos Alvarado Hernández (*)
- Maria Susana Rioseco Zorn (*)
- Alejandro Sanhueza Díaz (*)

Alternate directors

None.

Staffing

None.

CEO
George Howard Gavilán (*)

Codelco capital holdings and variations during the reporting period

- CODELCO directly holds 100% of the company's shares. No variations.

Commercial relationship with Codelco

- Commercial relations with Codelco exist via the subsidiaries Codelco Group (USA) Inc. - Codelco USA Inc. and Codelco Metals Inc. - the former acting as a sales agent for the Corporation, and the latter as a physical trading company for copper and byproducts (molybdenum, gold, silver, and others).

Contracts in place with Codelco

- Agency contracts and copper and molybdenum purchasing contracts, via its subsidiaries.

(*) Codelco directors or executives.

Codelco USA Inc. Identification and legal capacity	
RUT:	N/A
Corporate ID:	Codelco USA Inc.
Type:	Corporation (USA)
Incorporated:	December 4, 1974 in New York, USA
Partners:	Codelco 100%

Capital subscribed and paid by Codelco
ThUS\$ 200

Business Area

Aiding in meeting the objectives of the Codelco Group.

Directors

- Carlos Alvarado Hernández (*)
- Maria Susana Rioseco Zorn (*)
- Alejandro Sanhueza Díaz (*)

Alternate directors

None.

Staffing

Executive and managers: **1**
 Professionals and technicians: **2**
 Workers: **0**

CEO

George Howard Gavilán (*)

Codelco capital holdings and variations during the reporting period

- CODELCO directly holds 100% of the company's shares. No variations.

Commercial relationship with Codelco

- Commercial relations with Codelco consist of acting as a sales agent for the Corporation's copper, molybdenum, gold, and silver, with the objective of supporting Codelco Chile's sales in the NAFTA market.

Contracts in place with Codelco

- Agency contracts for copper and byproducts.

(*) Codelco directors or executives.

Chile Copper Limited	
Identification and legal capacity	
RUT:	N/A
Corporate ID:	Chile Copper Limited
Type:	Limited liability company (UK).
Incorporated:	March 29, 1971, in England
Partners:	Codelco 100%

Capital subscribed and paid by Codelco
ThUS\$ 1,300

Business Area

Sales agent and representative of Codelco Chile for copper and molybdenum products in the European and Middle Eastern markets.

Holds 80% ownership of subsidiary Codelco Services Ltd., while the remaining 20% is owned by Codelco Kupferhandel GmbH.

Directors

- Carlos Alvarado Hernández (*)
- Alejandro Sanhueza Díaz (*)
- Susana Rioseco Zorn (*)

Alternate directors

None.

Staffing

Executive and managers: **3**
Professionals and technicians: **3**
Workers: **0**

CEO

Gonzalo Cuadra Lizana

Codelco capital holdings and variations during the reporting period

- CODELCO directly holds 100% of the company's shares. No variations.

Commercial relationship with Codelco

- CODELCO sales agent. Through its subsidiary Codelco Services Ltd., it conducts physical trading in copper and molybdenum, in compliance with the contracts of Codelco Chile; it also conducts physical hedge operations for Codelco Chile.

Contracts in place with Codelco

- Agency contract for trading in copper and molybdenum.

(*) Codelco directors or executives.

Codelco Services Limited

Identification and legal capacity

Capital subscribed and paid by Codelco

ThUS\$ 650

RUT:	N/A	Business Area Sale of copper and molybdenum products and copper futures, with the objective of providing services to Codelco Chile and other group companies as the parent company deems suitable.	CEO Gonzalo Cuadra Lizana
Corporate ID:	Codelco Services Limited.		Codelco capital holdings and variations during the reporting period <ul style="list-style-type: none"> CODELCO indirectly holds 100% of the company's shares. No variations.
Type:	Limited liability company (UK).		Commercial relationship with Codelco <ul style="list-style-type: none"> Codelco Services Limited conducts physical trading in copper and molybdenum, in compliance with the contracts of Codelco Chile; it also conducts physical hedge operations for Codelco Chile.
Incorporated:	England, August 16, 1988		Contracts in place with Codelco <ul style="list-style-type: none"> Copper service contract and molybdenum service contract.
Partners:	Chile Copper Ltd. 80% Codelco Kupferhandel GmbH 20%	Directors <ul style="list-style-type: none"> Carlos Alvarado Hernández (*) Alejandro Sanhueza Díaz (*) Susana Rioseco Zorn (*) 	Alternate directors None.
			Staffing None.

(*) Codelco directors or executives.

Codelco Kupferhandel GmbH

Identification and legal capacity

Capital subscribed and paid by Codelco

EUR 3 billion

RUT:	N/A	<p>Business Area</p> <p>Import, export, trade, and transformation of metal in all forms, particularly copper; and trade in equipment for the copper production industry. Acquisition and administration of holdings in metal processing industries, particularly copper; as well as research work in the fields of metal production and processing.</p> <p>It owns a 20% holding in Codelco Services (United Kingdom).</p>	<p>Gerente general Alejandro Sanhueza Díaz</p> <p>Codelco capital holdings and variations during the reporting period</p> <ul style="list-style-type: none"> • CODELCO directly holds 100% of the company's shares. <p>Commercial relationship with Codelco</p> <ul style="list-style-type: none"> • The Codelco Kupferhandel GmbH trading office in Düsseldorf was closed on March 14, 2019. Prior to this date, it acted as a trading agent for Codelco Chile in the countries of Northern Europe (Codelco Chile sales of copper products in Germany, Austria, the Netherlands, and Denmark). Also as a sales agent for Codelco Chile's molybdenum and other byproducts in Germany, Austria, the Netherlands, the Czech Republic, Slovakia, and Poland.
Corporate ID:	Codelco Kupferhandel GmbH.		
Type:	Limited liability company (Germany).		
Incorporated:	March 27, 1981, in Hamburg, Germany		
Partners:	Codelco 100%	<p>Directors</p> <ul style="list-style-type: none"> • Christian Seemann (*) • Susana Rioseco Zorn (*) 	<p>Alternate directors</p> <p>None.</p>
		<p>Staffing</p> <p>None.</p>	<p>Contratos celebrados con Codelco</p> <ul style="list-style-type: none"> • None.

(*) Codelco directors or executives.

Inversiones Gacrux SpA

Identification and legal capacity

Capital subscribed and paid by Codelco

ThUS\$ 167,789

RUT:	76.173.357-5	<p>Business Area</p> <p>Making investments in shares, company securities, fund payments, and securities in general, relating directly or indirectly to mining activities or the mining sector, or issued by mining companies.</p>	CEO	<p>Codelco capital holdings and variations during the reporting period</p> <ul style="list-style-type: none"> CODELCO 100%. No variations during the reporting period.
Corporate ID:	Inversiones Gacrux SpA		None.	
Type:	Joint Stock Company		<p>Commercial relationship with Codelco</p> <ul style="list-style-type: none"> Inversiones Gacrux SpA is a Codelco vehicle by which it owns 67.8% of Mineras Becrux SpA, which also owns 29.5% of Anglo American Sur S.A. 	
Incorporated:	October 5, 2011			
Partners:	Codelco 100%	<p>Directors</p> <p>None.</p>	<p>Alternate directors</p> <p>None.</p>	<p>Contracts in place with Codelco</p> <ul style="list-style-type: none"> In May 2018 a service provision contract was signed with CODELCO.
			<p>Staffing</p> <p>None.</p>	

Inversiones Mineras Becrux SpA Identification and legal capacity	
RUT:	76.173.783-K
Corporate ID:	Inversiones Mineras Becrux SpA
Type:	Joint stock company
Incorporated:	August 16, 2012
Partners:	Inversiones Gacrux SpA 67.80% MMRD Gama Limitada 32.20%

Capital subscribed and paid by Codelco
ThUS\$ 1,541

Business Area

The purpose of the company is to hold shares issued by Anglo American Sur S.A. or its legal successor, such as to hold and exercise rights and meet obligations arising from these shares. It may undertake or grant all actions or contracts pursuant to this purpose.

Directors

- Patricio Vergara L. (*)
- Alejandro Rivera Stambuk (*)
- Lorena Ferreiro (*)
- Mauricio Barraza (*)
- Kazutaka Shiba

Alternate directors

- Antonio Bonani (*)
- Víctor Janer Pérez (*)
- Diego Briebea Vial (*)
- Manuel Mansilla (*)
- Ricardo Álvarez

CEO

Víctor Janer Pérez (*)

Codelco capital holdings and variations during the reporting period

- CODELCO indirectly holds 67.80% of the company's shares.
- During 2019, the company's capital was reduced from US\$ 2,447 million to US\$ 2,274 million, without affecting the number of shares into which the capital is divided. Said reduction was pro-rated to the shareholders.

Commercial relationship with Codelco

- Inversiones Mineras Becrux SpA is a joint venture between Codelco and Mitsui & Co., Ltd., which owns 29.5% of Anglo American Sur S.A.

Contracts in place with Codelco

- In May 2018 a service provision contract was signed with CODELCO

(*) Codelco directors or executives.

Inversiones Mineras Nueva Acrux SpA Identification and legal capacity	
RUT:	76.231.838-5
Corporate ID:	Inversiones Mineras Nueva Acrux SpA
Type:	Sociedad por acciones
Incorporated:	16 de agosto de 2012
Partners:	Inversiones Mineras Becrux SpA 100%

Capital subscribed and paid by Codelco
ThUS\$ 13,6

Business Area Purchasing, sales, distribution, transport, brokerage, and in general, domestic and international trade in minerals and in general all fossil substances, in whatever form they naturally occur, including products and byproducts of the same, derived directly or indirectly from Anglo American Sur S.A. or its legal successors, for which purpose the company may possess holdings in other companies complementary to its area or business or that provide services to it.		CEO None.
Directors None.		Codelco capital holdings and variations during the reporting period <ul style="list-style-type: none"> CODELCO indirectly holds 67.8% of the company's shares. No variations.
Alternate directors None.		
Staffing None.		Contracts in place with Codelco <ul style="list-style-type: none"> Since August 2012, there is a contract for the sale and purchase of anodes, cathodes, and concentrates.

(*) Codelco directors or executives.

Salar de Maricunga SpA

Identification and legal capacity

Capital subscribed and paid by Codelco

ThUS\$ 286

RUT:	76.754.301-8	<p>Objeto social</p> <p>Exploración, estudio, evaluación, desarrollo, explotación, extracción, tratamiento, beneficio, concentración, transporte y comercialización, por cuenta propia o de terceros, de cualquier sustancia mineral metálica y/o no metálica con contenido de litio, potasio, boro, magnesio, incluyendo sales de litio, salmueras de litio, así como sales de potasio u otros minerales.</p>	<p>CEO</p> <p>Jaime San Martín Larenas (*)</p>
Corporate ID:	Salar de Maricunga SpA		<p>Codelco capital holdings and variations during the reporting period</p> <ul style="list-style-type: none"> • CODELCO directly holds 100% of the company's shares
Type:	Joint Stock Company.		<p>Commercial relationship with Codelco</p> <ul style="list-style-type: none"> • No commercial relationships with CODELCO
Incorporated:	June 23, 2017		<p>Contracts in place with Codelco</p> <ul style="list-style-type: none"> • In August 2018, a service provision contract was signed with CODELCO
Partners:	Codelco 100%	<p>Directors</p> <ul style="list-style-type: none"> • Alejandro Rivera Stambuk (*) • Patricio Vergara Lara (*) • Vacante 	<p>Alternate directors</p> <p>None.</p>
			<p>Staffing</p> <p>None.</p>

(*) Codelco directors or executives.

Codelco Tec SpA

Identification and legal capacity

Capital subscribed and paid by Codelco

ThUS\$ 53,908

RUT:	96.991.180-9	Business Area Development of mining and metallurgy technological innovations, and their commercial development. The company will undergo a liquidation process in the upcoming months.	CEO Felipe Merino Grau (*)	Codelco capital holdings and variations during the reporting period <ul style="list-style-type: none">• Codelco directly and indirectly holds 100% of the company's shares.• There were no variations during the reporting period.
Corporate ID:	CodelcoTec SpA			
Type:	Joint Stock Company.			
Incorporated:	May 31, 2002			
Partners:	Codelco 99.99% Inversiones Copperfield SpA. 0.01%	Directors <ul style="list-style-type: none">• Sebastian Carmona C. (*)• Rodrigo Barrera O. (*)• María Francisca Domínguez M. (*)• Mariela López E. (*)• Víctor Janer P. (*)	Alternate directors None.	Contracts in place with Codelco <ul style="list-style-type: none">• None.
		Staffing None.		

(*) Codelco directors or executives.

Innovaciones en Cobre S.A.

Identification and legal capacity

Capital subscribed and paid by Codelco

ThUS\$ 7

RUT:	76.043.396-9	<p>Business Area</p> <p>Analysis, research, invention, creation, development, and implementation of new applications, processes, and uses for copper and molybdenum.</p>	<p>CEO</p> <p>Felipe Merino (*)</p>	
Corporate ID:	Innovaciones en Cobre S.A.		<p>Codelco capital holdings and variations during the reporting period</p> <ul style="list-style-type: none"> CODELCO directly and indirectly holds 100% of the company's shares. During the reporting period, capital was increased from US\$ 12,426 to US\$ 13,397. 	
Type:	Sociedad anónima		<p>Commercial relationship with Codelco</p> <ul style="list-style-type: none"> Related company for investment in projects and business activities for innovation and entrepreneurship, relating to new applications for copper, molybdenum, lithium, and other minerals. 	
Incorporated:	December 17, 2008		<p>Contracts in place with Codelco</p> <ul style="list-style-type: none"> None. 	
Partners:	<p>Codelco 0.05%</p> <p>Inversiones Copperfield SpA 99.95%</p>	<p>Directors</p> <ul style="list-style-type: none"> Renato Fernández (*) María Francisca Domínguez (*) Sebastián Carmona Caldera (*) Alejandro Rivera Stambuk (*) Víctor Janer Pérez (*) 	<p>Alternate directors</p> <p>None.</p>	<p>Staffing</p> <p>None.</p>

(*) Codelco directors or executives.

Kairos Mining S.A. Identification and legal capacity	
RUT:	76.781.030-K
Corporate ID:	Kairos Mining S.A.
Type:	Closed corporation
Incorporated:	December 12, 2006
Partners:	Codelco 40% Honeywell Chile S.A. 60%

Capital subscribed and paid by Codelco
ThUS\$ 57

Business Area

Providing services for automation and control of mining and industrial activities; as well as supplying technology and software licenses.

Directors

- Claudio Zamora Larrebourg, presidente
- Jose Fernandes
- Claudia Karina Luján
- José Abatte Pérez (*)
- César Márquez Márquez (*)

Alternate directors

- Gustavo Galambos
- John Lewis
- Pedro Thena
- Aldo Bonomelli de Pinaga (*)
- Alvaro Dumont Bustos (*)

CEO

Luis Castelli Sandoval

Codelco capital holdings and variations during the reporting period

- CODELCO directly holds 40% of the company's shares. There were no variations during the reporting period.

Commercial relationship with Codelco

- A long-term framework service agreement is in place between Kairos Mining S.A. and Codelco Chile.

Contracts in place with Codelco

- Framework service agreement to develop an automation program at Codelco's concentrator plants lasting five years (starting on April 3, 2007), which may be extended for subsequent consecutive five-year periods.
- On September 10, 2010, amendment 1 to the framework service agreement was signed, explicitly incorporating the concentrate plants at Ministro Hales and Salvador within the scope of the program-initiative.
- On April 1, 2012, amendment 2 to the framework service agreement was signed, extending the validity period of the framework to April 3, 2017.
- On April 1, 2015, framework service agreement KMDS-01 was signed with División Salvador, valid for 18 months from the date of signing.
- On December 1, 2017, Codelco awarded a contract to Kairos Mining S.A., consisting of a new framework service agreement to implement service orders during the 2017-2021 period.

(*) Codelco directors or executives.

<h2 style="text-align: center;">Central Eléctrica Luz Minera SpA</h2> <p style="text-align: center;">Identification and legal capacity</p>		<p>Capital subscribed and paid by Codelco</p> <h1 style="color: #e69d00;">ThUS\$ 4,628</h1>	
RUT:	76.255.061-K	<p>Business Area</p> <p>Generating, transporting, distributing, supplying, purchasing, and selling electrical energy and providing all forms of energy services</p>	<p>CEO</p> <p>Francisco Danitz Miller (*)</p>
Corporate ID:	Central Eléctrica Luz Minera SpA		<p>Codelco capital holdings and variations during the reporting period</p> <ul style="list-style-type: none"> CODELCO directly holds 100% of the company's shares. There were no variations during the reporting period.
Type:	Joint Stock Company.		<p>Commercial relationship with Codelco</p> <ul style="list-style-type: none"> None.
Incorporated:	December 3, 2012		<p>Contracts in place with Codelco</p> <ul style="list-style-type: none"> In August 2018, a service provision contract was signed with CODELCO.
Partners:	Codelco 100%	<p>Directors</p> <ul style="list-style-type: none"> Francisco Danitz Miller (*) Verónica Bilbao Solar (*) Víctor Janer (*) 	<p>Alternate directors</p> <p>None.</p>
			<p>Staffing</p> <p>None.</p>

(*) Codelco directors or executives.

<h2 style="text-align: center;">Asociación Garantizadora de Pensiones</h2> <p style="text-align: center;">Identification and legal capacity</p>		<p>Capital subscribed and paid by Codelco</p> <h1 style="text-align: center;">ThUS\$ 1,131</h1>	
RUT:	81.767.200-0	<p>Business Area</p> <p>Social security mutual non-profit under private law. Created for the sole purpose of acting in substitution of the associated companies for payment of pensions under Law 4,055, the Workplace Accidents Law.</p>	<p>CEO</p> <p>None</p>
Corporate ID:	Asociación Garantizadora de Pensiones.		<p>Codelco capital holdings and variations during the reporting period</p> <ul style="list-style-type: none"> CODELCO directly holds 96.69% of the company's shares. No variations
Type:	Social security mutual organization		<p>Commercial relationship with Codelco</p> <ul style="list-style-type: none"> None.
Incorporated:	Under Decree 1625 of June 18, 1927		<p>Contracts in place with Codelco</p> <ul style="list-style-type: none"> No commercial links exist.
Partners:	<p>Codelco 96.69%</p> <p>Sociedad Química y Minera de Chile S.A. (SQM) 3.31%</p>	<p>Directors</p> <ul style="list-style-type: none"> Diego Brieba Vial (*) Jaime Guzmán Echeverría (*) Lucila Siskind (*) 	<p>Alternate directors</p> <p>None.</p>
			<p>Staffing</p> <p>None.</p>

(*) Codelco directors or executives.

Codelco International L.

Identification and legal capacity

Capital subscribed and paid by Codelco

ThUS\$ 145,250

RUT:	59.156.920-1	<p>Business Area</p> <p>Administering and controlling CODELCO's interest in a range of international projects. It currently holds 99.03% of Codelco Canada L.P.</p>	<p>CEO Víctor Janer Pérez (*)</p>
Corporate ID:	Codelco International Limited		<p>Codelco capital holdings and variations during the reporting period</p> <ul style="list-style-type: none"> CODELCO directly holds 100% of the company's shares. There were no variations during the reporting period.
Type:	Limited liability company (Bermuda)		<p>Commercial relationship with Codelco</p> <ul style="list-style-type: none"> None.
Incorporated:	August 7, 2000 in Bermuda		<p>Contracts in place with Codelco</p> <ul style="list-style-type: none"> In August 2018, a service provision contract was signed with CODELCO.
Partners:	Codelco 100%	<p>Directors</p> <ul style="list-style-type: none"> Mariela López Escobar, presidente (*) Diego Brieba Vial (*) Olivar Hernández Giugliano (*) 	<p>Alternate directors</p> <p>None.</p>
			<p>Staffing</p> <p>None.</p>

(*) Codelco directors or executives.

Inversiones Copperfield SpA

Identification and legal capacity

Capital subscribed and paid by Codelco
ThUS\$ 16,684

RUT:	77.773.260-9	<p>Business Area</p> <p>Exploration and operation of mining resources and processing plants; acquisition, formation, and operation of mining rights, deposits, and tenures, and participation in companies of any kind, directly and indirectly holding rights in them and participating in shareholding.</p>	<p>CEO Víctor Janer Pérez (*)</p>	
Corporate ID:	Sociedad de Inversiones Copperfield SpA		<p>Codelco capital holdings and variations during the reporting period</p> <ul style="list-style-type: none"> CODELCO directly holds 100% of the company's shares. There were no variations during the reporting period. 	
Type:	Joint Stock Company		<p>Commercial relationship with Codelco</p> <ul style="list-style-type: none"> In August 2018, a service provision contract was signed with CODELCO, and remains in force. 	
Incorporated:	December 12, 2001		<p>Contracts in place with Codelco</p> <ul style="list-style-type: none"> Agency contract for trading in copper and molybdenum 	
Partners:	Codelco 100%	<p>Directors</p> <ul style="list-style-type: none"> Jaime San Martín (*) María Francisca Domínguez (*) Rodrigo Barrera (*) 	<p>Alternate directors</p> <p>None.</p>	
			<p>Staffing</p> <p>None.</p>	

(*) Codelco directors or executives.

<h2 style="margin: 0;">Codelco Canada L. P.</h2> <p style="margin: 0;">Identification and legal capacity</p>		<p>Capital subscribed and paid by Codelco</p> <h1 style="margin: 0;">ThUS\$ 197,263</h1>	
RUT:	N/A	<p>Business Area</p> <p>Conducting necessary business and activities including ownership of debt securities or shares controlled by Codelco.</p>	
Corporate ID:	Codelco Canada Limited Partnerships Act.		
Type:	Limited liability company		
Incorporated:	March 3, 2016, in Canada		
Partners:	<p>Codelco International Ltd 99.02%</p> <p>Inversiones Copperfield SpA 0.01%</p> <p>Codelco 0.97%</p>	<p>CEO</p> <p>None.</p>	<p>Codelco capital holdings and variations during the reporting period</p> <ul style="list-style-type: none"> CODELCO directly and indirectly holds 100% of the company's shares. During the reporting period, capital was increased from US\$ 195,343,572 to US\$ 197,263,000.
<p>Directors</p> <p>None.</p>		<p>Alternate directors</p> <p>None.</p>	<p>Commercial relationship with Codelco</p> <ul style="list-style-type: none"> There were no sales or purchases of goods and services with Codelco.
<p>Staffing</p> <p>None.</p>		<p>Contracts in place with Codelco</p> <ul style="list-style-type: none"> In August 2018, a service provision contract was signed with Codelco, which remains in force. 	

Isalud Isapre de Codelco L.	
Identification and legal capacity	
RUT:	76.334.370-7
Corporate ID:	Isalud Isapre de Codelco Limitada
Type:	Limited liability company
Incorporated:	Santiago, December 2, 2019
Partners:	<p>Codelco 59.26%</p> <p>Fusat 33.62%</p> <p>Clínica San Lorenzo Ltda. 7.03%</p> <p>Inmobiliaria Rio Cipreses Ltda. 0.1%</p>

Capital subscribed and paid by Codelco

ThUS\$ 1,895

Business Area

Financing health benefits and services, as well as related and complementary activities, under the terms specified in Law 18,933 and subsequent amendments thereto

Directors

- Leonardo Whittle Ferrer
- María Francisca Domínguez Meza (*)
- Cesar Márquez Márquez (*)
- Irene Cosentino Catalano (*)
- Alejandro Becker Gálmez (*)

Alternate directors

None.

Staffing

Executive and managers: **7**
 Professionals and technicians: **66**
 Workers: **88**

CEO

José Gustavo Morales Hidalgo

Codelco capital holdings and variations during the reporting period

- CODELCO directly and indirectly holds 66.28% of the company's shares.

Commercial relationship with Codelco

- Provides medical services to all Codelco workers affiliated with the body, their dependents, and all affiliated former employees of Codelco.

Contracts in place with Codelco

- Benefit Administration Agreement, of December 1, 2018, with Andina Division, expiring December 1, 2021.
- List A Benefit Administration Agreement, of January 1, 2011, with El Teniente Division, renewed automatically every two years.
- List B Benefit Administration Agreement, of August 1, 2009, with El Teniente Division, renewed automatically every two years.
- Workplace Health Benefit Administration Agreement and Mandate, of June 1, 2012, with El Teniente Division, with no expiration date.

(*) Codelco directors or executives.

Isalud Isapre de Codelco L.

Identification and legal capacity

- Benefit Administration Agreement for List A and List B Children in Education, of December 28, 2011, with no expiration date.
- Benefit Administration Agreement, of Monday, February 24, 2020, with Chuquicamata Division, expiring February 28, 2021 (Update No. 5).
- Precarium Agreement, of November 16, 2009, with Chuquicamata Division, expiring November 16, 2029.
- Benefit Administration Agreement, of May 4, 2018, with Salvador Division, expiring May 3, 2021.

- Benefit Administration Agreement, of October 1, 2019, with Radomiro Tomic Division, expiring October 1, 2021.
- Framework Health Agreement, of June 6, 2019, with Ministro Hales Division, expiring November 30, 2021.
- Workplace Health Benefit Administration Agreement and Mandate, of August 1, 2014, with Headquarters, with no expiration date.
- Group Healthcare Agreement, of January 1, 2006, with Headquarters, renewed automatically every two years.
- Payment and Administration Agreement (Copays-Group Plan), of January 2, 2006, with Headquarters, renewed automatically every two years

Clínica San Lorenzo Ltda.

Identification and legal capacity

Capital subscribed and paid by Codelco

ThUS\$ 19,998

RUT:	88.497.100-4	<p>Business Area</p> <p>The company exists for the purpose of: a) directly providing all classes of health services, for which purpose it may found, maintain, and manage clinics and other health establishments; provide ambulatory, urgent care, and paramedic health services; perform laboratory testing, pharmacology, analysis, radiology, and in general undertake any medical and nursing activities; b) providing professional services to other health companies within the same business group, such as management, human resources, administration, finances and accounting, sales and marketing, business, and customer service; and c) in general, entering into any class of contracts, conventions, and agreements relating to the purpose for which the company exists.</p>	<p>CEO Guillermo Figueroa B.</p>
Corporate ID:	Clínica San Lorenzo Limitada		<p>Codelco capital holdings and variations during the reporting period</p> <ul style="list-style-type: none"> • CODELCO directly and indirectly holds 100% of the company's shares. No variations.
Type:	Limited liability company		<p>Commercial relationship with Codelco</p> <ul style="list-style-type: none"> • Provides ambulatory, urgent care, laboratory, pharmacology, radiology, and other classes of medical and nursing services in general for workers at Codelco Salvador Division.
Incorporated:	El Salvador November 24, 1981		<p>Contracts in place with Codelco</p> <ul style="list-style-type: none"> • None.
Partners:	<p>Codelco 99.9%</p> <p>Inversiones Copperfield SpA. 0.1%</p>	<p>Directors</p> <ul style="list-style-type: none"> • Marcelo Álvarez Jara, presidente (*) • Olivar Hernández Giuliano (*) • Diego Ruidiaz Gómez • Marcelo Magofke G. • Eugenio Concha Vergara 	<p>Alternate directors</p> <p>None.</p>
			<p>Staffing</p> <p>Executive and managers: 0</p> <p>Professionals and technicians: 7</p> <p>Workers: 0</p>

(*) Codelco directors or executives.

Centro de Especialidades Médicas San Lorenzo Ltda.

Identification and legal capacity

Capital subscribed and paid by Codelco

ThUS\$ 518

RUT:	76.124.156-7	<p>Business Area</p> <p>Providing ambulatory medical services, in accordance with their level of complexity, regardless of responsibility or name of service.</p>	<p>CEO</p> <p>Guillermo Figueroa B.</p>	
Corporate ID:	Centro de Especialidades Médicas San Lorenzo Limitada			<p>Codelco capital holdings and variations during the reporting period</p> <ul style="list-style-type: none"> CODELCO indirectly holds 100% of the company's shares. No variations.
Type:	Limited liability company			<p>Commercial relationship with Codelco</p> <ul style="list-style-type: none"> Provides outpatient and other classes of medical and nursing services for workers at the Codelco Salvador Division.
Incorporated:	November 2, 2010			<p>Contracts in place with Codelco</p> <ul style="list-style-type: none"> None.
Partners:	<p>Clínica San Lorenzo Ltda. 99%</p> <p>Isalud Isapre de Codelco Ltda. 1%</p>	<p>Directors</p> <ul style="list-style-type: none"> Marcelo Álvarez Jara, presidente (*) Olivar Hernández Giuliano (*) Diego Ruidiaz Gómez Marcelo Magofke G. Eugenio Concha Vergara 	<p>Alternate directors</p> <p>None.</p>	
			<p>Staffing</p> <p>Executive and managers: 1</p> <p>Professionals and technicians: 55</p> <p>Workers: 7</p>	

Healthcare entities

(*) Codelco directors or executives.

Clínica Río Blanco S.A. Identification and legal capacity	
RUT:	99.573.600-4
Corporate ID:	Clínica Río Blanco S.A.
Type:	Closed corporation
Incorporated:	September 30, 2004
Partners:	<p>Codelco 99%</p> <p>Isalud Isapre de Codelco Ltda. 1%</p>

Capital subscribed and paid by Codelco

ThUS\$ 4,898.5

Business Area

Providing health services by means of administering a clinic; providing ambulatory, urgent care, and paramedic health services; performing laboratory testing, pharmacology, analysis, radiology, and in general providing services in the field of medicine, in accordance with their level of complexity, and professional services to health companies within the holding company.

Directors

- Marcelo Álvarez Jara, presidente (*)
- Diego Ruidiaz Gómez
- Olivar Hernández Giugliano (*)
- Marcelo Magofke G.
- Eugenio Concha Vergara

Alternate directors

None.

Staffing

Executive and managers: **0**
 Professionals and technicians: **58**
 Workers: **26**

CEO

Alberto Altermatt Covarrubias

Codelco capital holdings and variations during the reporting period

- CODELCO directly and indirectly holds 100% of the company's shares.
- No variations.

Commercial relationship with Codelco

- Provides outpatient, urgent care, paramedic, laboratory, pharmacology, radiology, and other classes of medical and nursing services for workers at Codelco Andina Division, under the Isapre Rio Blanco agreement.

Contracts in place with Codelco

- Service contract "Law No. 16,744 Provisions" for \$3,063,041,106, 3-year duration, with end date February 28, 2022.
- "Occupational healthcare" service contract, for \$1,271,950,750, 3-year duration, with end date April 28, 2022.

(*) Codelco directors or executives.

Centro de Especialidades Médicas Río Blanco Ltda.

Identification and legal capacity

Capital subscribed and paid by Codelco

ThUS\$ 518

RUT:	76.064.682-2
Corporate ID:	Centro de Especialidades Médicas Río Blanco Ltda.
Type:	Limited liability company.
Incorporated:	Los Andes, June 30, 2009
Partners:	<p>Codelco 99%</p> <p>Isalud Isapre de Codelco Ltda. 1%</p>

Business Area

Implementation of all classes of outpatient medical procedures and services, provision of administration services for members' health benefits and charges of Isapre Río Blanco Ltda.

Directors

- Marcelo Álvarez Jara, presidente (*)
- Diego Ruidiaz Gómez
- Olivar Hernández Giugliano (*)
- Marcelo Magofke G.
- Eugenio Concha Vergara

Alternate directors

None.

Staffing

Executive and managers: **1**
 Professionals and technicians: **51**
 Workers: **27**

CEO

Alberto Altermatt Covarrubias

Codelco capital holdings and variations during the reporting period

- CODELCO directly and indirectly holds 100% of the company's shares. No variations.

Commercial relationship with Codelco

- Provides outpatient, urgent care, paramedic, laboratory, pharmacology, radiology, and other classes of medical and nursing services for workers at División Andina, under the Isapre Río Blanco agreement.

Contracts in place with Codelco

- None.

(*) Codelco directors or executives.

Sociedad Ejecutora Proyecto Hospital del Cobre Calama S.A.

Identification and legal capacity

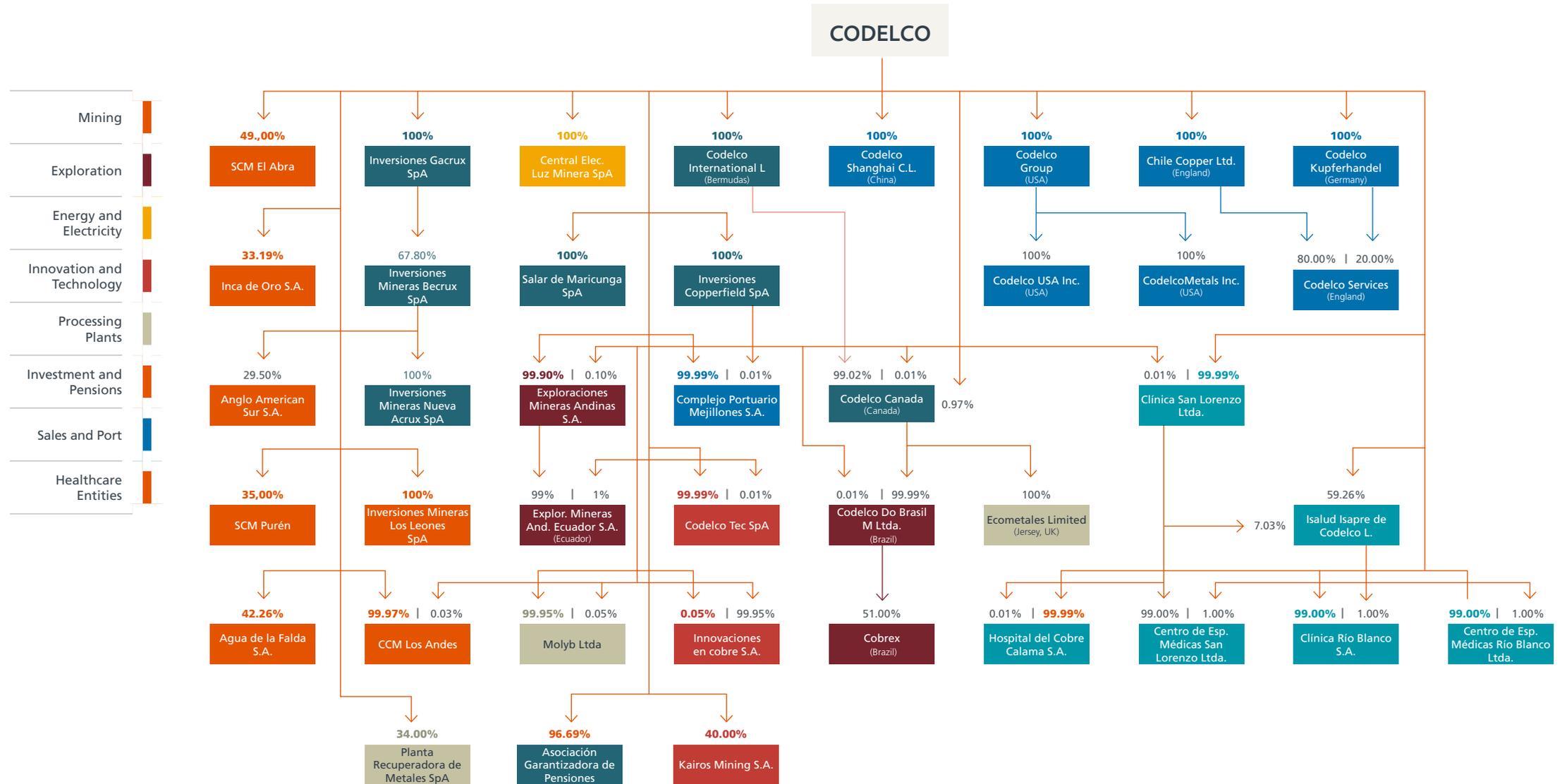
Capital subscribed and paid by Codelco
ThUS\$ 358

RUT:	96.817.780-K	Business Area Providing ambulatory, hospital, and other health services.	CEO Juan Pablo Duclos Cornejo	
Corporate ID:	Ejecutora Proyecto Hospital del Cobre-Calama S.A.		Codelco capital holdings and variations during the reporting period <ul style="list-style-type: none"> CODELCO directly and indirectly holds 100% of the company's shares. No variations. 	
Type:	Closed corporation		Commercial relationship with Codelco <ul style="list-style-type: none"> Framework agreement signed between Codelco-Chile, Ejecutora del Proyecto Hospital del Cobre-Calama S.A., and Las Américas Administradora Fondos de Inversión S.A. This is a framework regulating the relationship between the parties for a 20-year period (ending March 31, 2021). 	
Incorporated:	Santiago, April 11, 1997		Contracts in place with Codelco <ul style="list-style-type: none"> Subletting of Hospital del Cobre Dr. Salvador Allende G. through March 2021, in accordance with the framework agreement. Invoicing and accountancy service by CODELCO for Sociedad Ejecutora, until March 31, 2021. 	
Partners:	Codelco 99.99% Clínica San Lorenzo Ltda. 0.01%	Directors <ul style="list-style-type: none"> Olivar Hernández Giuliano, presidente (*) Diego Ruidiaz Gómez Pablo Geisse Navarro (*) 	Alternate directors None.	
			Staffing None.	

(*) Codelco directors or executives.

SUBSIDIARIES AND RELATED COMPANIES

Entities in which Codelco participates



CONSOLIDATED FINANCIAL STATEMENTS



CORPORATE
PROFILE



RELEVANT
INDICATORS



VALUE OUR
MANAGEMENT



TRANSPARENCY,
PROBITY,
AND GOOD CORPORATE
GOVERNANCE



TRANSFORMATION
AND FUTURE



SUBSIDIARIES
AND RELATED
COMPANIES



CONSOLIDATED
FINANCIAL
STATEMENTS



OFFICES AND
REPRESENTATIVES



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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 based 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.

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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.



February 25, 2021
Santiago, 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.

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.

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°	01-01-2020 12/31/2020	01-01-2019 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.a	(1,456,821)	(1,747,838)
Other gains		30,425	22,672
Income (Loss) from operating activities		1,872,406	682,711
Finance income		40,213	36,871
Finance costs	23	(742,464)	(479,307)
Provision established (reverse). 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
(Loss) Income for the period before tax		1,043,884	407,773
Income tax (expense) benefit	5	(787,003)	(393,245)
Net (Loss) income for the period		256,881	14,528
Net (Loss) income attributable to owners of parent		242,993	6,637
Net income attributable to non-controlling interests	18.b	13,888	7,891
Net (Loss) income for the period		256,881	14,528

The accompanying notes are an integral part of these consolidated financial statements.

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°	01-01-2020 12-31-2020	01-01-2019 12-31-2019
Net (Loss) income for the period		256,881	14,528
Components of other comprehensive income that will not be reclassified to profit or loss, before tax:			
Losses 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:			
Losses on exchange difference on translation, before tax		3,733	191
(Losses) gains on cash flow hedges, before tax		(47,194)	(80,111)
Share of other comprehensive income 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) income that will be reclassified to profit or loss before tax		(43,461)	(83,195)
Other comprehensive (loss) income, before tax		(47,145)	(181,789)
Income tax effect on component of other comprehensive income which will not be reclassified profit or loss			
Net income tax effect relating to benefit plans in other comprehensive income	5	(145)	69,667
Net income (loss) tax of components of other comprehensive income which will be reclassified to profit or loss			
Net (Loss) income tax relating to cash flow hedges of the other comprehensive income	5	30,676	52,072
Total other comprehensive (loss) income		(16,614)	(60,050)
Total Comprehensive (loss) Income		240,267	(45,522)
Comprehensive (loss) income attributable to:			
Comprehensive (loss) income 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 (LOSS) INCOME		240,267	(45,522)

The accompanying notes are an integral part of these consolidated financial statements.

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°	01-01-2020 12-31-2020	01-01-2019 12-31-2019
Cash flows provided by operating activities:			
Receipts from sales of goods and rendering of services		13,642,629	12,553,666
Other cash receipts from 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 from 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 used in investing activities:			
Other payments to acquire equity or debt instruments of other entities		(176)	(240)
Other charges 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 inflows (outflows)		(81,644)	(5,078)
Cash flows used in investing activities		(2,427,728)	(3,880,037)
Cash flows 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 inflows (outflows)		(161,273)	197,555
Cash flows (used) provide in 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 period	1	1,303,105	1,229,125
CASH AND CASH EQUIVALENTS AT END OF PERIOD	1	2,107,493	1,303,105

The accompanying notes are an integral part of these consolidated financial statements.

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 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 Nota 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 (loss)							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 (loss)								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

The accompanying notes are an integral part of these consolidated financial statements.

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 1.2)

December 31.2020	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 Nota 18	Total Equity
Initial balance as of 1/1/2020	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 (loss)							6,637	6,637	7,891	14,528
Other comprehensive income (loss)		191	(28,039)	Note 17	(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
Increase (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 12/31/2020	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

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)
(Translation to English of the consolidated financial statements originally issued in Spanish – see Note I.2)

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, where 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 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** - 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 accrual bases.

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 years 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 periods

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.

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	0	100.00	100.00
Foreign	Codelco do Brasil Mineracao	Brazil	BRL	0	100.00	100.00	100.00
Foreign	Codelco Group Inc.	United States of America	US\$	100.00	0	100.00	100.00
Foreign	Codelco International Limited	Bermuda	US\$	100.00	0	100.00	100.00
Foreign	Codelco Kupferhandel GmbH	Germany	EUR	100.00	0	100.00	100.00
Foreign	Codelco Metals Inc.	United States of America	US\$	0	100.00	100.00	100.00
Foreign	Codelco Services Limited	England	GBP	0	100.00	100.00	100.00
Foreign	Codelco Shanghai Company Limited	China	RMB	100.00	0	100.00	100.00
Foreign	Codelco USA Inc.	United States of America	US\$	0	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\$	0	100.00	100.00	100.00
Foreign	Exploraciones Mineras Andinas Ecuador EMSAEC S.A.	Ecuador	US\$	0	100.00	100.00	100.00
Foreign	Cobrex Prospeccao Mineral	Brazil	BRL	0	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	0	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		100.00	100.00

Taxpayer ID Number	Company	Country	Currency	12/31/2020			12/31/2019
				% Ownership			% Ownership
				Direct	Indirect	Total	Total
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	0	100.00	100.00
76.231.838-5	Inversiones Mineras Nueva Acrux SpA	Chile	US\$	0	67.80	67.80	67.80
76.237.866-3	Inversiones Mineras Los Leones SpA	Chile	US\$	100.00	0	100.00	100.00
76.173.783-K	Inversiones Mineras BecruX SpA	Chile	US\$	0	67.80	67.80	67.80
76.124.156-7	Centro de Especialidades Médicas San Lorenzo Ltda.	Chile	US\$	0	100.00	100.00	100.00
76.255.061-K	Central Eléctrica Luz Minera SpA	Chile	US\$	100.00	0	100.00	100.00
70.905.700-6	Fusat	Chile	CLP	0	0	0	0
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	0	99.00	99.00	99.00
77.928.390-9	Inmobiliaria e Inversiones Río Cipreces Ltda.	Chile	CLP	0	99.90	99.90	99.90
77.270.020-2	Prestaciones de Servicios de la Salud Intersalud Ltda.	Chile	CLP	0	99.00	99.00	99.00
76.754.301-8	Salar de Maricunga SpA	Chile	CLP	100.00	0	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).

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:

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 or 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.

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

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 be available for use or sale;
- The intention to complete the intangible asset and 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 its 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 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 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 asset for right of use 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 assets for right to use 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 asset for right of use. 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 asset for right of use 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 an asset for right of use is impaired and recognizes any impairment loss identified. as described in the accounting policy for "Property. plant and equipment".

As of the consolidated financial statements as of 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 of 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 from Contracts with 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 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 payments of principal and interest. This category includes certain Trade and other current receivables, and the 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 of its investment 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** - LThe 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.

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 amendments 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. Provide exception to lessees, to assess whether the lease concession related to COVID-19 is a modification of the lease;
2. Allows lessees to apply the exception 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 exception to disclose that fact; and
4. Requires lessees to apply said exception 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.

f) Reclassifications:

The Company has made immaterial reclassifications to its statement of financial position as of December 31, 2019: Certain changes to disclosure in certain notes have also been made which have been deemed immaterial by Management

Reclassifications ThUS\$	12/31/2019	Reclassifications	12/31/2019 New presentation
Non-current assets			
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 liabilities	1,378,351	(127,761)	1,250,590
Current lease liabilities	-	127,761	127,761
Non-current liabilities			
Other non-current financial liabilities	16,538,223	(305,110)	16,233,113
Non-current lease liabilities	-	305,110	305,110

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 discretionary participating features and supersedes IFRS 4 Insurance contracts.

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 the applying the requirements by helping companies to determine whether, in the statement of financial position, debts and other liabilities with an uncertain settlement date must classified as current (expired or potentially expired in one year) or not current. It is important to note that they 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.

Amendments to IFRS	Date of mandatory application	Summary
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.
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.	<p>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 from its parent.</p> <p>IFRS 9 Financial Instruments: clarifies what fees are included when applying the "10 percent" test in paragraph B3.3.6.</p> <p>IFRS 16 Leases: removes from Illustrative Example 13, the illustration of the reimbursement of improvements to the leased asset made by the lessor.</p> <p>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.</p>

The Administration is evaluating the impact of the adoption of these new regulations and modifications.

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	12/31/2019
	ThUS\$	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 unfinished sales invoices (ThUS\$98,045 of positive provision as of December 31, 2019).

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	12/31/2019	12/31/2020	12/31/2019
	ThUS\$	ThUS\$	ThUS\$	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	12/31/2019
	ThUS\$	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

As of December 31, 2020 and 2019, the balance of past due but not impaired trade receivables, is as follows:

Maturity	12/31/2020	12/31/2019
	ThUS\$	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.

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	1-1-2019 12/31/2019
					Amount ThUS\$	Amount ThUS\$
ADM Planning Consultores Ltda	77.770.940-7	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 y 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:

Name	Taxpayer number	Country	Nature of the relationship	Description of the transaction	1-1-2020 12/31/2020	1-1-2019 12/31/2019
					Amount ThUS\$	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 a 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.

On the other hand, the short-term benefits of key management of the Corporation paid 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 paid 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

Accounts payable to 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\$	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	Effects on net income (charges) / credits	Amount	Effects on net income (charges) / credits
					ThUS\$	ThUS\$	ThUS\$	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.

4. Inventories

The detail of inventories as of December 31, 2020 and 2019, is as follows:

Items	Current		Non-current	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
	ThUS\$	ThUS\$	ThUS\$	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	12/31/2019
	ThUS\$	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 provision was ThUS\$27,213 with a credit effect for the period of January - December of 2020 of ThUS\$10,931 (charge for the corresponding period of 2019 was 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.

5. Income taxes and deferred taxes

- a) Composition of income tax expense:
- b) Deferred tax assets and liabilities:

Items	1-1-2020	1-1-2019
	12/31/2020	12/31/2019
	ThUS\$	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	12/31/2019
	ThUS\$	ThUS\$
Provisions	1,494,649	1,556,662
Tax loss	757,681	613,340
Righth-of-use contracts	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	12/31/2019
	ThUS\$	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	12/31/2019
	ThUS\$	ThUS\$
Non-current assets	45,908	43,736
Non-current liabilities	5,527,795	4,860,881
NET	5,481,887	4,817,145

- c) The effects of deferred taxes recorded in other comprehensive income are as follows:

Deferred taxes on components of other comprehensive income	12/31/2020	12/31/2019
	ThUS\$	ThUS\$
(Charge) credit 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						Total ThUS\$
	Taxable Base			At the Tax rate			
	25,0% ThUS\$	40,0% ThUS\$	5% ThUS\$	25,0% ThUS\$	40,0% ThUS\$	5% 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 Previous Years							(13,053)
TOTAL TAX EXPENSE				(245,284)	(406,716)	(121,950)	(787,003)
Reconciliation of tax rate	12-31-2019						Total ThUS\$
	Taxable Base			At the Tax rate			
	25,0% ThUS\$	40,0% ThUS\$	5% ThUS\$	25,0% ThUS\$	40,0% ThUS\$	5% 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 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.

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.I):

Current Tax Assets	12/31/2020	12/31/2019
	ThUS\$	ThUS\$
Taxes to be recovered	74,324	22,719
TOTAL CURRENT TAX ASSETS	74,324	22,719

Current Tax Liabilities	12/31/2020	12/31/2019
	ThUS\$	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	12/31/2019
	ThUS\$	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 to make 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.

7. Property, Plant and Equipment

- a) The items of property, plant and equipment as of December 31, 2020 and 2019, are as follows:
- b) Movement of Property, plant and equipment:

Property, Plant and Equipment, gross	12/31/2020	12/31/2019	Property, Plant and Equipment, accumulated depreciation	12/31/2020	12/31/2019	Property, Plant and Equipment, net	12/31/2020	12/31/2019
	ThUS\$	ThUS\$		ThUS\$	ThUS\$		ThUS\$	ThUS\$
Construction in progress	6,391,278	6,234,130	Construction in progress	-	-	Construction in progress	6,391,278	6,234,130
Land	383,501	173,316	Land	13,133	9,975	Land	370,368	163,341
Buildings	6,212,776	5,963,605	Buildings	3,335,090	3,152,227	Buildings	2,877,686	2,811,378
Plant and equipment	19,809,559	19,217,547	Plant and equipment	11,212,105	10,618,524	Plant and equipment	8,597,454	8,599,023
Fixtures and fittings	47,507	58,631	Fixtures and fittings	42,305	47,431	Fixtures and fittings	5,202	11,200
Motor vehicles	2,075,364	2,080,124	Motor vehicles	1,545,627	1,480,020	Motor vehicles	529,737	600,104
Land improvements	6,818,024	6,504,063	Land improvements	3,723,860	3,482,960	Land improvements	3,094,164	3,021,103
Mining operations	9,322,060	8,751,368	Mining operations	6,271,794	5,253,285	Mining operations	3,050,266	3,498,083
Mine development	5,011,879	4,546,765	Mine development	1,019,963	893,575	Mine development	3,991,916	3,653,190
Other assets	1,162,812	1,164,163	Other assets	518,978	487,703	Other assets	643,834	676,460
TOTAL PROPERTY, PLANT AND EQUIPMENT, GROSS	57,234,760	54,693,712	TOTAL PROPERTY, PLANT AND EQUIPMENT, ACCUMULATED DEPRECIATION	27,682,855	25,425,700	TOTAL PROPERTY, PLANT AND EQUIPMENT, NET	29,551,905	29,268,012

c) The balance of construction in progress, is directly

Movements ThUS\$	Construction in progress	Land	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 period. Opening Balance 1/1/2020	6,234,130	163,341	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)	209,767	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)	211,327	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	207,027	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 PERIOD. CLOSING BALANCE 12/31/2020	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

Movements ThUS\$	Construction in progress	Land	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 period. Opening Balance 1/1/2019	8,808,652	164,962	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 PERIOD. CLOSING BALANCE 12/31/2019	6,234,130	163,341	2,811,378	8,599,023	11,200	600,104	3,021,103	3,498,083	3,653,190	676,460	29,268,012

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	1-1-2019
	12/31/2020	12/31/2019
	ThUS\$	ThUS\$
Recognized in profit /(loss)	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	12/31/2019
	ThUS\$	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, 2020 and 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 asset by right of use category is:

Items	12/31/2020	12/31/2019
	ThUS\$	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 Assets by right of use (in thousands of US\$)	12/31/2020	12/31/2019
	ThUS\$	ThUS\$
Opening Balance	432,152	-
Increases	195,956	109,505
Depreciation	(139,442)	(143,369)
Increases (decreases) by other changes	(27,139)	466,016
Dismissal of assets due to right of use	(487)	-
Increase (decrease) in Assets by right 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.

The composition by asset class is as follows:

Assets by right of use	12/31/2020	12/31/2019
	ThUS\$	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
others assets by right of use	6,999	5,947
TOTAL ASSETS BY RIGHT OF USE	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	1-1-2019
	12/31/2020	12/31/2019
	ThUS\$	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 application, changes in indices or rates)	1,225,051	1,488,409
TOTAL	1,270,217	1,578,345

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	1-1-2019
			%	%	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\$	29.50%	29.50%	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\$	35.00%	35.00%	9,933	9,934	(1)	32
Planta Recuperadora de Metales SpA	76.255.054-7	US\$	34.00%	34.00%	12,218	10,914	1,304	549
Sociedad Contractual Minera El Abra	96.701.340-4	US\$	49.00%	49.00%	595,080	594,883	719	(12,799)
Sociedad GNL Mejillones S.A.	76.775.710-7	US\$	0.00%	0.00%	-	-	-	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 of 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 it 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 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	12/31/2019
	ThUS\$	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
Net Income	1-1-2020 12/31/2020	01-01-2019 12/31/2019
	ThUS\$	ThUS\$
Revenue	2,644,477	2,825,062
Cost of sales	(2,479,372)	(2,646,416)
Profit for the period	165,105	178,646
Movements of Investment in Associates	1-1-2020 12/31/2020	01-01-2019 12/31/2019
	ThUS\$	ThUS\$
Opening balances	3,483,523	3,568,293
Contributions	176	2,200
Dividends	(100,131)	(3,062)
Result of the period	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	12/31/2019
	ThUS\$	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	01-01-2019 12/31/2019
	ThUS\$	ThUS\$
Revenue	2,146,000	2,286,876
Cost of sales	(1,982,020)	(2,174,029)
Profit for the period	163,980	112,847

Sociedad Contractual Minera El Abra

Assets and liabilities	12/31/2020	12/31/2019
	ThUS\$	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	1-1-2019 12/31/2019
	ThUS\$	ThUS\$
Revenue	448,428	493,531
Cost of sales	(446,960)	(519,651)
Profit (loss) for the period	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:

Assets and liabilities	12/31/2020	12/31/2019
	ThUS\$	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	1-1-2019 12/31/2019
	ThUS\$	ThUS\$
Ordinary Income	1,128,181	1,140,473
Ordinary Expenses	(1,141,365)	(1,176,801)
Profit (loss) of period	(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:

Classification in the statement of financial position	12-31-2020				Total financial assets ThUS\$
	At fair value though profit and loss ThUS\$	Amortized Cost ThUS\$	Derivatives for hedging		
			Hedging derivatives ThUS\$	Cross currency swap 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

Classification in the statement of financial position	12-31-2019				Total financial assets ThUS\$
	At fair value though profit and loss ThUS\$	Amortized Cost ThUS\$	Derivatives for hedging		
			Hedging derivatives ThUS\$	Cross currency swap 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

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.

- 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. Otros pasivos financieros

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, capital was amortized 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, capital was amortized 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 amortized 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, capital was amortized 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, capital was amortized 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, with an annual coupon rate of interest of 3.625% and semi-annual interest. On December 22, 2020, capital was amortized for an amount of ThUS\$227,154. Payments which will mature on August

1, 2027, while ThUS\$1,250,000, with 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 millions. 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.

As of December 31, 2020, the details of loans from financial institutions and bond obligations are as follows:

31-12-2020													
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

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					1,150,000,000	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.

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

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	Vencimiento	Semestral	3.75%	3.89%	396,742	-
144-A REG.S	Luxembourg	11/4/2021	Fixed	US\$	1,150,000,000	Vencimiento	Semestral	3.88%	4.02%	1,377	226,416
144-A REG.S	Luxembourg	7/17/2022	Fixed	US\$	1,250,000,000	Vencimiento	Semestral	3.00%	3.16%	4,978	410,882
144-A REG.S	Luxembourg	8/13/2023	Fixed	US\$	750,000,000	Vencimiento	Semestral	4.50%	4.74%	4,627	332,188
144-A REG.S	Luxembourg	7/9/2024	Fixed	EUR	600,000,000	Vencimiento	Anual	2.25%	2.48%	7,236	666,384
BCODE-B	Chile	4/1/2025	Fixed	U.F.	6,900,000	Vencimiento	Semestral	4.00%	3.24%	2,595	270,374
144-A REG.S	Luxembourg	9/16/2025	Fixed	US\$	2,000,000,000	Vencimiento	Semestral	4.50%	4.75%	14,003	1,055,236
BCODE-C	Chile	8/24/2026	Fixed	U.F.	10,000,000	Vencimiento	Semestral	2.50%	2.48%	3,292	394,774
144-A REG.S	Luxembourg	8/1/2027	Fixed	US\$	1,500,000,000	Vencimiento	Semestral	3.63%	4.20%	22,607	1,443,875
REG.S	Luxembourg	8/23/2029	Fixed	US\$	130,000,000	Vencimiento	Semestral	2.87%	2.98%	1,328	128,808
144-A REG.S	Luxembourg	9/30/2029	Fixed	US\$	1,100,000,000	Vencimiento	Semestral	3.00%	3.14%	8,385	1,087,092
REG.S	Luxembourg	11/7/2034	Fixed	HKD	500,000,000	Vencimiento	Anual	0.00%	0.00%	275	63,593
144-A REG.S	Luxembourg	9/21/2035	Fixed	US\$	500,000,000	Vencimiento	Semestral	5.63%	5.78%	7,804	492,115
144-A REG.S	Luxembourg	10/24/2036	Fixed	US\$	500,000,000	Vencimiento	Semestral	6.15%	6.22%	5,713	496,544
REG.S	Luxembourg	7/22/2039	Fixed	AUD	70,000,000	Vencimiento	Anual	0.00%	0.00%	783	48,519
144-A REG.S	Luxembourg	7/17/2042	Fixed	US\$	750,000,000	Vencimiento	Semestral	4.25%	4.41%	14,465	733,450
144-A REG.S	Luxembourg	10/18/2043	Fixed	US\$	950,000,000	Vencimiento	Semestral	5.63%	5.76%	10,804	933,573
144-A REG.S	Luxembourg	11/4/2044	Fixed	US\$	980,000,000	Vencimiento	Semestral	4.88%	5.01%	7,481	961,425
144-A REG.S	Luxembourg	8/1/2047	Fixed	US\$	1,250,000,000	Vencimiento	Semestral	4.50%	4.73%	23,387	1,205,925
144 - REG.S	Luxembourg	5/18/2048	Fixed	US\$	600,000,000	Vencimiento	Semestral	4.85%	4.91%	3,438	594,487
144-A REG.S	Luxembourg	2/5/2049	Fixed	US\$	1,300,000,000	Vencimiento	Semestral	4.38%	4.97%	22,874	1,182,292
144-A REG.S	Luxembourg	1/30/2050	Fixed	US\$	900,000,000	Vencimiento	Semestral	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:

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

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
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

Nominal and effective interest rates presented above correspond to annual rates.

Debtor's Name	12-31-2019				CURRENT			NON-CURRENT			
	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
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

12-31-2019					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
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.

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:

Liabilities for financing activities	Initial Balance at 1/1/2020	Flows of cash			Financial Cost (1)	Changes that do not represent cash flow				Final Balance at 12/31/2020
						Exchange Difference	Fair Value Adjustment	Effective Interest accretion/ amortization not cash flow related	Other	
						ThUS\$	ThUS\$	ThUS\$	ThUS\$	
	ThUS\$	From ThUS\$	Used ThUS\$	Total 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
Obligations for coverage	157,826	-	(25,729)	(25,729)	23,202	(64,492)	37,634	-	768	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)	-	-	-	-	158,877	56,469
TOTAL LIABILITIES FROM FINANCING 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

Liabilities for financing activities	Saldo Inicial al 01/01/2019	Flujos de efectivo de financiamiento			Costo Financiero (1)	Cambios que no representan flujo de efectivo				Saldo final al 31/12/2019
						Diferencia de Cambio	Ajuste Valor Razonable	Gastos de deuda diferidos en el costo amortizado	Otros	
	ThUS\$	From ThUS\$	Used ThUS\$	Total 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
Obligations for coverage	116,132	-	(21,167)	(21,167)	21,556	13,142	27,575	-	588	157,826
Paid Dividens	-	-	-	-	-	-	-	-	-	-
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 LIABILITIES FROM FINANCING 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.

Comparison value book vs fair value as of September 30, 2020	Accounting treatment for valuation	Carrying amount	Fair value
		ThUS\$	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:

- 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.

En base a las metodologías, inputs, y definiciones anteriores se han determinado los siguientes niveles de mercado para la cartera de instrumentos financieros que la Corporación mantiene al 31 de diciembre de 2020:

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
Mutual fund units	-	-	-	-
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	12/31/2019
	ThUS\$	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

16. Otras provisiones

The detail of other current and non-current provisions as of December 31, 2020 and 2019, is as follows:

Other Provisions	Corriente		No Corriente	
	12/31/2020	12/31/2019	12/31/2020	12/31/2019
	ThUS\$	ThUS\$	ThUS\$	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	1/1/2019 12/31/2019			
	Other Provisions, non-current	Other Provisions, non-current	Contingencies	Total
	ThUS\$	ThUS\$	ThUS\$	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

Changes	1/1/2019 12/31/2019			
	Other Provisions, non-current	Other Provisions, non-current	Contingencies	Total
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Opening balance	2,829	1,528,020	69,334	1,600,183
Cost/ Capitalization of the period	-	-	-	-
Closing provision adjustment	-	507,062	-	507,062
Financial expenses	-	36,345	-	36,345
Payment of liabilities	(406)	-	(21,366)	(21,772)
Foreign currency translation	(91)	(32,160)	(1,657)	(33,908)
Provision decrease	(4,452)	-	-	(4,452)
Other increases (decreases)	4,440	(784)	3,373	7,029
CLOSING BALANCE	2,320	2,038,483	49,684	2,090,487

17. Employee benefits

- a) Provisions for post-employment benefits and other long term benefits

LProvision 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	12/31/2019		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	0	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.

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	12/31/2019	12/31/2020	12/31/2019
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Employees' collective bargaining agreements	182,905	181,040	-	-
Employee termination benefit	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\$	IPAS ThUS\$	Plan salud 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

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:

Remediciones técnicas	12/31/2020		12/31/2019	
	Retirement plan	Health plan	Retirement plan	Health plan
	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Revaluación de los supuestos demográficos	159	18,644	(11,513)	-
Revaluación de supuestos financieros	1,916	(25,890)	7,262	9,365
Revaluación por experiencia	3,411	1,401	9,079	84,524
Efecto neto total	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.

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	1-1-2019 12/31/2019
	ThUS\$	ThUS\$
Benefits - Short term	1,337,651	1,519,659
Benefits - Post employment	47,094	39,980
Benefits - Termination	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.

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 period 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	12/31/2019
	ThUS\$	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 rereasurement 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	12/31/2019	1/1/2020 12/31/2020	1/1/2019 12/31/2019
	%	%	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Inversiones GacruX SpA	32.20%	32.20%	924,924	919,764	13,864	7,905
Otros	-	-	18	(7)	24	(14)
TOTAL			924,942	919,757	13,888	7,891

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	12/31/2019	Results	1/1/2020 12/31/2020	1/1/2019 12/31/2019
	ThUS\$	ThUS\$		ThUS\$	ThUS\$
Current Assets	325,385	227,367	Net cash flow from operating activities	31,745	84,426
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	1/1/2019 12/31/2019	Net cash flow from (using) investing activities	90,781	(42,403)
	ThUS\$	ThUS\$			
Revenues	741,628	682,079			
Expenses	(722,455)	(681,954)	Net cash flow from (using) financing activities	(78,932)	(128,413)
Profit of the period	19,173	125			

19. Revenue

Revenues for the years ended December 31, 2020 and 2019, are as follows:

Item	1/1/2020 12/31/2020	1/1/2019 12/31/2019
	ThUS\$	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 (loss) 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.

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	1/1/2019 12/31/2019
	ThUS\$	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	1/1/2019 12/31/2019
	ThUS\$	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

b) Other expenses by function

Item	1/1/2020 12/31/2020	1/1/2019 12/31/2019
	ThUS\$	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.

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	1/1/2019 12/31/2019
	ThUS\$	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.

The following tables details the financial information organized by operating segments:

Segments	From 1/1/2020 12/31/2020										
	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	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 (loss) 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

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	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

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	R, Tomic	Salvador	Andina	El Teniente	Ventanas	G, Mistral	M, Hales	Others	Total Consolidated
Current assets	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Non-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
Current liabilities	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
Non-current liabilities	801,185	231,953	208,235	235,889	436,916	86,373	93,817	141,957	1,203,582	3,439,907
Pasivo no corriente	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	R, Tomic	Salvador	Andina	El Teniente	Ventanas	G, Mistral	M, Hales	Others	Total Consolidated
Current assets	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Non-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
Current liabilities	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
Non-current liabilities	821,067	179,649	140,456	214,350	474,126	76,222	103,484	139,946	1,773,657	3,922,957
Pasivo no corriente	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	1-01-2019 12-31-2019
	ThUS\$	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	1-01-2019 12-31-2019
	ThUS\$	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.

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	1-01-2019 12-31-2019
	ThUS\$	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	1-01-2019 12-31-2019
	ThUS\$	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	1-01-2019 12-31-2019
	ThUS\$	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 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	Between one and five years	More than five years
	ThUS\$	ThUS\$	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 explanatory note 2, trade and other receivables presents past due balances that have not been impaired.

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

December 31, 2020

Hedged item	Bank	Type of derivative contract	Maturity	Currency	Amount	Financial obligation: hedging instrument	Fair value of hedging instruments	Asset	Liability
					ThUS\$	ThUS\$	ThUS\$	ThUS\$	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						1,547,119	6,909	1,830,667	(1,823,758)

December 31, 2019

Hedged item	Bank	Type of derivative contract	Maturity	Currency	Amount	Financial obligation: hedging instrument	Fair value of hedging instruments	Asset	Liability
						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	Deutsche 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:

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.

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\$
Derivados de monedas	ThUS\$	13,156	48,151	61,306	122,611	1,113,279	577,064	1,812,954

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.

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 until 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

31 de diciembre de 2019	Maturity date						
ThUS\$	2020	2021	2022	2023	2024	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, 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]	-	-	-	-	-	-	-
Opciones de metales	-	-	-	-	-	-	-

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 results, 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

- 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 con una vigencia de 15 años a partir de enero de 2010. es decir con vigencia hasta diciembre del 2024. por una potencia de 200 MW. y otro contrato por una potencia de 200 MW el cual fue firmado en enero del 2018 y que regirá a partir de enero del 2025 con vencimiento en diciembre del 2035.
- CTA con una vigencia a partir de 2012 y por una potencia de 80 MW. con vencimiento el 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:

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 the 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

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						
Creditor of the Guarantee	Type of Guarantee	12/31/2020				12/31/2019
		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

Direct Guarantees provided to Financial Institutions

Creditor of the Guarantee	Type of Guarantee	12/31/2020				12/31/2019
		Currency	Maturity	Number of documents	ThUS\$	ThUS\$
Ministry of national goods	Project of exploitation	UF	6/23/2021	3	24	-
Ministry of Public Works	Building project	UF	12/31/2019	1	-	22,364
Ministry of Public Works	Building project	UF	1/2/2021	1	24,186	-
Ministry of Public Works	Building project	UF	10/2/2021	1	559	516
Ministry of Public Works	Building project	UF	12/31/2021	1	180	-
Ministry 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:

Guarantees received from third parties		
Division	12/31/2020	12/31/2019
	ThUS\$	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

Assets national and Foreign currency

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

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

TOTAL ASSETS

12-31-2020

	US Dollars	Euros	Other currencies	Non-indexed Ch\$	U.F.	TOTAL
Total current assets	6,847,400	211,222	5,577	691,047	2,876	7,758,122
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

12-31-2019

Assets national and Foreign currency

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

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

TOTAL ASSETS

	US Dollars	Euros	Other currencies	Non-indexed Ch\$	U,F.	TOTAL
Total current assets	5,375,228	162,424	5,080	486,605	20,684	6,050,021
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

b) Liability by type of currency:

	12-31-2020					
	US Dollars	Euros	Other currencies	Non-indexed Ch\$	U,F,	TOTAL
National and foreign currency liabilities						
Current liabilities						
Other current financial liabilities	529,998	(28)	7	-	(31)	529,946
Current 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	-	-	-	-	-	-
Other non-current non-financial liabilities	13,010	-	592	1,230,338	-	1,243,940
Total non-current 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
National and foreign currency liabilities						
Current liabilities						
Other current financial liabilities	1,244,765	(2)	5,721	370	(264)	1,250,590
Current 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.

Entity	Project name	Disbursements 12/31/2020				12/31/2019	Future committed disbursements	
		Project Status	Amount	Asset/ Expense	Asset / Expenditure Item	Amount	Amount	Estimated date
			ThUS\$			ThUS\$	ThUS\$	
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	

Entity	Project name	Disbursements 12/31/2020				12/31/2019	Future committed disbursements	
		Project Status	Amount	Asset/ Expense	Asset / Expenditure Item	Amount	Amount	Estimated date
			ThUS\$			ThUS\$	ThUS\$	
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	

Entity	Project name	Disbursements 12/31/2020				12/31/2019	Future committed disbursements	
		Project Status	Amount	Asset/ Expense	Asset / Expenditure Item	Amount	Amount	Estimated date
			ThUS\$				ThUS\$	ThUS\$
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 baast 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	

Entity	Project name	Disbursements 12/31/2020				12/31/2019	Future committed disbursements	
		Project Status	Amount	Asset/Expense	Asset / Expenditure Item	Amount	Amount	Estimated date
			ThUS\$			ThUS\$	ThUS\$	
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-Cauquenes	In Progress	145	Asset	P, P & E	18	4,551	2022
Codelco Chile	Improvement of the container washing system for filter plants	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	-	

Entity	Project name	Disbursements 12/31/2020				12/31/2019	Future committed disbursements		
		Project Status	Amount	Asset/Expense	Asset / Expenditure Item	Amount	Amount	Estimated date	
			ThUS\$				ThUS\$	ThUS\$	
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	

Entity	Project name	Disbursements 12/31/2020				12/31/2019	Future committed disbursements	
		Project Status	Amount	Asset/Expense	Asset / Expenditure Item	Amount	Amount	Estimated date
			ThUS\$			ThUS\$	ThUS\$	
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, it corresponds to the President of the Republic, the appointment of 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 superior 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 is 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

RATIO ANALYSIS OF THE CONSOLIDATED FINANCIAL STATEMENTS

as of December 31, 2020

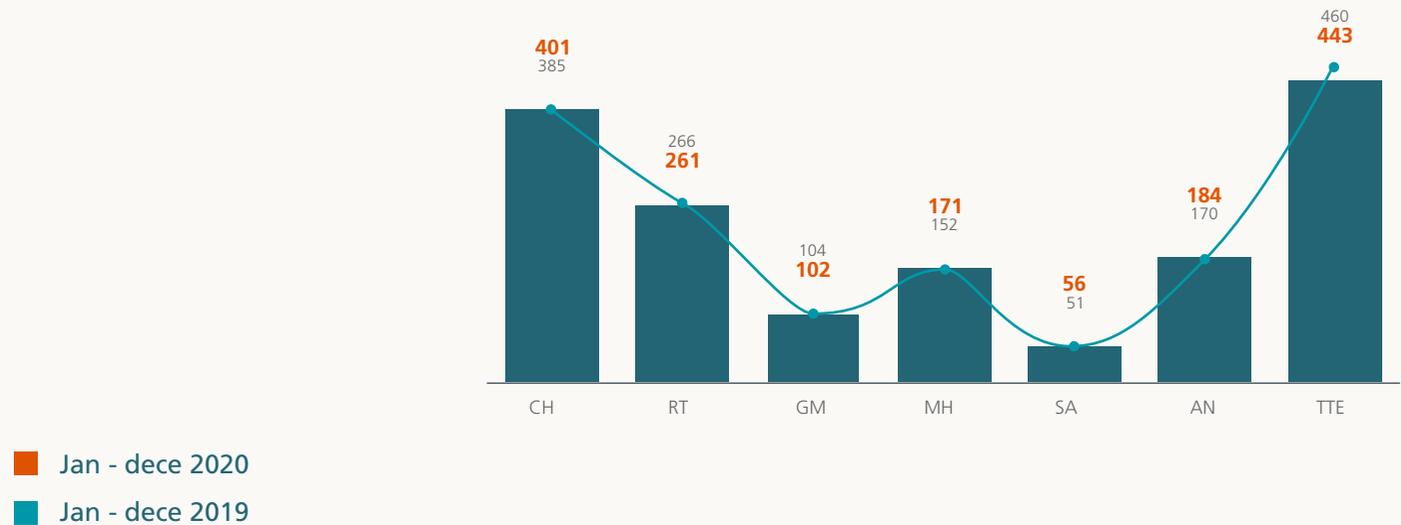
I. ANALYSIS OF RESULTS OF OPERATIONS

1. Production

The purpose of this document is to provide the analysis of the Consolidated Financial Statements of Corporación Nacional del Cobre de Chile (Codelco) for the year 2020 and its comparison to the year 2019.

This report is to be understood as a supplement to the consolidated financial statements and its explanatory notes and should be read together with such information to obtain a more comprehensive conclusion on the topics recorded therein.

PRODUCTION JANUARY - DECEMBER IN THFMT



Graphic 1: Plant Production of FMT.

As of December 31, 2020, Codelco Chile's total fine copper production from its operating divisions, which represents 82% of total revenues, reached ThFMT 1,618, reflecting an increase of 2% related to the production generated during 2019.

At divisional level, this positive variation is presented in the Ministro Hales (13%), Andina (8%), Chuquicamata (4%) and Salvador (10%) divisions, which together implied an increase of ThFMT 54 and is mainly explained by a better processed ore grade. This increase offsets the decreases recorded at El Teniente Division (-4%), Radomiro Tomic Division (-2%) and Gabriela Mistral Division (-2%) which represent ThFMT 24 less production compared to the prior year.

Regarding this aggregate incremental contribution, note that Codelco is regularly making every effort to sustain the level of production and the corporate standard, constantly implementing management measures to achieve improvements in the productivity of the resources employed and to compensate for adverse factors that arise in mining operations.

2. Physical sales volume

Sales, expressed in fine metric tons of own and third party copper and molybdenum are detailed as follows:

Deliveries	12/31/2020	12/31/2019	Variance	Variance
	FMT	FMT	FMT	%
Own copper	1,600	1,577	23	1.5%
Own copper, third party minerals	259	227	32	14.1%
Sales of own copper, own and third party minerals	1,859	1,804	55	3.0%
Copper acquired from third parties	192	172	20	11.6%
TOTAL OWN AND THIRD PARTY COPPER SALES	2,051	1,976	75	3.8%
Own molybdenum	29	24	5	20.8%

Table 2: Total Physical Sales of Copper and Molybdenum.

As of December 31, 2020, total physical sales of own copper (ThFMT 1,859) processed at Codelco's plants, mainly from own minerals (86%) and at a lower rate from third party minerals (14%), recorded an increase of 3.0% compared to 2019. With respect to this, total deliveries of Codelco's own copper reflected an increase of 1.5% (ThFMT +23) whereas own physical copper sales using third party minerals increased by 14.1%.

In addition to this figure, copper acquired from third parties, Codelco's total physical sales volume amounts to ThFMT 2,1051, which compared to the prior year represents an increase of 3.8% (ThFMT +75).

In addition, during 2020, the delivery volume of molybdenum increased by 20.8% (ThFMT +5).

3. Profit for the period (expressed in millions of U.S. dollars, MMUS\$)

The table below shows the behavior of the statement of income for the years between January and December 31, 2020 and 2019.

As of December 31, 2020, Codelco Chile generated a surplus of MUS\$ 2,078 (Profit or loss before income tax and Law No. 13,196), 55% higher than the prior year (as of December 31, 2019 the surplus was MUS\$ 1,340). This variance is mainly reflected by the higher operating income obtained during the year, generated both by an increase in the average annual copper price and by a greater amount of copper sold, which, added to the positive operating performance, more than offset the increase in finance costs (negative variance of MUS\$263) due to the growth in financial debt and lower interest capitalization, and the negative effect of the exchange rate variance (negative variance of MUS\$320).

Concept	12/31/2020	12/31/2019	Variance
	MUS\$	MUS\$	(%)
Revenue from sales of own copper	11,772	10,393	13%
Revenue from sales of third party copper	1,234	1,006	23%
Revenue from sales of molybdenum	527	596	-12%
Revenue from sales of other products and services	636	520	22%
Results from future market	4	9	-56%
Total Revenue	14,173	12,524	13%
Cost of own copper sold	(8,618)	(8,418)	2%
Cost of third party copper sold	(1,227)	(996)	23%
Cost of molybdenum sold	(188)	(206)	-9%
Cost of other products and services sold	(532)	(431)	23%
Total Cost of Sales	(10,565)	(10,051)	5%
Gross Profit	3,608	2,473	46%
Other income and other expenses per function (without Law No. 13.196)	(312)	(451)	-31%
Law No. 13.196	(1,048)	(936)	12%
Distribution expenses	(9)	(17)	-47%
Administrative expenses	(397)	(409)	-3%
Other gains (losses)	30	23	30%
Gains (losses) from operating activities	1,872	683	174%
Finance income	40	37	9%
Finance costs	(742)	(479)	55%
Share of profit of associates and joint ventures accounted for using the equity method of accounting	39	13	-200%
Foreign currency translation differences	(166)	154	-208%
Profit (loss) before taxes	1,044	408	156%
Income tax (benefit) expense	(787)	(393)	100%
Consolidated profit (loss)	257	15	1613%
Profit (loss) attributable to non-controlling interests	14	8	-75%
Codelco net profit (loss)	243	7	3371%
Profit (loss) before income taxes and Law No. 13.196 attributable to Codelco Chile (Surplus)	2,078	1,340	55%
Profit (loss) before income tax and Law No. 13.196, Consolidated (Surplus)	2,092	1,344	56%
EBIT (Earnings Before Interests and Taxes)	1,786	887	101%
EBITDAL (Earnings Before Interests, Taxes, Depreciation, Amortization and Law No. 13.196)	5,289	4,043	31%
EBITDA Margin	37%	32%	

Table 3: Consolidated profit or loss as of December 31, 2020 and 2019.

In addition, the variance in production costs is noted in the table below.

Cost Category (US\$/lb)	Jan - Dec 2020	Jan - Dec 2019	Var (%)
Total costs	241,8	233,5	3.6%
Net cost to cathode (C3)	229,8	224,1	2.5%
DIRECT CASH COST (C1)	129,4	141,6	-8.6%

Cuadro 4: Costos de producción al 31 de diciembre de 2020 y 2019.

At cash cost level (C1), the industry's main indicator, showed a decrease of 8.6% compared to the prior year, mainly due to lower input prices, the higher exchange rate, higher production and management efforts. Total costs and net cathode cost (C3) increased by 3.6% and 2.5%, respectively.

4. Other income and expenses per function, net

As of December 31, 2020, other expenses and income by function (which also includes Law No. 13,196), generated a loss of MUS\$ 1,360, which lower by MUS\$ 27 compared to 2019 (MUS\$ 1,387) and which is explained by a number of offsetting effects, among the main that are indicated below.

1. Lower expense of MUS\$ 258 for fixed operating expenses related to the low level of production due to stoppages occurring during 2019.
2. Lower gain from the sale of interests in companies of MUS\$ 103, due to the fact that in 2020 there were no transactions of this type, unlike in 2019, when Codelco's interest in GNL Mejillones S.A. was sold.

3. Lower expense of MUS\$ 91, associated with collective bargaining term bonuses.
4. Higher expense of MUS\$ 112, associated with the expense accrued for the tax of Law No. 13.196, which levies a 10% tax on the refund on exports of copper and its own by-products. During 2020 and 2019, the expense for this item was MUS\$ 1,048 and MUS\$ 936, respectively.
5. Higher loss due to the recognition of impairment of assets in 2020 of MUS\$24 (in 2019 there were no adjustments in income for this concept).

5. Profit before taxes and profit for the year

In addition, the profit before tax (income tax and specific tax on mining activities) and after the deduction in accordance with No. 13.196 amounted to profit of MUS\$ 1,044; whereas the profit after tax attributable to Codelco Chile recorded profit of MUS\$ 243. During 2020, a profit was recognized for the non-controlling interest of MUS\$ 14.

The annualized return on assets and return on equity for the same period without considering the tax, Law 13.196, interest, depreciation and amortization was 12.5% and 45.3%, respectively.

II. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Caption	12/31/2020	12/31/2019	Variance
	MUS\$	MUS\$	%
Current assets	7,758	6,050	28.2%
Non-current assets	34,452	34,295	0.5%
TOTAL ASSETS	42,210	40,345	4.6%
Pasivos Corrientes	3,440	3,923	-12.3%
Pasivos no Corrientes	27,144	24,787	9.5%
Total Pasivos	30,584	28,710	6.5%
Patrimonio	11,626	11,635	-0.1%
TOTAL PATRIMONIO Y PASIVOS	42,210	40,345	4.6%

Table 5: Consolidated statement of financial position as of December 31, 2020 and 2019.

From total assets as of December 31, 2020, items of current assets represent 18% whereas the remaining percentage is composed of non-current assets, being "Property, Plant and Equipment" the caption, which has the most significant representation (86%) with respect to this last asset category.

From total liabilities and equity as of December 31, 2020, current liabilities represents 8%. Non-current liabilities and equity represent 64% and 28%, respectively.

1. Assets

As of December 31, 2020, current assets amounted to MUS\$ 7,758, mainly composed of cash and cash equivalents of MUS\$ 2,107 (27%, current inventories of MUS\$ 1,912 (25%), trade and other receivables of MUS\$ 3,249 (42%) and the difference is composed of other current asset accounts.

In relation to current inventories, there is a net decrease of MUS\$ 9, resulting from an offsetting effect between the lower stock of finished copper products as of December 31, 2020, and both the higher volume recorded in the inventories of products in process, from own copper ores, and the increase in warehouse materials and supplies.

Inventories as of December 31, 2020 reflect an increase of MUS\$1 of the affiliates, remaining constant with respect to December 31, 2019.

The table of current inventories is included below.

Inventory	12/31/2020	12/31/2019	Variación
	MUS\$	MUS\$	D20/D19
Finished products	106	209	(103)
Products in process	1,222	1,146	76
Warehouse	566	549	17
Total Inventories - Codelco	1,894	1,904	(10)
Consolidation of subsidiaries	18	17	1
TOTAL INVENTORIES	1,912	1,921	(9)

Table 6: Inventories as of December 31, 2020 and 2019.

The table below presents items of Property, plant and equipment as of December 31, 2020:

Property, plant and equipment	12/31/2020	12/31/2019	Variación
	MUS\$	MUS\$	D20/D19
Construction in progress, gross	6,391	6,234	2.5%
Land, gross	384	173	122%
Buildings, gross	6,213	5,964	4.2%
Plant and equipment, gross	19,810	19,218	3.1%
Facilities and fixtures, gross	48	59	-19%
Motor vehicles, gross	2,075	2,080	-0.2%
Land improvements, gross	6,818	6,504	4.8%
Mining operations, gross	9,322	8,751	6.5%
Mine development, gross	5,012	4,547	10.2%
Other assets, gross	1,162	1,163	-0.1%
Total property, plant and equipment, gross	57,235	54,693	4.6%
Total accumulated depreciation	27,683	25,425	8.9%
NET VALUE	29,552	29,268	1.0%

Table 7: Property, plant and equipment as of December 31, 2020 and 2019.

In net terms, property, plant and equipment increased by MUS\$ 284, representing a positive variance of 1% compared to December 31, 2019, maintaining a constant development plan for the performance of Codelco's investment program.

Total right-of-use assets as of December 31, 2020 amount to MUS\$ 461, MUS\$ 29 higher than as of December 31, 2019 (MUS\$ 432).

2. Liabilities

Current liabilities as of December 31, 2020 amounts to MUS\$ 3,440 (MUS\$ 3,923 as of December 31, 2019), and is composed of other financial liabilities, current of MUS\$ 530 (15%), trade and other payables of MUS\$ 1,498 (44%), current provisions for employee benefits of MUS\$ 461 (13%), other current provisions of MUS\$ 562 (16%), trade payable due to related parties of MUS\$ 199 (6%), lease liabilities of plus other miscellaneous obligations.

As of December 31, 2020, non-current liabilities amounted to MUS\$ 27,144 (MUS\$ 24,787 as of December 31, 2019) mainly composed of other financial liabilities, non-current of MUS\$ 17,735 (65%), deferred tax liability of MUS\$ 5,528 (20%), other long-term provisions of MUS\$ 2,295 (8%), non-current provisions for employee benefits of MUS\$ 1,244 (5%), lease liabilities of MCh\$ 340 (1%) plus other non-current liabilities.

Total consolidated liabilities increased by MUS\$ 1,874 (MUS\$ 30,584 as at December 2020 and MUS\$ 28,710 as at December 2019), where the main cause is explained by:

The net increase of MUS\$ 813 in obligations with banks and financial institutions and bonds payable, the movement of which is shown in the following table:

Movements in bank borrowings (current and non-current)	Bonds payable and promissory notes	Bank borrowings	TOTAL
	MUS\$	MUS\$	MUS\$
Beginning balance	14,190	3,074	17,264
New debt assumed	3,431	565	3,996
Payment of debt	(1,192)	(2,056)	(3,248)
Payment of interest	(637)	(90)	(727)
Accrued interest, foreign currency exchange difference and others	714	77	792
Total movements	2,316	(1,504)	813
CLOSING BALANCE	16,506	1,570	18,077

Table 8: movements in financial obligations as of December 31, 2020 and December 31, 2019.

Other effects in addition to the increase in financial obligations include:

- a. a) A net increase of MUS\$ 667 in the deferred tax liability, mainly explained by the effect associated with accelerated depreciation and movements in property, plant and equipment that increase the basis for the calculation of the tax loss.
- b. An increase of MUS\$ 77 in trade and other payables, current for obligations maturing in the short-term

(this item is affected by the negative effect of the variance in the exchange rate on obligations payable in domestic currency, associated with goods and services).

- c. A net increase of MUS\$ 265 in other provisions, mainly explained by the increase in the provision for mine closure of MUS\$ 84 as a result of the update of calculation parameters (discount rate and others). The item is also affected by the negative variance in the exchange rate difference on obligations in domestic currency.

3. Equity

As of December 31, 2020, equity amounted to MUS\$ 11,626 (MUS\$ 10,635 as of December 31, 2019), which recorded a decrease of 0.1%, equivalent to MUS\$ 9.

This negative variance is mainly explained by the fact that the net profit of MUS\$ 257, (profit of MUS\$ 243 attributable to Codelco Chile), slightly exceeds the anticipated dividends of profits for 2020 by MUS\$ 239. However, during 2020, other comprehensive loss of MUS\$ 17 has been recognized, mainly associated with financial hedges and other movements and a negative variance of MUS\$ 8, attributable to distributions of equity to non-controlling interests, both figures plus other minor movements in equity, generate the decrease of MUS\$ 9.

III. FINANCIAL RATIOS

As of December 31, 2020, the current liquidity ratio was 2.26 times; whereas for 2019 it was 1.54 times, maintaining stable payment capacity for both years. The increase in the percentage variance is mainly due to the increase in cash due to the issuance of bonds in 2020 and the decrease in obligations maturing in the short-term.

Indebtedness ratio as of December 31, 2020, which measures total liabilities (including financial obligations of MUS\$ 18,077) to equity, was 2.63 times, varying by 6.5% compared to the prior year. This increase is also mainly impacted by the issuance of new financial debt during the current period and other obligations deferred in the long-term.

	12/12/2020	12/12/2019	Variance (%)
Liquidity			
Current liquidity:			
Current assets / current liabilities	2,26	1,54	46.8%
Acid test:			
(Current assets-inventories-prepayments)/current liabilities	1,69	1,05	61.0%
Indebtedness			
Indebtedness ratio:			
Total liabilities/equity (times)	2,63	2,47	6.5%
Short-term to total debt:			
Current liabilities/total liabilities	0,11	0,14	-21.4%
Long-term to total debt:			
Non-current liabilities/total liabilities	0,89	0,86	3.5%
Hedges and profitability ratios			
Profit before taxes and interest / finance cost (times)	2,41	1,85	30.3%
Annualized return on assets before taxes %	2,5%	1,0%	-144.7%
Annualized return on equity before taxes %	9,0%	3,5%	-152.9%
Annualized return on operating assets before taxes %	3,2%	1,3%	-142.0%
Activity ratios			
Accounts receivable turnover (times)	7,03	7,09	-0.8%
Collection recovery (based on 360 days)	51	51	0.9%
Inventory turnover (times)	5,34	4,88	9.5%
Inventory permanence (based on 360 days)	67	74	-8.7%
Assets			
TOTAL ASSETS (MILLIONS OF US\$)	42,210	40,345	4.6%

Table 9: Financial Ratios

IV. STATEMENT OF CASH FLOWS

As of December 31, 2020, net cash flow from operating activities shows a positive movement of MUS\$ 3,779, being higher by MUS\$ 1,348 compared to 2019, mainly explained by the collection of sales revenues obtained by the Codelco, generated by a higher value in the price and quantity of copper sold. It is also influenced by lower payments to suppliers of goods and services and to employees (where within this aspect the effect of the behavior of the exchange rate also has an influence), income tax payments and, which added together offset the slight increase in the payment under Law No. 13,196 made during 2019 and the lower dividends received from investments in companies.

The following items can be highlighted as part of cash flows from operating activities:

Concept	12/31/2020	12/31/2019
	MUS\$	MUS\$
Cash receipts from sales of goods and rendering of services	13,643	12,554
Other cash receipts from operating activities	1,861	1,827
Cash payments to suppliers for the supply of goods and services	(7,867)	(7,918)
Finance hedges and sales	3	12
Dividends received	23	87
Cash payments for Law No. 13.196	(1,025)	(918)
Income taxes paid	(29)	(82)
Payments to and on behalf of employees	(1,475)	(1,800)
Other cash payments for operating activities	(1,355)	(1,331)
TOTAL CASH FLOWS GENERATED FROM OPERATING ACTIVITIES	3,779	2,431

Table 10: Cash flows from operating activities as of December 31, 2020 and 2019

In addition, financing activities as of December 31, 2020, generated a negative flow of MUS\$ 538 reflecting a negative variance of MUS\$ 2,079 compared to 2019, which is mainly due to higher payments of interest, bank loans and financial obligations, and refinancing transactions. This is added to the capital contribution received in February 2019, with no amounts related to such concept during this year, and finally, the explanation of this difference also results from the payments of dividends made in December 2020, unlike in 2019, when there were none.

As part of the cash flows from financing activities, we may highlight the following items:

Concept	12/31/2020	12/31/2019
	MUS\$	MUS\$
Proceeds from capital contributions	-	400
Total proceeds from bank borrowings	3,996	4,383
Repayment of bank borrowings	(3,248)	(2,234)
Payment of liabilities under lease arrangements	(132)	(148)
Interest paid	(753)	(657)
Other cash inflows (outflows)	(162)	(203)
Dividends paid	(239)	-
TOTAL CASH FLOWS (USED IN) FROM FINANCING ACTIVITIES	(538)	1,541

Table 11: Cash flows from financing activities as of December 31, 2020 and 2019

Finally, investing activities as of December 31, 2020 generated a negative net cash flow of MUS\$ 2,428, MUS\$1,452 lower than the negative flow in 2019, which is mainly explained by the lower flow associated with Codelco's investment program, as well as the temporary suspension of some investment projects due to the measures adopted by Codelco to prevent COVID-19, in addition to the uneven behavior of the exchange rate between those two years.

In addition, there is also income in 2019 from the sale of the interest in GNL Mejillones, S.A., which was sold in August of that year.

The following table is presented as part of cash flows from investing activities:

Concept	12/31/2020	12/31/2019
	MUS\$	MUS\$
Other receipts from the sale of interest in joint ventures	-	193
Acquisition of property, plant and equipment	(2,383)	(4,102)
Other cash receipts (payments)	(45)	29
TOTAL CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES	(2,428)	(3,880)

Cuadro 10: Flujo de efectivo originado por actividades de inversión. al 31 de diciembre de 2020 y 2019

Considering the aforementioned cash flows and the effect on the exchange rate fluctuation on cash and cash equivalents (negative cash flow of MUS\$ 9 and MUS\$ 18 for December 31, 2020 and 2019, respectively) and the opening balances of cash (MUS\$ 1,303 and MUS\$ 1,229 as of December 31, 2020 and 2019, respectively), a closing balance of cash and cash equivalents of MUS\$ 2,107 was obtained, which is higher than the MUS\$ 1,303 determined in 2019.

V. MAIN DIFFERENCES BETWEEN THE CARRYING AMOUNT AND THE MARKET OR ECONOMIC VALUE OF CODELCO CHILE'S ASSETS

Codelco Chile's deposits are recorded in the accounting records in conformity with the industry's customary policies at a nominal value of US\$1 each, which naturally implies a significant difference in their carrying amount compared to the actual economic value of these deposits. This generates the effect that equity for accounting purposes and assets are a subgroup of Codelco's economic value.

The exception from the above-mentioned concept is the valuation of Codelco's interest in Anglo American Sur S.A., which is regulated by the fair value concept in accordance with IFRS as it is an acquisition regulated by market parameters.

VI. INFORMATION ON THE MARKET

Corporación Nacional del Cobre de Chile, Codelco is the world's biggest copper producer. During 2020, production totaled ThFMT 1,727 (including its interest held in El Abra and Anglo American Sur), which represents 8% of worldwide production and 30% of domestic production. In addition, Codelco concentrates 6% of the global copper reserves, contained in world class deposits and with market share of 10% is one of the biggest producers of molybdenum.

Codelco has seven mining divisions: Radomiro Tomic, Chuquicamata, Gabriela Mistral, Ministro Hales, Salvador, Andina and El Teniente. These add the Ventanas Division equipped with Smelter and Refinery Facilities.

Additionally, Codelco has interest of 49% in Sociedad Contractual Minera El Abra and is the owner of 20% of Anglo American Sur.

Codelco also has interest in different companies that are focused on exploration and technological research and development both in Chile and abroad. Internationally, it continues with exploration programs in Ecuador and Brazil, and in the rest of the world, evaluating business opportunities in those countries where the balance of geological potential and risk is acceptable to Codelco.

As at December 2020, Codelco had consolidated assets of US\$ 42.2 billion and consolidated equity of US\$ 11.6 billion, both figures at their carrying amount.

From copper nationalization in 1971 through 2020, deposits and operations of Codelco have generated consolidated surplus exceeding US\$ 115 billion, adjusted to currency of 2020. Because of the high price of copper more than 60% of this amount was generated in the period 2004-2020.

Over the last seventeen years, contributions by Codelco to the Chilean Treasury have represented 8% of the revenue of the Main Government, its export sales were equivalent to approximately 17% of Chilean exports and its investments represented approximately 5% of total investments made in Chile.

During 2020, the surplus attributable to Codelco Chile was US\$ 2,078 million, an increase of 55% compared to the prior year. This increase is mainly explained by higher copper prices, exchange rates, production and physical sales, which more than offset higher finance costs, depreciation and amortization, among other effects.

In 2020, average copper price was 280 c/lb, 3% higher than in the prior year. This average is the synthesis of a year marked by the COVID-19 pandemic, which had a strong impact on the price, especially in March, April and May, when the price averaged 234 c/lb. The pandemic increased investor risk aversion, slowed global economic activity and impaired growth prospects. Starting in June, expectations regarding the copper market and price became more optimistic, thanks to a more favorable perception of the evolution of the pandemic, together with advances in the search for vaccines, more encouraging economic news, uncertainty regarding mine production and the reduction of inventories in the metal exchanges. With such impulses, the price showed an upward trajectory, reaching an average of 352 c/lb during December.

Codelco's production reached ThFMT 1,727, 1% more than in 2019, as a result of the 2% increase in Divisional production and the 7% reduction in the joint contribution of the mining affiliates El Abra and Anglo American Sur.

In terms of costs, at the C1 cash cost level, in 2020, Codelco showed an average of 129.4 c/lb, with a variance of -8.6% compared to the prior year, mainly due to lower input prices, the higher exchange rate, higher production and management efforts.

Together with the generation of surplus, Codelco contributes to the development of Chile through multiple productive linkages. Codelco permanently consumes goods and services in its operations and projects for which it develops acquisition and hiring processes and establishes collaborative relations with suppliers, which are mainly domestic companies. As a reference, during 2020, the consumption of goods and services by Codelco amounted more than US\$ 6,500 million.

Beyond such situation, looking at the long-term, market foundations continue to be attractive. The growth expected in China, India and other emerging economies, which are at development phases with greater intensity in the use of copper and the growing relevance of renewable energies and electromobility support the future of copper consumption. For the supply, the aging and decreasing wealth of the current deposits, new sustainability and social value creation requirements, higher capex and complexities of new projects, the absence of relevant technological breaks and higher geopolitical risks in the new mining districts configure a challenging landscape for producers.

Considering the market outlook and its own challenges, Codelco has defined as its mission: to maximize in a competitive and sustainable manner, the economic value of Codelco and its contribution to the State, in the long term, through copper mining. The focus of this new strategy is on the mine-plant business for copper production in Chile.

The strategy has 10 priorities:

- Excellence in operations.
- Excellence in projects.

- Resources and reserves.
- Strengthening sustainability.
- Developing people and reinforcing the organization.
- Implementing digital transformation.
- Developing innovation.
- Reforming smelters and refineries for them to become competitive and independent.
- Managing non-mining assets to maximize their contribution.
- Probity and transparency

The ten strategic priorities generate a number of initiatives that, in turn, are translated into action plans at all work centers.

In concrete terms, Codelco's goal is to deliver additional surpluses of US\$ 1 billion, starting in 2021, taking 2018 and its Business and Development Plan as a reference. In addition, the Codelco has committed to reduce its 2019-2028 investment portfolio by US\$8 billion, without abandoning the most relevant projects. Achieving these goals will allow Codelco to position itself in the second quartile of costs in the industry and significantly reduce its financing needs.

The progress made and most significant milestones in Codelco's recent management are indicated below.

In the area of Occupational Safety and Health, during 2020, the Corporation has continued its work focused on: strengthening operating discipline, reducing exposure to risk,

increasing efficiency, simplifying processes, and preparing the organization for new projects. Despite the efforts made, during the month of June, an accident with fatal consequences occurred at the Radomiro Tomic Division. In response to this unfortunate event, Codelco has reaffirmed its commitment to eradicating fatalities in order to protect the lives of all its employees.

In addition, in view of the coronavirus pandemic, and aiming to make the central objective of caring for people compatible with mitigating the economic impacts, Codelco implemented, starting in March, a number of measures to reduce exposure of its own and third party staff to the minimum possible, in order to protect people's health and generate the least possible impact on operational continuity: teleworking, changes in working hours, suspension of contracts, stoppage of projects, stoppage of the Chuquicamata Smelter, among others.

After designing a comprehensive plan, which includes robust protocols in the area of occupational health and safety, and which is adjusted to the context of each of the locations where its work centers are located, Codelco began the normalization of its projects and suspended operations, starting in August.

In the Environment area, Codelco is developing initiatives to reduce potential environmental vulnerabilities, as well as continuing to contribute to the development of the communities and territories where it operates. During 2020, investment in sustainability initiatives reached US\$ 265 million and no incidents with severe or very severe environmental consequences were recorded.

In terms of cost control and productivity growth, Codelco has continued to deploy a number of action plans in all Divisions and the Head Office, seeking to reach the technical limits of assets, the implementation of new lean practices (C+), process standardization, automation and centralization.

In the area of people management, strategic initiatives are focused on cultural transformation, talent processes and key talent management. It should also be noted that in 2020, for the sixth consecutive year, Codelco remained the most attractive company in the mining industry to work for in Chile, according to the Merco Talent ranking.

For innovation and technology, Codelco has focused on three lines of action:

- Digital Transformation: focused on automation, remote operation and data analysis to achieve improvements in productivity and security.
- Incremental Innovation: focused on keeping state-of-the-art technologies for the Divisions incorporating improvements on an ongoing basis.
- Disruptive Innovation: dedicated to resolve strategic issues at medium and long-term.

For corporate governance, Codelco has implemented a number of actions for perfecting and strengthening such aspect, also making progress in a culture of greater transparency and integrity in Codelco's management. In 2020, Codelco was once again recognized as the mining company and the state-owned company with the best reputation in the Merco Empresas Ranking, thanks to its economic and financial results, ethics and corporate responsibility, talent, innovation, among other aspects assessed.

In line with its strategy and the pandemic scenario, during 2020 Codelco's investment program focused on providing continuity to structural projects and sustainability projects in current operations.

Accordingly, note that Chuquicamata Underground Mine is finishing the works of its exploitation project and starting the investments of the infrastructure for the continuity of Level 1 and the performance of mining works.

In the Development Plan of the El Teniente Division, relevant events were the early start of production of the Recursos Norte project, as well as the progress in the performance of the Andes Norte project and in the early works in Andesita and Diamante. These initiatives were first slowed down by the health crisis; however, since August, with the implementation of the safe return plan, there has been a sustained increase in activities and progress in works. Also in August, the construction of the Andesita and Diamante projects was authorized, thus completing the process of authorizing funds for the El Teniente Division Development Plan.

In addition, at the Andina Division, progress continues on the assembly work for the Traspaso project, which will allow the project to start up in the first half of 2021, and the strategy for the development of the Andina Future Development project is under review.

At Salvador Division, Inca Open Pit, obtained the approval from the Environmental Assessment Commission in February 2020, completed its early works during 2020 and is in the pre-decision review process. If it is prompt and favorable, it will allow to start its commissioning in the second half

of 2022 to reach a production of 90 thousand tons of fine copper in the first half of 2023.

As for the Radomiro Tomic Division, within the context of the performance of the RT Sulfides Phase II pre-feasibility study, it is in the phase of analyzing alternatives to enhance the business cases to be assessed in the study.

The formalization of such group of projects requires significant investments. In 2020, Codelco invested US\$ 2,143 million, including projects, deferred expenses and contributions to companies.

The financing of the investments which ensure Codelco's leadership in the industry has been achieved thanks to the support provided by the Chilean Government and its credit rating. Financial management continues to focus on matching the debt amortization profile with the period in which structural projects are in full production, as well as on strengthening liquidity in times of crisis. With such logic, at the beginning of January 2020, Codelco placed US\$ 1 billion million in 10-year bonds and reopened the 30-year bond issued in September 2019 for US\$ 1 billion. Subsequently, in April, Codelco issued US\$ 800 million in 11-year bonds and, in December, it issued US\$ 500 million in 31-year bonds at the lowest rate ever obtained by Codelco for debt with a term of 30 years or more. This latest issue will be used to repurchase U.S. dollar-denominated bonds maturing between 2021 and 2027 for up to US\$ 1.1 billion.

All of these transactions were successful, showing investor confidence in Codelco's future.

Finally, and as part of the transformation process, in 2020 Codelco has incorporated a medium and long-term view of sustainability into its business plan, publicly committing to explicit goals for 2030, linked to the environment, communities, Chile and the future of the planet:

1. Lower carbon footprint: 70% reduction in greenhouse gas emissions.
2. Reduced water footprint: 60% reduction in unit consumption of inland water.
3. Circular economy: recycling 65% of our non-hazardous industrial waste.
4. New standard in tailings deposits: 100% of deposits with world-class sustainability measures.
5. Territorial development with social value: increase by 60% the goods and services provided by local suppliers along with increasing the local labor force.

To implement these commitments, Codelco is developing business cases with their related roadmaps to 2030.

VII. MARKET RISK ANALYSIS

Corporación Nacional del Cobre de Chile (Codelco- Chile) has created instances within its organization which search for generating strategies to minimize market risks to which the Corporation may be exposed.

For further analysis on this subject, please refer to Notes 27 and 28 to the Financial Statements.

DIVISIONAL STATEMENTS OF INCOME

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INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

To the Chairman and Board of Directors of
Corporación Nacional del Cobre de Chile

We have audited the consolidated financial statements of Corporación Nacional del Cobre de Chile and its subsidiaries (the "Company" or "Codeco") as of and for the year ended December 31, 2020, and have issued our report thereon dated February 25, 2021, which include an unmodified opinion on those consolidated financial statements.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information Divisional Statements of Income is presented for the purposes of additional analysis and is not a required part of the consolidated financial statements. This supplementary information is the responsibility of the Codeco's management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. Such supplementary information has been subjected to the auditing procedures applied in our audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the financial statements themselves, in accordance with auditing standards generally accepted in Chile. In our opinion, the supplementary information is presented fairly in all material respects in relation to the consolidated financial statements as a whole.

The supplementary information Divisional Statements of Income have been translated from Spanish into English solely for the convenience of English language readers.

February 25, 2021
Santiago, Chile

Daniel Joignant P.

CHUQUICAMATA

For the year ended December 31, 2020
Expressed in thousands of dollars - ThUS\$

Income from ordinary activities

Income from sale of own copper	3,777,778
Sale of copper bought from third parties	404,406
Income from sale of by-products and other	482,961
Income from transfers	59,279
Total income from ordinary activities	4,724,424

Cost of sales

Cost of sale of own copper	(2,829,571)
Cost of sale of copper bought from third parties	(395,068)
Cost of sale of by-products and other	(249,811)
Cost of sale from transfers	(125,628)
Total cost of sales	(3,600,078)

Gross income

Other income by function	28,748
Distribution costs	(4,268)
Administrative expenses	(103,076)
Other expenses by function	(521,418)
Other gains (losses)	10,011
Finance income	13,722
Finance costs	(266,361)
Impairment gain and reversal of impairment loss determined in accordance with IFRS 9	(68)

Share of profit of associates and joint ventures
accounted for using the equity method

Pre-tax profit (loss)

Income tax expense	(205,710)
Profit (loss)	48,832

Profit (loss) attributable to

Profit (loss) attributable to owners of the parent	43,134
Profit (loss) attributable to non-controlling interests	5,698
PROFIT (LOSS)	48,832

RADOMIRO TOMIC

For the year ended December 31, 2020
Expressed in thousands of dollars - ThUS\$

Income from ordinary activities

Income from sale of own copper	1,670,029
Sale of copper bought from third parties	156,762
Income from sale of by-products and other	12,487
Income from transfers	0
Total income from ordinary activities	1,839,278

Cost of sales

Cost of sale of own copper	(1,198,465)
Cost of sale of copper bought from third parties	(153,109)
Cost of sale of by-products and other	(10,272)
Cost of sale from transfers	9,099
Total cost of sales	(1,352,747)

Gross income

Other income by function	11,954
Distribution costs	(396)
Administrative expenses	(47,406)
Other expenses by function	(158,493)
Other gains (losses)	3,897
Finance income	4,063
Finance costs	(47,659)
Impairment gain and reversal of impairment loss determined in accordance with IFRS 9	(26)

Share of profit of associates and joint ventures
accounted for using the equity method

Pre-tax profit (loss)

Income tax expense	(169,494)
Profit (loss)	75,762

Profit (loss) attributable to

Profit (loss) attributable to owners of the parent	73,544
Profit (loss) attributable to non-controlling interests	2,218
PROFIT (LOSS)	75,762

SALVADOR

For the year ended December 31, 2020
Expressed in thousands of dollars - ThUS\$

Income from ordinary activities

Income from sale of own copper	687,042
Sale of copper bought from third parties	76,687
Income from sale of by-products and other	89,106
Income from transfers	46,936
Total income from ordinary activities	899,771

Cost of sales

Cost of sale of own copper	(654,459)
Cost of sale of copper bought from third parties	(74,900)
Cost of sale of by-products and other	(87,421)
Cost of sale from transfers	(44,530)
Total cost of sales	(861,310)

Gross income

Other income by function	11,665
Distribution costs	(559)
Administrative expenses	(29,553)
Other expenses by function	(88,282)
Other gains (losses)	1,907
Finance income	3,677
Finance costs	(22,155)
Impairment gain and reversal of impairment loss determined in accordance with IFRS 9	(13)

Share of profit of associates and joint ventures
accounted for using the equity method

Pre-tax profit (loss)

Income tax expense	59,623
Profit (loss)	(34,131)

Profit (loss) attributable to

Profit (loss) attributable to owners of the parent	(35,216)
Profit (loss) attributable to non-controlling interests	1,085
PROFIT (LOSS)	(34,131)

ANDINA

For the year ended December 31, 2020
Expressed in thousands of dollars - ThUS\$

Income from ordinary activities

Income from sale of own copper	1,123,904
Sale of copper bought from third parties	109,326
Income from sale of by-products and other	45,306
Income from transfers	4,183
Total income from ordinary activities	1,282,719

Cost of sales

Cost of sale of own copper	(891,202)
Cost of sale of copper bought from third parties	(106,779)
Cost of sale of by-products and other	(26,125)
Cost of sale from transfers	9,184
Total cost of sales	(1,014,922)

Gross income

Other income by function	18,995
Distribution costs	(462)
Administrative expenses	(35,701)
Other expenses by function	(156,637)
Other gains (losses)	2,718
Finance income	3,566
Finance costs	(78,946)
Impairment gain and reversal of impairment loss determined in accordance with IFRS 9	(18)

Share of profit of associates and joint ventures
accounted for using the equity method

Pre-tax profit (loss)

Income tax expense	(9,698)
Profit (loss)	(4,414)

Profit (loss) attributable to

Profit (loss) attributable to owners of the parent	(5,962)
Profit (loss) attributable to non-controlling interests	1,548
PROFIT (LOSS)	(4,414)

EL TENIENTE

For the year ended December 31, 2020
Expressed in thousands of dollars - ThUS\$

Income from ordinary activities

Income from sale of own copper	2,703,755
Sale of copper bought from third parties	274,109
Income from sale of by-products and other	238,233
Income from transfers	-
Total income from ordinary activities	3,216,097

Cost of sales

Cost of sale of own copper	(1,584,854)
Cost of sale of copper bought from third parties	(267,720)
Cost of sale of by-products and other	(109,229)
Cost of sale from transfers	32,290
Total cost of sales	(1,929,513)

Gross income

Other income by function	15,399
Distribution costs	(1,311)
Administrative expenses	(88,715)
Other expenses by function	(298,752)
Other gains (losses)	6,815
Finance income	2,117
Finance costs	(259,262)
Impairment gain and reversal of impairment loss determined in accordance with IFRS 9	(46)

Share of profit of associates and joint ventures
accounted for using the equity method

Pre-tax profit (loss)

Income tax expense	(439,178)
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Profit (loss)

Profit (loss) attributable to

Profit (loss) attributable to owners of the parent	182,391
Profit (loss) attributable to non-controlling interests	3,879
PROFIT (LOSS)	186,270

VENTANAS

For the year ended December 31, 2020
Expressed in thousands of dollars - ThUS\$

Income from ordinary activities

Income from sale of own copper	69,885
Sale of copper bought from third parties	61,366
Income from sale of by-products and other	205,276
Income from transfers	75,336
Total income from ordinary activities	411,863

Cost of sales

Cost of sale of own copper	(61,116)
Cost of sale of copper bought from third parties	(64,550)
Cost of sale of by-products and other	(220,178)
Cost of sale from transfers	(101,071)
Total cost of sales	(446,915)

Gross income

Other income by function	6,919
Distribution costs	(977)
Administrative expenses	(26,596)
Other expenses by function	(66,279)
Other gains (losses)	873
Finance income	8,131
Finance costs	(6,254)
Impairment gain and reversal of impairment loss determined in accordance with IFRS 9	(6)

Share of profit of associates and joint ventures
accounted for using the equity method

Pre-tax profit (loss)

Income tax expense	78,627
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Profit (loss)

Profit (loss) attributable to

Profit (loss) attributable to owners of the parent	(46,705)
Profit (loss) attributable to non-controlling interests	499
PROFIT (LOSS)	(46,206)

GABRIELA MISTRAL

For the year ended December 31, 2020
Expressed in thousands of dollars - ThUS\$

Income from ordinary activities

Income from sale of own copper	653,539
Sale of copper bought from third parties	60,894
Income from sale of by-products and other	16
Income from transfers	-
Total income from ordinary activities	714,449

Cost of sales

Cost of sale of own copper	(544,558)
Cost of sale of copper bought from third parties	(59,474)
Cost of sale of by-products and other	(2,403)
Cost of sale from transfers	(1,463)
Total cost of sales	(607,898)

Gross income

Other income by function	1,903
Distribution costs	(148)
Administrative expenses	(30,510)
Other expenses by function	(78,919)
Other gains (losses)	1,513
Finance income	2,161
Finance costs	(14,684)
Impairment gain and reversal of impairment loss determined in accordance with IFRS 9	(10)

Share of profit of associates and joint ventures
accounted for using the equity method

Pre-tax profit (loss)

Income tax expense	10,903
Profit (loss)	(8,179)

Profit (loss) attributable to

Profit (loss) attributable to owners of the parent	(9,038)
Profit (loss) attributable to non-controlling interests	859
PROFIT (LOSS)	(8,179)

MINISTRO HALES

For the year ended December 31, 2020
Expressed in thousands of dollars - ThUS\$

INCOME FROM ORDINARY ACTIVITIES

Income from sale of own copper	1,090,790
Sale of copper bought from third parties	108,269
Income from sale of by-products and other	71,242
Income from transfers	-
Total income from ordinary activities	1,270,301

Cost of sales

Cost of sale of own copper	(853,514)
Cost of sale of copper bought from third parties	(105,745)
Cost of sale of by-products and other	(14,656)
Cost of sale from transfers	36,385
Total cost of sales	(937,530)

Gross income

Other income by function	1,738
Distribution costs	(1,342)
Administrative expenses	(35,488)
Other expenses by function	(88,041)
Other gains (losses)	2,691
Finance income	2,776
Finance costs	(47,143)
Impairment gain and reversal of impairment loss determined in accordance with IFRS 9	(19)

Share of profit of associates and joint ventures
accounted for using the equity method

Foreign exchange differences

Income tax expense	(113,880)
Profit (loss)	47,793

Profit (loss) attributable to

Profit (loss) attributable to owners of the parent	46,262
Profit (loss) attributable to non-controlling interests	1,531
PROFIT (LOSS)	47,793

CONSOLIDATED DIVISIONAL STATEMENT OF INCOME

For the year ended December 31, 2020

Expressed in thousands of dollars – ThUS\$

	Chuquicamata	R. Tomic	Salvador	Andina	El Teniente	Ventanas	G. Mistral	M. Hales	H.Office	Consolidated	Adjustments	Total
Income from ordinary activities												
Income from sale of own copper	3,777,778	1,670,029	687,042	1,123,904	2,703,755	69,885	653,539	1,090,790	-	11,776,722	-	11,776,722
Sale of copper bought from third parties	404,406	156,762	76,687	109,326	274,109	61,366	60,894	108,269	-	1,251,819	-	1,251,819
Income from sale of by-products and other	482,961	12,487	89,106	45,306	238,233	205,276	16	71,242	-	1,144,627	-	1,144,627
Income from transfers	59,279	-	46,936	4,183	-	75,336	-	-	-	185,734	(185,734)	-
Total income from ordinary activities	4,724,424	1,839,278	899,771	1,282,719	3,216,097	411,863	714,449	1,270,301	-	14,358,902	(185,734)	14,173,168
COST OF SALES												
Cost of sale of own copper	(2,829,571)	(1,198,465)	(654,459)	(891,202)	(1,584,854)	(61,116)	(544,558)	(853,514)	-	(8,617,739)	-	(8,617,739)
Cost of sale of copper bought from third parties	(395,068)	(153,109)	(74,900)	(106,779)	(267,720)	(64,550)	(59,474)	(105,745)	-	(1,227,345)	-	(1,227,345)
Cost of sale of by-products and other	(249,811)	(10,272)	(87,421)	(26,125)	(109,229)	(220,178)	(2,403)	(14,656)	-	(720,095)	-	(720,095)
Income (Cost of sales) from transfers	(125,628)	9,099	(44,530)	9,184	32,290	(101,071)	(1,463)	36,385	-	(185,734)	185,734	-
Total cost of sales	(3,600,078)	(1,352,747)	(861,310)	(1,014,922)	(1,929,513)	(446,915)	(607,898)	(937,530)	-	(10,750,913)	185,734	(10,565,179)
Gross income	1,124,346	486,531	38,461	267,797	1,286,584	(35,052)	106,551	332,771	-	3,607,989	-	3,607,989
Other income by function	28,748	11,954	11,665	18,995	15,399	6,919	1,903	1,738	-	97,321	-	97,321
Distribution costs	(4,268)	(396)	(559)	(462)	(1,311)	(977)	(148)	(1,342)	-	(9,463)	-	(9,463)
Administrative expenses	(103,076)	(47,406)	(29,553)	(35,701)	(88,715)	(26,596)	(30,510)	(35,488)	-	(397,045)	-	(397,045)
Other expenses by function	(521,418)	(158,493)	(88,282)	(156,637)	(298,752)	(66,279)	(78,919)	(88,041)	-	(1,456,821)	-	(1,456,821)
Other gains (losses)	10,011	3,897	1,907	2,718	6,815	873	1,513	2,691	-	30,425	-	30,425
Finance income	13,722	4,063	3,677	3,566	2,117	8,131	2,161	2,776	-	40,213	-	40,213
Finance costs	(266,361)	(47,659)	(22,155)	(78,946)	(259,262)	(6,254)	(14,684)	(47,143)	-	(742,464)	-	(742,464)
Impairment gain and reversal of impairment loss determined in accordance with IFRS 9	(68)	(26)	(13)	(18)	(46)	(6)	(10)	(19)	-	(206)	-	(206)
Share of profit of associates and joint ventures accounted for using the equity method	14,786	5,757	3,475	5,073	13,496	1,289	2,236	3,974	(10,650)	39,436	-	39,436
Foreign exchanges differences	(41,880)	(12,966)	(12,377)	(21,101)	(50,877)	(6,881)	(9,175)	(10,244)	-	(165,501)	-	(165,501)
Pre-tax profit (loss)	254,542	245,256	(93,754)	5,284	625,448	(124,833)	(19,082)	161,673	(10,650)	1,043,884	-	1,043,884
Income tax expenses	(205,710)	(169,494)	59,623	(9,698)	(439,178)	78,627	10,903	(113,880)	1,804	(787,003)	-	(787,003)
Profit (loss)	48,832	75,762	(34,131)	(4,414)	186,270	(46,206)	(8,179)	47,793	(8,846)	256,881	-	256,881
PROFIT (LOSS) ATTRIBUTABLE TO												
Profit (loss) attributable to owners of the parent	43,134	73,544	(35,216)	(5,962)	182,391	(46,705)	(9,038)	46,262	(5,417)	242,993	-	242,993
Profit (loss) attributable to non- controlling interests	5,698	2,218	1,085	1,548	3,879	499	859	1,531	(3,429)	13,888	-	13,888
PROFIT (LOSS)	48,832	75,762	(34,131)	(4,414)	186,270	(46,206)	(8,179)	47,793	(8,846)	256,881	-	256,881

GUIDELINES FOR THE PREPARATION OF DIVISIONAL STATEMENTS OF INCOME

Pursuant to the Corporation's by-laws, the Divisional Statements of Income are prepared in accordance with the International Financial Reporting Standards and the following internal guidelines:

- Note 1.** Inter-divisional transfers. The interdivisional transfers of products and services were carried out and recorded at negotiated prices similar to those prevailing in the market. Therefore, these divisional statements of income include the following concepts:
- Income from sales shows, on separate lines, sales to third parties of products received from other divisions and the divisional income from transfers made to other divisions.
 - Consequently, the Cost of sales also show, on separate lines, the costs corresponding to products received from other divisions and sold to third parties, and the costs allocated to divisional income from transfers to other divisions.

- Note 2.** Allocation of Corporate Income and Expenses. Income and expenses controlled by the Head Office and affiliates are added to the direct income and expenses of the divisions, according to current guidelines established for the year, as shown in the Statement of Allocation of Income and Expenses Controlled by the Head Office and affiliates to the Division.

Other expenses by function includes the expense for Law No. 13196, which taxes the Corporation on 10% upon returns in foreign currency for the sale of its copper production abroad, including by-products, and its allocation by Division is as follows:

Division	ThUS\$
Chuquicamata	334,480
Radomiro Tomic	144,876
Salvador	67,101
Andina	109,604
El Teniente	229,409
Ventanas	23,339
Gabriela Mistral	64,251
Ministro Hales	74,603
TOTAL LAW NO. 13196	1,047,663

STATEMENT OF ALLOCATION OF INCOME AND EXPENSES CONTROLLED BY HEAD OFFICE AND AFFILIATES TO THE DIVISIONS

For the year ended December 31, 2020

Deloitte.

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INDEPENDENT AUDITORS' REPORT ON SUPPLEMENTARY INFORMATION

To the Chairman and Board of Directors of
Corporación Nacional del Cobre de Chile

We have audited the consolidated financial statements of Corporación Nacional del Cobre de Chile and its subsidiaries (the "Company" or "Codelco") as of and for the year ended December 31, 2020, and have issued our report thereon dated February 25, 2021, which include an unmodified opinion on those consolidated financial statements.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information Statement of Allocation of Income and Expenses Controlled by Head Office and Affiliates to the Division is presented for the purposes of additional analysis and is not a required part of the consolidated financial statements. This supplementary information is the responsibility of the Codelco's management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. Such supplementary information has been subjected to the auditing procedures applied in our audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in Chile. In our opinion, the supplementary information is presented fairly in all material respects in relation to the consolidated financial statements as a whole.

The supplementary information Statement of Allocation of Income and Expenses Controlled by Head Office and Affiliates to the Division have been translated from Spanish into English solely for the convenience of English language readers.

February 25, 2021
Santiago, Chile

Daniel Joignant P.

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Deloitte Touche Tohmatsu Limited es una compañía privada limitada por garantía constituida en Inglaterra & Gales bajo el número 0277830, y su domicilio registrado: 1st Floor, 1 Little New Street, London, EC4A 3DF, Reino Unido.

STATEMENT OF ALLOCATION OF INCOME AND EXPENSES CONTROLLED BY HEAD OFFICE AND AFFILIATES TO THE DIVISION

Corresponding to the period between January 1 and December 31, 2020

Expressed in thousands of U.S. dollars - ThUS\$

	TOTAL	CHUQUICAMATA	R. TOMIC	SALVADOR	ANDINA	EL TENIENTE	VENTANAS	G. MISTRAL	M. HALES	C. MATRIZ
Sales operations Head Office and affiliates	1,224,005	402,727	156,786	76,699	109,343	274,152	35,109	60,903	108,286	-
Cost of sales Head Office and affiliates	(1,236,533)	(406,848)	(158,392)	(77,485)	(110,463)	(276,958)	(35,468)	(61,526)	(109,393)	-
Other income by function	33,666	10,321	4,225	3,122	4,855	6,527	1,720	1,151	1,745	-
Distribution costs	(2,968)	(977)	(380)	(186)	(265)	(665)	(85)	(148)	(262)	-
Administrative expenses	(163,617)	(56,423)	(18,956)	(12,856)	(14,233)	(19,693)	(19,050)	(8,833)	(13,573)	-
Other expenses by function	(78,003)	(30,141)	(4,814)	(3,200)	(8,345)	(21,459)	(3,404)	(2,218)	(4,422)	-
Other gains (losses) by function	30,425	10,011	3,897	1,907	2,718	6,815	873	1,513	2,691	-
Finance income (losses)	39,629	14,233	4,091	3,603	3,468	1,049	7,997	2,150	3,038	-
Finance costs	(15,284)	(4,439)	(2,444)	(405)	(1,402)	(7,283)	2,945	(673)	(1,583)	-
Impairment gain and reversal of impairment loss determined in accordance with IFRS 9	(206)	(68)	(26)	(13)	(18)	(46)	(6)	(10)	(19)	-
Participation in the gains (losses) of Share of profit of associates and joint ventures accounted for using the equity method	34,288	14,786	5,757	2,816	4,015	10,065	1,289	2,236	3,974	(10,650)
Foreign exchange differences	(3,165)	(1,142)	(322)	(293)	(276)	(50)	(667)	(173)	(242)	-
Income taxes	57,490	18,322	7,133	3,489	4,974	12,473	1,598	2,770	4,927	1,804
Total income (expenses) controlled by the Head Office and affiliates	(80,273)	(29,638)	(3,445)	(2,802)	(5,629)	(15,073)	(7,149)	(2,858)	(4,833)	(8,846)
Total income (expenses) controlled by the Head Office and affiliates attributable to non-controlling interests	13,888	5,698	2,218	1,085	1,548	3,879	499	859	1,531	(3,429)
Total income (expenses) controlled by the Head Office and affiliates attributable to the owners of the parent company	(94,161)	(35,336)	(5,663)	(3,887)	(7,177)	(18,952)	(7,648)	(3,717)	(6,364)	(5,417)
TOTAL INCOME (EXPENSES) CONTROLLED BY THE HEAD OFFICE AND AFFILIATES	(80,273)	(29,638)	(3,445)	(2,802)	(5,629)	(15,073)	(7,149)	(2,858)	(4,833)	(8,846)

CRITERIA FOR THE ALLOCATION OF INCOME AND EXPENSES CONTROLLED BY THE HEAD OFFICE AND AFFILIATES TO THE DIVISION

Income and expenses controlled by the Head Office and affiliates are allocated to the Divisions according to the criteria indicated for each category in the income accounts:

1. Commercial operations income and costs of the Head Office and affiliates

Allocation to Divisions is made in proportion to the ordinary income of each Division.

2. Other income, by function

- Other income, by function, associated and identified with each particular Division is directly allocated.
- The recognition of realized profits and other income by function of affiliates is allocated to in proportion to the ordinary income of each Division.
- The remaining other income is allocated in proportion to the aggregate of the balances within line items "other income" and "finance income" of the respective Divisions.

3. Distribution costs

- Expenses associated and identified with each Division are directly allocated.
- Distribution costs of affiliates are allocated in proportion to the ordinary income of each Division.

4. Administrative expenses

- Administrative expenses recorded in cost centers identified with each Division are directly allocated.
- Administrative expenses recorded in cost centers associated with the sales function and administrative expenses of affiliates are allocated in proportion to the ordinary income of each Division.
- Administrative expenses recorded in cost centers associated with the supply function are allocated in relation to the accounting balances of materials in the warehouse of each Division.
- The remaining expenses recorded in cost centers are allocated in relation to the operational cash expenditures of the respective Divisions.

5. Other expenses, by function

- Other expenses associated and identified with each Division in particular are directly allocated.
- Pre-investment study expenses and other expenses by function of affiliates are allocated in proportion to the ordinary income of each Division.

6. Other profits

- Other profits associated and identified with each Division in particular are directly allocated.
- Other affiliate profits are allocated in proportion to the ordinary income of each Division.

7. Finance income

- Finance income associated and identified with each Division in particular is directly allocated.
- Finance income of affiliates is allocated in proportion to the ordinary income of each Division.

- Remaining finance income is allocated in relation to the operational cash expenditures of each Division.

8. Finance costs

- Finance costs associated and identified with each Division in particular are directly allocated.
 - Finance costs of affiliates are allocated in proportion to the ordinary income of each Division.
 - Finance costs of affiliates and Head Office are allocated in proportion to the administrative costs of each Division.
9. Participación en las ganancias (pérdidas) de Asociadas y negocios conjuntos, que se contabilizan utilizando el método de la participación.

9. Share of profit of associates and joint ventures, recorded using the equity method

- Participation in the profits or losses of related companies and joint ventures identified with each Division in particular are directly allocated.
- Participation in the profits or losses of related companies and joint ventures of affiliates is allocated in proportion to the ordinary income of each Division.

10. Foreign exchange differences

- Foreign exchange differences identifiable with each Division in particular is directly allocated.
- Foreign exchange differences of affiliates is allocated in proportion to the ordinary income of each Division.
- Remaining Foreign exchange differences is allocated in relation to the operational cash expenditures of each Division.

11. Chilean tax contribution Law No. 13196

- The contribution amount is allocated and recognized based on the taxable billed amounts and the export of copper and by-products recorded at each Division (See Note 2 of the Consolidated Divisional Statements of Income).

12. Income (expenses) from income taxes

- First category income tax, D.L. 2398 tax, and the specific tax on mining activities, are allocated based on the pre-tax income of each Division, considering for these purposes the abovementioned allocated of income and expenses of the Head Office and affiliates.
- Other tax expenses are allocated in proportion to the first category income tax, the specific tax on mining activities and the D.L. 2398 tax assigned to each Division.

SUMMARIZED STATEMENT OF FINANCIAL POSITION

As of december 31, 2020

Expressed in thousands of dollars – THUS\$

2020
Summarized statement of financial position
Assets

	Chile Copper Ltd. Consolidado	Codelco Kupferhandel GmbH Consolidado	Codelco USA Group Consolidado	Codelco Internacional Limited Consolidado	Codelco Shanghai Company Limited	Cia. Contractual Minera Los Andes	Exploraciones Mineras Andinas S.A.	Inversiones Mineras Los Leones Spa	Soc. Inversiones Copperfield Ltda.	Inversiones Gacrux Spa Consolidado	Complejo Portuario Mejillones S.A.	Codelco Tec Spa	Asociación Garantizadora de Pensiones	Clinica Rio Blanco S.A.	Centro de Esp. Médicas Rio Blanco Ltda.	Soc. Ejecutora Hospital del Cobre Calama S.a.	Isalud Spa	Clinica San Lorenzo Ltda. Consolidado	Fusat Consolidado	Salar de Maricunga Spa	Central Eléctrica Luz Minera Spa	Soc. de Procesamiento de Molibdeno Ltda.
Total current assets	4,731	49,489	3,843	44,528	7,771	360	11,406	918	1,341	325,385	6,991	2,687	160	7,707	3,250	1,362	46,412	2,782	30,432	286	4	37,169
Total non-current assets	1,867	-	345	105,375	1,736	432	2,102	82	8,678	2,790,802	86,560	-	506	3,508	3	-	6,428	1,202	32,902	-	2,814	462,879
Total assets	6,598	49,489	4,188	149,903	9,507	792	13,508	1,000	10,019	3,116,187	93,551	2,687	666	11,215	3,253	1,362	52,840	3,984	63,334	286	2,818	500,048

Liabilities

Total current liabilities	546	5,080	252	10,781	1,353	237	3,916	152	1,032	221,242	6,405	1,563	80	3,255	7,452	1,420	36,732	3,919	27,961	45	138	9,520
Total non-current liabilities	1,645	-	269	12,565	854	-	1,542	-	9,064	516,030	65,275	-	460	12,822	1,312	-	3,788	1,035	44,294	-	-	388,526
Total liabilities	2,191	5,080	521	23,346	2,207	237	5,458	152	10,096	737,272	71,680	1,563	540	16,077	8,764	1,420	40,520	4,954	72,255	45	138	398,046

Equity

Equity attributable to owners of the parent	4,023	44,409	3,667	121,898	7,300	555	8,007	848	(71)	1,453,991	21,871	1,124	122	(4,862)	(5,511)	(58)	12,320	(970)	(8,935)	241	2,680	102,002
Non-controlling interests	384	-	-	4,659	-	-	43	-	(6)	924,924	-	-	4	-	-	-	-	-	14	-	-	-
Total equity	4,407	44,409	3,667	126,557	7,300	555	8,050	848	(77)	2,378,915	21,871	1,124	126	(4,862)	(5,511)	(58)	12,320	(970)	(8,921)	241	2,680	102,002
Total liabilities and equity	6,598	49,489	4,188	149,903	9,507	792	13,508	1,000	10,019	3,116,187	93,551	2,687	666	11,215	3,253	1,362	52,840	3,984	63,334	286	2,818	500,048

Summarized statements of income

Gross (loss) profit	455	-	1,327	10,069	3,357	-	1,088	-	-	7,976	9,914	(2,060)	-	1,307	2,754	-	2,373	1,362	20,662	-	-	(18,668)
Other incomes (expenses) and profits (losses)	(384)	(4,849)	(1,166)	(15,898)	(2,253)	(4,424)	(2,937)	(53)	(473)	12,153	(4,052)	(1,871)	(29)	(972)	(2,019)	(14)	(1,397)	(715)	(16,643)	(21)	(564)	(7,012)
Profit (loss) for the period before tax	71	(4,849)	161	(5,829)	1,104	(4,424)	(1,849)	(53)	(473)	20,129	5,862	(3,931)	(29)	335	735	(14)	976	647	4,019	(21)	(564)	(25,680)
(Expenses) income taxes	(14)	750	(68)	-	(338)	-	644	-	(22)	(956)	(1,587)	-	-	1	(3)	-	(376)	17	(562)	-	-	3,006
Profit (loss)	57	(4,099)	93	(5,829)	766	(4,424)	(1,205)	(53)	(495)	19,173	4,275	(3,931)	(29)	336	732	(14)	600	664	3,457	(21)	(564)	(22,674)

Statements of cash flows – direct method

Cash flow provided by (used in) operating activities	(104)	(159)	4	5,095	2,281	-	(1,013)	-	235	31,745	4,487	(1,547)	(23)	687	683	-	(2,698)	247	(2,371)	-	-	2,259
Cash flows provided by (used in) investing activities	-	-	-	(2,502)	(6)	-	-	-	(241)	90,781	(110)	-	-	-	-	-	2,165	(1)	(120)	-	-	(56)
Cash flows provided by (used in) financing activities	-	-	-	4,482	-	-	3,599	-	360	(78,932)	(4,103)	(357)	-	(268)	-	-	-	-	(123)	-	-	(576)
Net increase (decrease) in cash and cash equivalents before foreign exchange difference	(104)	(159)	4	7,075	2,275	-	2,586	-	354	43,594	274	(1,904)	(23)	419	683	-	(533)	246	(2,614)	-	-	1,627
Effects of exchange rate changes on cash and cash equivalents	152	4,274	-	1,545	(85)	12	305	-	1	-	30	(51)	4	74	85	-	(6)	31	(66)	-	-	733
Net increase (decrease) in cash and cash equivalents	48	4,115	4	8,620	2,190	12	2,891	-	355	43,594	304	(1,955)	(19)	493	768	-	(539)	277	(2,680)	-	-	2,360
Cash and cash equivalents at beginning of period	4,424	44,922	3,834	15,561	4,749	256	7,429	-	736	5,889	2,717	3,852	115	516	129	-	990	59	4,405	-	4	12,345
Cash and cash equivalents at end of period	4,472	49,037	3,838	24,181	6,939	268	10,320	-	1,091	49,483	3,021	1,897	96	1,009	897	-	451	336	1,725	-	4	14,705

SUMMARIZED STATEMENTS OF CHANGES IN EQUITY

As of december 31, 2020
Expressed in thousands of dollars – ThUS\$

2020
Summarized statements of changes in equity
Initial balance as of 1/1/2020

	Chile Copper Ltd. Consolidado	Codelco Kupferhandel GmbH Consolidado	Codelco USA Group Consolidado	Codelco Internacional Limited Consolidado	Codelco Shanghai Company Limited	Cia. Contractual Minera Los Andes	Exploraciones Mineras Andinas S.A.	Inversiones Mineras Los Leones Spa	Soc. Inversiones Copperfield Ltda.	Inversiones Gacrux Spa Consolidado	Complejo Portuario Mejillones S.A.	Codelco Tec Spa	Asociación Garantizadora de Pensiones	Clinica Rio Blanco S.A.	Centro de Esp. Médicas Rio Blanco Ltda.	Soc. Ejecutora Hospital del Cobre Calama S.a.	Isalud Spa	Clinica San Lorenzo Ltda. Consolidado	Fusat Consolidado	Salar de Maricunga Spa	Central Eléctrica Luz Minera Spa	Soc. de Procesamiento de Molibdeno Ltda.
Issued capital	1	3,364	-	137,364	2,000	33,721	4,937	1,000	18,965	167,784	17,596	53,913	-	3,186	354	358	-	13	136	286	4,628	217,343
Other reserves	81	-	1,706	1,768	(471)	-	211	-	(2)	3,504,306	-	4,715	37	(286)	(59)	-	-	(40)	8,137	-	-	(67)
Accumulated retained earnings	3,754	41,211	1,839	(11,508)	4,540	(34,518)	(521)	(99)	(18,815)	(2,221,014)	4,060	(53,573)	108	(7,887)	(6,489)	(402)	-	(1,561)	(20,523)	(24)	(1,384)	(92,657)
Equity attributable to owners of the parent	3,836	44,575	3,545	127,624	6,069	(797)	4,627	901	148	1,451,076	21,656	5,055	145	(4,987)	(6,194)	(44)	-	(1,588)	(12,250)	262	3,244	124,619
Non-controlling interests	369	-	-	-	-	-	21	-	(6)	919,764	-	-	5	-	-	-	-	-	(12)	-	-	-
Total equity	4,205	44,575	3,545	127,624	6,069	(797)	4,648	901	142	2,370,840	21,656	5,055	150	(4,987)	(6,194)	(44)	-	(1,588)	(12,262)	262	3,244	124,619

Changes in equity

Issued capital	-	321	-	7,887	-	5,776	3,564	-	276	-	-	-	-	169	19	-	-	1	7	-	-	-
Other reserves	(4)	-	-	103	465	-	64	-	-	(2,394)	-	-	3	(1)	4	-	-	(19)	524	-	-	57
Accumulated retained earnings	191	(487)	122	(13,716)	766	(4,424)	(248)	(53)	(495)	5,309	215	(3,931)	(26)	(43)	660	(14)	-	636	2,784	(21)	(564)	(22,674)
Equity attributable to owners of the parent	187	(166)	122	(5,726)	1,231	1,352	3,380	(53)	(219)	2,915	215	(3,931)	(23)	125	683	(14)	-	618	3,315	(21)	(564)	(22,617)
Non-controlling interests	15	-	-	4,659	-	-	22	-	-	5,160	-	-	(1)	-	-	-	-	-	26	-	-	-
Total equity	202	(166)	122	(1,067)	1,231	1,352	3,402	(53)	(219)	8,075	215	(3,931)	(24)	125	683	(14)	-	618	3,341	(21)	(564)	(22,617)

Final Balance as of 12/31/2020

Issued Capital	1	3,685	-	145,251	2,000	39,497	8,501	1,000	19,241	167,784	17,596	53,913	-	3,355	373	358	4,499	14	143	286	4,628	217,343
Other Reserves	77	-	1,706	1,871	(6)	-	275	-	(2)	3,501,912	-	4,715	40	(287)	(55)	-	1,538	(59)	8,661	-	-	(10)
Accumulated retained earnings	3,945	40,724	1,961	(25,224)	5,306	(38,942)	(769)	(152)	(19,310)	(2,215,705)	4,275	(57,504)	82	(7,930)	(5,829)	(416)	6,283	(925)	(17,739)	(45)	(1,948)	(115,331)
Equity attributable to owners of the parent	4,023	44,409	3,667	121,898	7,300	555	8,007	848	(71)	1,453,991	21,871	1,124	122	(4,862)	(5,511)	(58)	12,320	(970)	(8,935)	241	2,680	102,002
Non-controlling interests	384	-	-	4,659	-	-	43	-	(6)	924,924	-	-	4	-	-	-	-	-	14	-	-	-
TOTAL EQUITY	4,407	44,409	3,667	126,557	7,300	555	8,050	848	(77)	2,378,915	21,871	1,124	126	(4,862)	(5,511)	(58)	12,320	(970)	(8,921)	241	2,680	102,002

SUMMARIZED STATEMENT OF FINANCIAL POSITION

As of december 31, 2019

Expressed in thousands of dollars – THUS\$

2019

Summarized statement of financial position

Assets

	Chile Copper Ltd. Consolidado	Codeco Kupferhandel GmbH Consolidado	Codeco USA Group Consolidado	Codeco Internacional Limited Consolidado	Codeco Shanghai Company Limited	Cia. Contractual Minera Los Andes	Exploraciones Mineras Andinas S.A.	Inversiones Mineras Los Leones Spa	Soc. Inversiones Copperfield Ltda.	Inversiones Gacrux Spa Consolidado	Complejo Portuario Mejillones S.A.	Codeco Tec Spa	Asociación Garantizadora de Pensiones	Clinica Rio Blanco S.A.	Centro de Esp. Médicas Rio Blanco Ltda.	Soc. Ejecutora Hospital del Cobre Calama S.a.	Isalud Spa	Clinica San Lorenzo Ltda. Consolidado	Fusat Consolidado	Salari de Maricunga Spa	Central Eléctrica Luz Minera Spa	Soc. de Procesamiento de Molibdeno Ltda.
Total current assets	9,634	45,644	6,631	32,387	6,359	6,309	10,356	918	1,326	227,367	6,212	7,213	178	6,524	1,776	3,939	36,178	2,326	19,711	286	4	33,396
Total non-current assets	98	-	430	113,250	721	432	1,845	82	10,655	2,855,708	86,986	993	511	5,347	292	849	8,594	1,124	32,257	-	3,355	483,648
Total assets	9,732	45,644	7,061	145,637	7,080	6,741	12,201	1,000	11,981	3,083,075	93,198	8,206	689	11,871	2,068	4,788	44,772	3,450	51,968	286	3,359	517,044

Liabilities

Total current liabilities	3,672	1,069	3,161	6,308	901	7,538	5,707	99	2,967	157,345	5,985	1,639	72	4,791	6,826	3,983	30,454	4,317	24,624	24	115	10,376
Total non-current liabilities	1,855	-	355	11,705	110	-	1,846	-	8,872	554,890	65,557	1,512	467	12,067	1,436	849	3,078	721	39,606	-	-	382,049
Total liabilities	5,527	1,069	3,516	18,013	1,011	7,538	7,553	99	11,839	712,235	71,542	3,151	539	16,858	8,262	4,832	33,532	5,038	64,230	24	115	392,425

Summarized statements of income

Gross (loss) profit	3,836	44,575	3,545	127,624	6,069	(797)	4,627	901	148	1,451,076	21,656	5,055	145	(4,987)	(6,194)	(44)	11,240	(1,588)	(12,250)	262	3,244	124,619
Other incomes (expenses) and profits (losses)	369	-	-	-	-	-	21	-	(6)	919,764	-	-	5	-	-	-	-	-	(12)	-	-	-
Profit (loss) for the period before tax	4,205	44,575	3,545	127,624	6,069	(797)	4,648	901	142	2,370,840	21,656	5,055	150	(4,987)	(6,194)	(44)	11,240	(1,588)	(12,262)	262	3,244	124,619
(Expenses) income taxes	9,732	45,644	7,061	145,637	7,080	6,741	12,201	1,000	11,981	3,083,075	93,198	8,206	689	11,871	2,068	4,788	44,772	3,450	51,968	286	3,359	517,044

Profit (loss)

Ganancia (pérdida) bruta	511	(81)	2,034	5,911	2,764	-	2,072	-	210	7,597	9,645	1,289	-	1,494	(1,216)	-	854	1,370	19,339	-	-	(18,438)
Otros ingresos (gastos). Ganancias (pérdidas) y participaciones	(339)	7,988	(1,475)	(17,113)	(1,672)	(3,685)	(4,334)	(13)	(4,885)	(6,938)	(4,100)	(1,842)	(27)	(1,199)	(344)	(8)	(446)	(1,740)	(20,373)	(24)	(44)	(13,881)
Ganancia (pérdida). Antes de impuestos	172	7,907	559	(11,202)	1,092	(3,685)	(2,262)	(13)	(4,675)	659	5,545	(553)	(27)	295	(1,560)	(8)	408	(370)	(1,034)	(24)	(44)	(32,319)
Ingreso (gasto) por impuestos a las ganancias	(36)	(730)	(153)	-	(277)	-	(397)	-	(3)	(534)	(1,485)	(19)	-	(2)	-	-	-	(33)	(180)	-	-	8,659
Ganancia (pérdida)	136	7,177	406	(11,202)	815	(3,685)	(2,659)	(13)	(4,678)	125	4,060	(572)	(27)	293	(1,560)	(8)	408	(403)	(1,214)	(24)	(44)	(23,660)

Statements of cash flows – direct method

Cash flow provided by (used in) operating activities	91	24,829	30	(5,017)	1,575	(3)	(5,283)	-	(17)	84,426	500	(625)	(30)	156	(433)	-	(885)	(271)	3,385	-	-	7,012
Cash flows provided by (used in) investing activities	19	35	-	(11,846)	(10)	-	(11)	-	(1,421)	(42,403)	458	-	-	(15)	-	-	244	(204)	(2,315)	-	-	(7,691)
Cash flows provided by (used in) financing activities	-	(400)	-	16,567	(857)	-	3,549	-	1,640	(128,413)	(15,032)	-	-	(295)	(1)	-	-	-	(368)	-	-	(576)
Net increase (decrease) in cash and cash equivalents before foreign exchange difference	110	24,464	30	(296)	708	(3)	(1,745)	-	202	(86,390)	(14,074)	(625)	(30)	(154)	(434)	-	(641)	(475)	702	-	-	(1,255)
Effects of exchange rate changes on cash and cash equivalents	146	(368)	-	(1,382)	(96)	-	(479)	-	(2)	-	(12)	(116)	(9)	(42)	(15)	-	1,631	(10)	(333)	-	-	(663)
Net increase (decrease) in cash and cash equivalents	256	24,096	30	(1,678)	612	(3)	(2,224)	-	200	(86,390)	(14,086)	(741)	(39)	(196)	(449)	-	990	(485)	369	-	-	(1,918)
Cash and cash equivalents at beginning of period	4,168	20,826	3,804	17,239	4,137	259	9,653	-	536	92,279	16,803	4,593	154	712	578	-	-	544	4,036	-	4	14,263
Cash and cash equivalents at end of period	4,424	44,922	3,834	15,561	4,749	256	7,429	-	736	5,889	2,717	3,852	115	516	129	-	990	59	4,405	-	4	12,345

ESTADO DE CAMBIOS EN EL PATRIMONIO RESUMIDO DE FILIALES

As of december 31, 2019
Expressed in thousands of dollars – ThUS\$

2019

Summarized statements of changes in equity

Initial balance as of 1/1/2019

	Chile Copper Ltd. Consolidado	Codelco Kupferhandel GmbH Consolidado	Codelco USA Group Consolidado	Codelco Internacional Limited Consolidado	Codelco Shanghai Company Limited	Cia. Contractual Minera Los Andes	Exploraciones Mineras Andinas S.A.	Inversiones Mineras Los Leones Spa	Soc. Inversiones Copperfield Ltda.	Inversiones Gacrus Spa Consolidado	Complejo Portuario Mejillones S.A.	Codelco Tec Spa	Asociación Garantizadora de Pensiones	Clinica Rio Blanco S.A.	Centro de Esp. Médicas Rio Blanco Ltda.	Soc. Ejecutora Hospital del Cobre Calama S.a.	Isalud Spa	Clinica San Lorenzo Ltda. Consolidado	Fusat Consolidado	Salar de Maricunga Spa	Central Eléctrica Luz Minera Spa	Soc. de Procesamiento de Molibdeno Ltda.
Issued capital	1	3,432	-	128,542	2,000	27,678	1,424	1,000	17,490	167,784	32,596	53,913	-	3,432	381	358	-	14	146	286	4,628	217,343
Other reserves	75	-	1,706	2,090	(380)	-	304	-	(2)	3,507,759	-	4,715	-	(301)	(33)	-	-	(48)	8,788	-	-	(97)
Accumulated retained earnings	3,497	34,704	1,434	(306)	3,725	(30,838)	3,632	(86)	(14,140)	(2,213,234)	3,515	(53,001)	143	(8,084)	(5,124)	(394)	-	(1,037)	(17,577)	-	(1,340)	(68,997)
Equity attributable to owners of the parent	3,573	38,136	3,140	130,326	5,345	(3,160)	5,360	914	3,348	1,462,309	36,111	5,627	143	(4,953)	(4,776)	(36)	-	(1,071)	(8,643)	286	3,288	148,249
Non-controlling interests	352	-	-	-	-	-	23	-	(4)	969,203	-	-	1	-	-	-	-	-	-	-	-	-
Total equity	3,925	38,136	3,140	130,326	5,345	(3,160)	5,383	914	3,344	2,431,512	36,111	5,627	144	(4,953)	(4,776)	(36)	-	(1,071)	(8,643)	286	3,288	148,249

Changes in equity

Issued capital	-	(68)	-	8,822	-	6,043	3,513	-	1,475	-	(15,000)	-	-	(246)	(27)	-	-	(1)	(10)	-	-	-
Other reserves	6	-	-	(322)	(91)	-	(93)	-	-	(3,453)	-	-	37	15	(26)	-	-	8	(651)	-	-	30
Accumulated retained earnings	257	6,507	405	(11,202)	815	(3,680)	(4,153)	(13)	(4,675)	(7,780)	545	(572)	(35)	197	(1,365)	(8)	-	(524)	(2,946)	(24)	(44)	(23,660)
Equity attributable to owners of the parent	263	6,439	405	(2,702)	724	2,363	(733)	(13)	(3,200)	(11,233)	(14,455)	(572)	2	(34)	(1,418)	(8)	-	(517)	(3,607)	(24)	(44)	(23,630)
Non-controlling interests	17	-	-	-	-	-	(2)	-	(2)	(49,439)	-	-	4	-	-	-	-	-	(12)	-	-	-
Total equity	280	6,439	405	(2,702)	724	2,363	(735)	(13)	(3,202)	(60,672)	(14,455)	(572)	6	(34)	(1,418)	(8)	-	(517)	(3,619)	(24)	(44)	(23,630)

Final balance as of 12/31/2019

Issued capital	1	3,364	-	137,364	2,000	33,721	4,937	1,000	18,965	167,784	17,596	53,913	-	3,186	354	358	4,273	13	136	286	4,628	217,343
Other reserves	81	-	1,706	1,768	(471)	-	211	-	(2)	3,504,306	-	4,715	37	(286)	(59)	-	-	(40)	8,137	-	-	(67)
Accumulated retained earnings	3,754	41,211	1,839	(11,508)	4,540	(34,518)	(521)	(99)	(18,815)	(2,221,014)	4,060	(53,573)	108	(7,887)	(6,489)	(402)	6,967	(1,561)	(20,523)	(24)	(1,384)	(92,657)
Equity attributable to owners of the parent	3,836	44,575	3,545	127,624	6,069	(797)	4,627	901	148	1,451,076	21,656	5,055	145	(4,987)	(6,194)	(44)	11,240	(1,588)	(12,250)	262	3,244	124,619
Non-controlling interests	369	-	-	-	-	-	21	-	(6)	919,764	-	-	5	-	-	-	-	-	(12)	-	-	-
Total equity	4,205	44,575	3,545	127,624	6,069	(797)	4,648	901	142	2,370,840	21,656	5,055	150	(4,987)	(6,194)	(44)	11,240	(1,588)	(12,262)	262	3,244	124,619

RELEVANT EVENTS

To the Consolidated Financial Statements
as of December 31, 2020

The Corporation has reported to the Chilean Financial Market Commission (CMF) the following relevant events occurred during years 2020 and 2019:

1. CHANGES IN THE BOARD OF DIRECTORS, EXECUTIVES AND THE ORGANIZATIONAL STRUCTURE

- On January 16, 2019, Codelco communicated as an essential event that, beginning on that date, Mr. Patricio Chávez Inostroza will no longer work as the Vice President of Corporate Affairs and Sustainability of Codelco. Because of this and notwithstanding the Essential Event communicated on December 27, 2018, José Pesce Rosenthal took office as interim from such date. Mr. Pesce also maintained his position as Vice President of Mining Resources Management and Development.
- On February 1, 2019, Codelco communicated as an essential event the retirement from Codelco of Mr. Ricardo Montoya Peredo, general manager of the Gabriela Mistral Division Accordingly, beginning on February 1, 2019, Gustavo Córdova Alfaro, who through the present date had been the Mine Manager of the Gabriela Mistral Division took office as interim General Manager of the Gabriela Mistral Division.
- On March 1, 2019, Codelco reported as an essential event that the following senior executives were appointed beginning on April 1, 2019:
 - Jaime Rivera Machado as general manager of the Andina Division.
 - Andres Music Garrido as general manager of the Ministro Hales Division.
 - Sergio Herbage Lundín as general manager of the Gabriela Mistral Division.
- On March 1, 2019, the creation of the Vice-Presidency of Technology, under the Executive Chairman was reported as an essential event. Alvaro García González was appointed as the Vice-President in charge of this Vice-Presidency beginning on March 11, 2019.
- On May 27, 2019, Codelco communicated as an essential event that H.E. the President of the Republic appointed Isidoro Palma Penco and Juan Enrique Morales Jaramillo as members of Codelco's Board of Directors for a new four-year term, beginning on May 11.

- On July 12, 2019, Codelco reported as an essential event that its Board of Directors appointed Octavio Araneda Osés, as Executive Chairman of Codelco, who took office beginning on September 1, 2019, replacing Nelson Pizarro Contador, who submitted his voluntary resignation to Codelco, which became effective beginning on that same date.
- On July 26, 2019, Codelco reported as an essential event fact that the following senior executives were appointed beginning on September 1, 2019:
 1. Mauricio Barraza Gallardo, as Vice-President of South Central Operations
 2. Nicolás Rivera Rodríguez, as general manager of the Chuquicamata Division.
 3. Andrés Music Garrido, as general manager of El Teniente Division.
- On August 29, 2019, Codelco communicated as an essential event that Rodrigo Barrera Páez was appointed as General Manager of the Ministro Hales Division beginning on September 1, 2019.
- On 8 October 2019, Codelco communicated as an essential event that Nicolai Bakovic Hudig, Codelco's legal advisor, would cease to provide services to Codelco beginning on December 1, 2019.
- On October 28, 2019, Codelco communicated as an essential event that, on that date, Ignacio Briones submitted his resignation to the position of Director of Corporación Nacional del Cobre de Chile, in accordance with the provisions of article 8C letter b) of the Decree Law No. 1.350. In accordance with the provisions of such Decree Law No. 1.350 in its article 8, the President of the Republic is entitled to appoint the new member of the Board of Directors.
- On November 29, 2019, the following changes in Management were communicated as essential events:
 - That considering the end of the employment contract of José Pesce Rosenthal, Vice-President of Mining Resources Management and Development, beginning on such date Antonio Bonani Rizzolli was appointed as interim Manager of Mining Resources of El Teniente Division.
 - That, in addition to that already informed in note PE- 182/2019 dated October 8, 2019, María Francisca Domínguez Meza, who holds the position of interim Legal Director, assumed beginning on such date as Interim Legal Counsel of Codelco.
- On January 7, 2020, Mr. Roberto Ecclefield Escobar, currently Vice President of Marketing, resigned from his position at Codelco beginning on February 1, 2020.
- On January 29, 2020, it was reported as an essential event that H.E. the President of the Republic appointed Mr. Rodrigo Cerda Norambuena as Director of Codelco, replacing Mr. Ignacio Briones Rojas.
- On January 31, 2020, it was reported as an essential fact that Ms. Lorena Ferreiro Vidal was appointed as Codelco's General Counsel beginning on March 1, 2020.
- Beginning on such same date, Ms. María Francisca Domínguez M. ceased to be the interim General Counsel and became Codelco's Chief Legal Officer.
- On January 31, 2020, the creation of the Vice-Presidency of Smelting and Refining, reporting to the Chief Executive Officer, was reported as an essential event. Mr. José Sanhueza Reyes, who until now has been the General Manager of the Ventanas Division, was appointed as Vice President in charge of such Division beginning in March 2020. Also, beginning in such month, Mr. Gerardo Sanchez assumed the position of General Manager of the Ventanas Division.
- On February 28, 2020 and in relation to note PE - 015/2020 dated January 31, 2020, Codelco reported as an essential event that Mr. Gerardo Sánchez Sepúlveda will continue to be the Manager of the Caletones Smelter of El Teniente Division. Accordingly, beginning on March 1, 2020, Mr. Cristián Cortés Egaña will assume the position of interim General Manager of the Ventanas Division.
- On March 2, 2020, Codelco reported as an essential event that Mr. Patricio Vergara Lara was appointed Vice President of Mining Resources Management and Development beginning on April 20, 2020.
- On August 28, 2020, it was reported as an essential event that Mr. Jaime Rivera Machado, General Manager of the Andina Division, voluntarily resigned from his position and provide his services to Codelco until September 30, 2020.

- On September 25, 2020, it was reported as an essential event that Mr. César Correa Parker, Codelco's Internal Auditor, voluntarily resigned from his position and will provide his services to Codelco until October 31, 2020.
- On September 29, 2020, the appointment of the following executives was reported as an essential event:
 - Mr. Ricardo Weishaupt Hidalgo as General Manager of Ventanas Division beginning on November 1, 2020.
 - Mr. Orlando Rubilar Bauer as Interim General Manager of Andina Division beginning on October 1, 2020.
- On October 2, 2020, it is reported as an essential event that beginning on October 16, 2020, Mr. Alvaro Aliaga Jobet, Vice President of Operations in the North Area, and Mr. José Robles Becerra, Vice President of Productivity and Costs, will leave Codelco.

Beginning on such same date, Mr. Mauricio Barraza Gallardo will take office as interim Vice President of Operations in the North Area and Mr. Alejandro Rivera Stambuck as interim Vice President of Productivity and Costs. Notwithstanding the above, both will continue to hold their positions as Vice President of Operations in the South Center Area and Vice President of Administration and Finance, respectively.

- On October 30, 2020, the appointment of the following executives was reported as an essential event:

- Mr. Carlos Alvarado Hernández is hereby appointed as Vice President of Marketing, in an incumbent capacity, effective on November 1, 2020.
- Mr. Rodrigo Barrera Paez is appointed as General Manager of Andina Division beginning on December 1, 2020.
- Mr. Rodrigo Miranda Schleyer is hereby appointed as Auditor General, on an interim basis, effective on November 1, 2020.
- Mr. Francisco Balsebre Ciaran is appointed as interim General Manager of the Ministro Hales Division, effective on December 1, 2020.
- On November 19, 2020, it was reported as an essential event that Mr. André Sougarret Larroquete was appointed as Vice President of Operations in the North Area of Codelco beginning on January 2, 2021.

2. SHAREHOLDERS' MEETINGS

- On April 5, 2019, Codelco reported that its Board of Directors decided to call a meeting for April 29, 2019, at 4:00 p.m. at the Company's offices located at Huérfanos 1270, Piso 11, Santiago, to discuss matters to be addressed at an ordinary shareholders' meeting.

The following matters are to be discussed at such meeting:

1. Conducting an analysis of Codelco's position, Report of the External Auditors, Annual Report, Balance Sheet and other financial statements as of December 31, 2018.

2. Appointment of Codelco's external auditors and risk raters for 2019.
3. Determining a newspaper based in the legal domicile for legal publications.
4. Information on transactions with related parties.
5. Report on Expenses incurred by the Board of Directors and Board of Directors' Committee during 2018.
6. Follow-up of the 2014-2019 Business and Development Plan as established in Law 20.790, including the sources of financing and capitalization required.
7. Any other matter or topic of interest which is to be discussed by the shareholders at a shareholders' meeting and adopting the related agreements.

The Company's financial statements as of December 31, 2018 and 2018 Annual Report have been published in Codelco's web site www.codelco.com and <https://www.codelco.com/memoria2018/>

- On April 26, 2019, it has been communicated as an essential event that at Codelco's Ordinary Shareholders' Meeting conducted on April 29, 2019 with the attendance of Messrs. Ministers of Finance and Mining representing the President of the Republic of Chile, the following agreements were reached:
 1. The shareholders approved the Annual Report, Balance Sheet and other financial statements for the year ended December 31, 2018 and the Report of External Auditors on such report for that year.

2. The shareholders appointed Deloitte as Codelco's external auditors for 2019.
 3. The shareholders appointed Feller Rate, Fitch Rating, Moody's, and Standard & Poor's and Japan Credit Rating Agency as Codelco's risk raters for 2019.
 4. The shareholders appointed La Tercera as the newspaper for publications Codelco has to perform, in conformity with that provided in the Public Company Act and the instructions issued by the Chilean Financial Market Commission (CMF) (formerly the Chilean SVS).
 5. The operations which the Corporation has conducted with related entities or parties were informed, in conformity with article 44 of Law No. 18.046 of the Public Company Act.
 6. The activities of the Board of Directors' Committee and expenses incurred by the Board of Directors and Board of Directors' Committee during 2018 were informed.
 7. The Shareholders were informed of and analyzed the Progress of the 2014 - 2019 Business and Development Plan, established by Law No. 20.790.
- On March 30, 2020, Codelco communicated that the Board of Directors opted to summon to a meeting for April 22, 2020 at 10:00 am at Codelco's office located at Huérfanos 1270, piso 11, Santiago, Chile to address the matters usually analyzed at Ordinary Shareholders' Meetings.

At such meeting the shareholders will address the following matters:

1. Conducting an analysis of Codelco's position, Report of the External Auditors, Annual Report, Balance Sheet and other financial statements as of December 31, 2019.
2. Appointment of Codelco's external auditors and risk raters for 2020.
3. Determining a newspaper based in the legal domicile for legal publications.
4. Information on transactions with related parties.
5. Report on Expenses incurred by the Board of Directors and Board of Directors' Committee during 2019.
6. Information regarding the Business and Development Plan including the required sources of financing and capitalization.
7. Any other matter or topic of interest which is to be discussed by the shareholders at a shareholders' meeting and adopting the related agreements.

It is hereby stated that because of the existing contingency due to the outbreak of COVID-19 th at is affecting Chile and the world, the technological tools for the Shareholders' Meeting are available for remote performance of the meeting.

The Company's financial statements as of December 31, 2019 and 2019 Annual Report have been published in Codelco's web site www.codelco.com and https://www.codelco.com/prontus_codelco/site/artic/20200328/asocfile/20200328104056/memori2019_codelco.pdf

- On April 22, 2020, it has been communicated as an essential event that at Codelco's Ordinary Shareholders' Meeting conducted on the same day with the attendance of Messrs. Ministers of Finance and Mining representing the President of the Republic of Chile, the following agreements were reached:
 1. The shareholders approved the Annual Report, Balance Sheet and other financial statements for the year ended December 31, 2019 and the Report of External Auditors on such report for that year.
 2. The shareholders appointed Deloitte as Codelco's external auditors for 2020.
 3. The shareholders appointed Feller Rate, Fitch Rating, Moody's, and Standard & Poor's as Codelco's risk raters for 2020.
 4. The shareholders appointed La Tercera as the newspaper for publications Codelco has to perform, in conformity with that provided in the Public Company Act and the instructions issued by the Chilean Financial Market Commission (CMF) (formerly the Chilean SVS).
 5. The operations which the Corporation has conducted with related entities or parties were informed, in conformity with article 44 of Law No. 18.046 of the Public Company Act.
 6. The activities of the Board of Directors' Committee and expenses incurred by the Board of Directors and Board of Directors' Committee during 2019 were informed.
 7. Information regarding the Business and Development Plan including the required sources of financing and capitalization.

3. FINANCING

- On January 28, 2019, it has been communicated as an essential event that Codelco had access to international markets through an issuance for US\$ 1,300 million in New York for 30 years. The issue denominated in U.S. dollars had a yield of 4.815%.

This transaction will provide greater financial headroom to invest in its structural projects, the first of which, Chuquicamata Subterránea (Chuquicamata Underground Mine) will commence operating this year.

The issue will allow Codelco to alleviate its debt repayment profile for the 2020-2025 period and extend part of its financial commitments to 30 years, making the payment date coincide with the years in which, in addition Chuquicamata Subterránea, Nuevo Nivel Mina (New Mine Level), Traspaso Andina (Andina Transfer) and Rajo Inca (Inca Mine Pit) sites will also be in full production.

This transaction does not increase Codelco's net debt and is a new step in the sustainable financing of the investment portfolio, in line with the guidelines provided by the Board of Directors regarding progress in the materialization of structural projects and maintaining a sound financial position.

In New York, Codelco launched an offer to purchase its U.S. dollar-denominated bonds maturing between 2020 and 2025. The purchase offer targets two groups of bonds. The first includes those maturing in 2020,

2021, and 2022, and the offer was for an aggregate amount of up to US\$ 1,907 million, which relates to the total maturities of those bonds. Upon completion of such group and for the remaining amount of US\$ 1,907 million, an offer will be submitted sequentially for the bonds maturing in 2025 and 2023.

The issuance was led by HSBC Securities (USA) Inc, JP Morgan Securities LLC, Citigroup Global Markets Inc., and Scotiabank.

- On February 8, 2019, it was communicated as an essential event, in accordance with the provisions of Circular Letter No. 1,072, the detail of the financing operation performed on January 28, 2019.
- On August 8, 2019, it was announced as an essential event, that Codelco made two placements for a total equivalent to US\$ 180 million, at 10 and 20 years in the international financial capital market.

In addition to complement such transactions, Codelco entered into a 10-year, US\$300 million bilateral loan agreement with Export Development Canada.

Accordingly through these three financing transactions, Codelco efficiently secures the resources to invest in its structural projects. The first of these, Chuquicamata Subterránea, commenced operations at the end of April.

- On August 19, 2019, it was communicated as an essential event, details of the bond placement abroad performed on August 8, 2019, in accordance with

the provisions of Circular No. 1,072, regarding the financing operation.

- On September 23, 2019, it was reported as an essential event that Codelco made an issue and placement of bonds in the North American market, which will allow it to finance its structural projects, while alleviating its debt repayment profile for the period 2020-2023.

Accordingly, Codelco performed a successful bond placement for US\$ 1,100 million at 10 years and US\$ 900 million at 30 years, with yields of 3.02% and 3.71%, respectively. The rates obtained represent spreads of 130 and 155 basis points over the U.S. Treasury bond in each term. Orders were received from more than 250 investors, and there was an oversubscription of four times.

Together with the placement, Codelco launched a purchase offer for an aggregate amount of up to US\$639 million for the bonds maturing in 2020, 2021, 2022, and 2023.

The bond issuance and repurchase transaction is led by HSBC Securities (USA) Inc, JP Morgan Securities LLC, BofA Securities, Inc. and Scotiabank.

- On September 24, 2019, a detail of the bond placement abroad performed on September 23, 2019 was communicated as an essential event, in accordance with the provisions of Circular Letter No. 1,072, regarding the financing operation.

- On November 20, 2019, a detail of the bond placement abroad performed on September 23, 2019 was disclosed as an essential event, in accordance with the provisions of Circular Letter No. 1,072, which complements notes PE171/2019 and PE 172/2019 dated September 23 and 24, 2019, respectively.
- On January 7, 2020, it was reported as an essential event that Codelco accessed the international financial markets through the issuance of bonds in New York for US\$ 1 billion for a 10-year term and US\$ 1 billion for a 30-year term, through a reopening of the 30-year bond issued in September 2019, with yields of 3.175% and 3.958%, respectively. The rates represent spreads of 135 and 165 basis points over the U.S. Treasury bond in each term. This transaction does not increase Codelco's net debt and is a new step in the sustainable financing of the investment portfolio, in line with the guidelines established by the Board of Directors in terms of making progress in the formalization of structural projects as well as maintaining a sound financial position.
- The issuance transaction was led by HSBC Securities (USA) Inc., JP Morgan Securities LLC, BofA Securities, and Scotia Capital (USA) Inc.
- On January 9, 2020, Codelco communicated as an essential event, as established in Circular No. 1.072, the detail of the financing transaction performed on January 7, 2020.
- On April 29, 2020, it was reported as an essential event that Codelco completed a successful bond placement for US\$ 800 million for an 11-year term with a yield of 3.77%. The rate represents a spread of 315 basis points over the U.S. Treasury bond for the equivalent term. More than 320 orders were received and there was an oversubscription of 13 times.

This transaction does not increase Codelco's net debt and is a new step in the strengthening of Codelco's liquidity, in line with the guidelines established by the Board of Directors in terms of maintaining a sound financial position and making progress in the formalization of structural projects.

The issuance transaction was led by BNP Paribas, HSBC Securities (USA) Inc., Mizuho Securities, and Scotia Capital (USA) Inc.
- On May 4, 2020, the details of the bond placement abroad made on April 29, 2020, in accordance with the provisions of Circular No. 1,072, with respect to the financing operation, were communicated as an essential event.
- On May 4, 2020, it was communicated as an essential event, in addition to the information provided in the Essential Event of note PE-057/2020 dated April 29, 2020, that on April 30, 2020, Codelco made the pricing for the reopening of the 2023 bond, issued in August 2013, for US\$ 131 million and with a yield of 3.258%. The close of the transaction will take place on Friday, May 8, 2020.
- On May 5, 2020, it was communicated as an essential event, in addition to the information provided in the Essential Event of note PE-061/2020 dated May 4, 2020, that on April 30, 2020, Codelco made the pricing for the reopening of the 2023 bond.
- On May 8, 2020, the detail of the bond placement abroad, in accordance with the provisions of Circular No. 1,072, which supplements notes PE-061/2020 and PE-065/2020 dated May 4 and 5, 2020, were communicated as an essential event.
- On December 7, 2020, it was reported as an essential event that Codelco is conducting a refinancing operation in New York that will provide it with more financial headroom to invest in its structural projects.
- On December 7, 2020, it was announced as an essential fact that Codelco performed, on the same date in New York, a transaction that will allow it to finance the repurchase of dollar-denominated bonds maturing between 2021 and 2027 for up to approximately US\$ 1.1 billion, and thus alleviate its debt repayment profile during those years.

Accordingly, Codelco successfully placed a US\$ 500 million bond for a term of 31 years with a yield of 3.173%. The rate represents a spread of 148 basis points over the U.S. Treasury bond for the equivalent term. More than 230 orders were received and there was an oversubscription of 9 times. This is the lowest rate Codelco has ever obtained for debt of similar term.

This transaction seeks to be a new step in the sustainable financing of the investment portfolio, in line with the guidelines established by the Board of Directors in terms of making progress in the formalization of structural projects as well as maintaining a sound financial position. The final results of the bond repurchase will be known in the next few weeks.

The issuance transaction was led by BofA Securities Inc., JP Morgan Securities LLC, Mizuho Securities USA LLC, and Scotia Capital (USA) Inc.

- On December 10, 2020, Codelco communicated as an essential event, as established in Circular No. 1.072, the detail of the financing transaction performed on December 7, 2020

4. CONTINGENCIES, STRIKES AND DISRUPTION OF ACTIVITIES

- On February 8, 2019, it was reported as an essential event that due to the climate phenomenon that is affecting the north area of Chile, Codelco had to disrupt part of the work in the Chuquicamata and Ministro Hales Divisions.

The progressive resumption of operations will take place once weather conditions allow it. In the interim, all mitigation actions have been taken to minimize the effects of this shutdown. It has been estimated that, with the background existing up to that time, this situation would not cause a material or significant impact on Codelco's profit or loss for 2019.

- On June 18, 2019, it was reported as an essential event, that within the framework of a collective bargaining process, unions Nos. 1, 2 and 3 of the Chuquicamata Division, which bring together approximately 3,200 workers, began the legal strike, from the first shift of Friday, June 14, from which time, the division has continued its operations. However, during the night of yesterday, there were incidents at the access points to the Division, preventing the transit of 6 transportation vehicles transporting employees who were finishing their shift, trying to block the entrance to the operation of employees and contractors who were not participating in the strike.

Finally, the effects of this strike cannot yet be quantified, as they will depend, on the one hand, on the scope and extension of the aforementioned stoppage and, on the other hand, on the continuation of the use of illegal measures such as the blocking of access points, and considering such scenario Codelco is assessing the filing of legal actions.

- On June 28, 2019, it was reported as an essential event that the employees of the Chuquicamata Division's Role B Nos. 1, 2 and 3 unions accepted the "improved final offer" after approval with 77%, 74% and 81% of the votes respectively. The above, within the framework of the regulated collective negotiations that began in April this year, in three separate tables.

About 3,200 workers from unions Nos. 1, 2 and 3 returned to their usual work on shift A on Friday, June 28.

Finally, note that efforts are being made to recover the lower production caused by this shutdown, with several mitigation actions being adopted at the Chuquicamata Division.

5. SHARE PACKAGES ACQUISITION OR DISPOSAL

- On August 6, 2019, it was reported as an essential event that on that same date, the sale of Codelco's interest in GNL Mejillones S.A. was completed. (37%) to GNL Ameris IPM SpA, for US\$193.48 million. This sale process was achieved after an international search for buyers for such interest, which had extensive involvement by different companies and investment funds, and was performed within the framework of Codelco's asset optimization process, in order to strengthen its financial position with respect to the project portfolio, focusing on its main activity, copper mining.

It should be noted that, as Codelco has an assured energy supply in its northern divisions, the aforementioned interest had been classified by Codelco as an expendable asset

6. SUBSCRIPTION OR RENEWAL OF CONTRACTS

- On August 24, 2020, it was reported as an essential event that through the performance of a transaction agreement, entered into on that date, Codelco has obtained from Chilena Consolidada Seguros de Vida S.A., the payment of US\$ 22 million dollars, for the total overprices of the insurance policies engaged by Unions Nos. 1, 2 and 3 of Chuquicamata and Radomiro Tomic Employees. Under this contract, Chilena Consolidada Seguros de Vida S.A. paid US\$ 11 million to Codelco and offered to pay the same amount to the employees or former employees affiliated with the aforementioned unions.

By recovering the full amount of the overprice, Codelco fully complied with its management's obligations to safeguard its equity.

Finally, in compliance with its unrestricted commitment to ethics, regulatory compliance and the highest standards of corporate governance, it will continue with the criminal complaint against those responsible for the crime of fraud, under the terms and conditions established in the aforementioned transaction, and will continue with the lawsuits filed and will assert all its rights in the other related legal cases.

7. OTHERS

- On February 26, 2019, the second part of the extraordinary capital contribution was received through the Exempt Decree No. 311 issued by the Ministry of Finance, in accordance with Law No. 20.790 for ThUS\$ 400 million.

There are no other events that qualify as relevant occurred prior to December 31, 2020.

ADDITIONAL INFORMATION ON THE BOARD OF DIRECTORS AND BOARD OF DIRECTORS' COMMITTEE

As of December 31, 2020 - Expressed in thousands of U.S. dollars - ThUS\$

1. ADVISORY SERVICES ENGAGED BY THE BOARD OF DIRECTORS

During 2020, with the budget of the Board of Directors, no consultancy was hired.

2. COMPOSITION OF THE BOARD OF DIRECTORS' COMMITTEE

In accordance with letter d) of Article 9 of Decree Law No. 1350 the Board of Directors' Committee will be composed of the four directors appointed by the President of Chile from the three candidates proposed for the position by the Senior Public Management Council.

In line with this, as of December 31, 2020, the following individuals are the members of the Board of Directors' Committee:

- Mr. Blas Tomic Errázuriz, ID No. 5.390.891-8, Chairman.
- Mr. Isidoro Palma Penco, ID No. 4.754.025-9, Vice-Chairman.

- Mr. Juan Enrique Morales Jaramillo, ID No. 5.078.923-3
- Mr. Paul Schiodtz Obilinovich, ID No. 7.170.719-9

3. BOARD OF DIRECTORS' COMMITTEE'S COMPENSATION

Fees for the years ended December 31, 2020 and 2019 are available in the Chilean Financial Market Commission (CMF) web site as part of the 2020 Annual Report in the section Consolidated Financial Statements in Note 3 to such consolidated financial statements referred to Balances and transactions with related parties, letter b) Key management personnel.

Transactions addressed by Title XVI of Law No. 18.046 are available in the web site of the Chilean Financial Market Commission (CMF), as part of the 2020 Annual Report in the section Consolidated Financial Statements in Note 3 to such consolidated financial statements referred to Balances and transactions with related parties, letter a) Related transactions through persons.

For letter b), number v) of No. 5) of General Standard No. 30, referred to expenses in advisory engaged by the Board of Directors' Committee, we may indicate that no expenses other than those reported in the preceding point exist.

BOARD OF DIRECTORS AND MANAGEMENT COMPENSATION

As of December 31, 2020 - Expressed in thousands of U.S. dollars - ThUS\$

During 2020 and 2019, the members of the Board of Directors have received the amounts indicated in the chart in transactions with related parties associated with the allowance for attending meetings and remuneration.

1. DIRECTORS' ALLOWANCES AND FEES

Name	2020	2019
	MUS\$	MUS\$
Blas Tomic Errázuriz	94	115
Ghassan Dayoub Pseli	75	92
Hernán de Solminihac Tampier	75	92
Ignacio Briones Rojas	-	78
Isídro Palma Penco	75	92
Juan Benavides Feliú	113	138
Juan Morales Jaramillo	75	92
Paul Schiodtz Obilinovich	75	92
Raimundo Espinoza Concha	27	92
Rodrigo Cerda Norambuena	72	-

2. COMPENSATION

Name	2019	2018
	MUS\$	MUS\$
Ghassan Dayoub Pseli	107	122
Raimundo Espinoza Concha	13	36

The remuneration of the Company's main executives for 2020 amount to THUS\$ 10,683. This amount includes a performance bonus of ThUS\$ 3,273.

Criteria for determining remuneration were established by the Board of Directors on the basis of that proposed by the Board of Directors' Audit, Compensation and Ethics Committee:

- a. The reference market for Executives' remuneration will be measured by a standard survey.

- b. Market orientation will be agreed annually by the Board of Directors on the basis of the proposal by the Board of Directors' Audit, Compensation and Ethics Committee on the basis of the recommendation by the Executive President.
- c. The basis for the payment of an annual management bonus for executives and officers will be the Unique Performance Agreement and compliance with the individual performance goals and commitments subject to: (1) pre-tax and law reserved surpluses are greater than 20% of capital and reserves and (2) that comparable net profit for accounting purposes be equal to or higher than 8% of capital and reserves; and the Individual Performance Agreement.

For severance indemnities, the main executives received in 2020 payments equivalent to ThUS\$ 1.188.

SWORN STATEMENT OF RESPONSIBILITY

Annual report 2020

The undersigned, as Directors of Corporación Nacional del Cobre de Chile, at its registered address in Santiago, Calle Huérfanos 1270, in conformity with General Regulation No. 30 of the Commission for the Financial Market, we hereby declare and certify, under oath and our sole responsibility, that all information provided by Codelco in the Annual Report 2020 is true and correct.

Juan Benavides Feliú
Presidente del
directorio
5.633.221-9

Hernán de Solminihac Tampier
Director
6.263.304-2

Blas Tomic Errázuriz
Director
5.390.891-8

Juan Enrique Morales Jaramillo
Director
5.078.923-3

Isidoro Palma Penco
Director
4.754.025-9

Paul Schiodtz Obilinovich
Director
7.170.719-9

Ghassan Dayoub Pseli
Director
14.695.762-5

OFFICES ON THREE CONTINENTS

Our subsidiaries and our representatives around the world.



CORPORATE PROFILE



RELEVANT INDICATORS



VALUE OUR MANAGEMENT



TRANSPARENCY, PROBITY, AND GOOD CORPORATE GOVERNANCE



TRANSFORMATION AND FUTURE



SUBSIDIARIES AND RELATED COMPANIES



CONSOLIDATED FINANCIAL STATEMENTS



OFFICES AND REPRESENTATIVES



OFFICES AND REPRESENTATIVES

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