



## **Customary Note Regarding Forward-Looking Statements**

SQM (NYSE: SQM, Santiago Stock Exchange: SQM-A, SQM-B) is a global company engaged in strategic industries for human development, such as health, food, clean energy and the technology that moves the world.

This presentation contains "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by words such as: "anticipate," "plan," "believe," "estimate," "expect," "strategy," "should," "will" and similar references to future periods. Examples of forward-looking statements include, among others, statements we make concerning the Company's Sustainable Development Plan, business outlook, future economic performance, anticipated profitability, revenues, expenses, or other financial items, anticipated cost synergies and product or service line growth.

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About SQM
Sustainability
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Final Remarks



## Unique product and value proposition





THE GLOBAL GOALS
For Sustainable Development





**About SQM** 

Sustainability

**Lithium Market** 

**Final Remarks** 





## **Longstanding Tradition of Sustainability and Community Outreach**

#### **Recent Achievements**

- Sustainability Report published according to GRI standards for past 10 years. In 2019, it was audited by an independent third party
- Introduction of Public Monitoring website
- Members of the UN Global Compact
- Signing of agreements with communities near our operations after consistent dialogue and collaboration
- Programs to help communities with Covid-19 related health controls, direct medical assistance, hygiene kits, and food aid



"Companies have an obligation above and beyond the required laws and regulations to protect and promote integrated and sustainable operations for all who are involved or related to them. With renewed energy, we announce our own commitments from our Sustainable Development Plan". - Ricardo Ramos, CEO

## Clear committments to ESG















#### **Sustainability:**

- Committed to sustainable development
- Holistic approach
- Transparent
- Focus
- Clear goals:
  - ✓ Carbon neutral lithium production by 2030
  - ✓ Salar de Atacama freshwater reduction of 50% by 2030, company wide -65% by 2040
  - ✓ Brine extraction reduction of 50% by 2030
  - ✓ IRMA (Initiative for Responsible Mining Assurance)

#### **Unique product and value proposition**

- WSF, CSP, XRCM and xEV
- Experience and know-how
- Lowest carbon footprint producer
- NYSE listed company, DJSI Chile and MILA Pacific
- OECD country, ranked 26<sup>th</sup> in global rule of law index



## IRMA – explained



# Sustainability Reporting in the Mining Sector

Current Status and Future Trends



#### IRMA Assurance – Third party certification

IRMA is the only mine-site focused multi-stakeholder standard for industrial-scale mining that offers independent third-party verification and certification, that requires corrective actions and continuous improvement.<sup>15</sup> IRMA is also the only mine-site standard that requires community engagement in all steps of the process. The IRMA Standard has the most robust criteria related to fair labor and terms of work, occupational health and safety, and community health and safety.<sup>16</sup>



# Sustainable Development Goals

#### **Brine Reduction:**

- ✓ By 20% starting November 2020
- ✓ Reduce annually until 50% reduction by 2030

#### **Emissions Reduction:**

- ✓ Carbon neutral in lithium, potassium chloride and iodine by 2030
- ✓ Carbon neutral in all products by 2040

## **Continental Water Reduction: Other Initiatives:**

#### **Company wide:**

- ✓ 40% reduction by 2030
- ✓ 65% reduction by 2040

#### Salar de Atacama:

- √ 30% compared to 2019 effective immediately
- ✓ 50% by 2030

#### .. Other initiatives.

✓ Reduce waste.

- ✓ Improve monitoring even further
- ✓ More dialogue with neighboring communities
- ✓ Increased certifications



## **Transparency – Online Monitoring Portal**

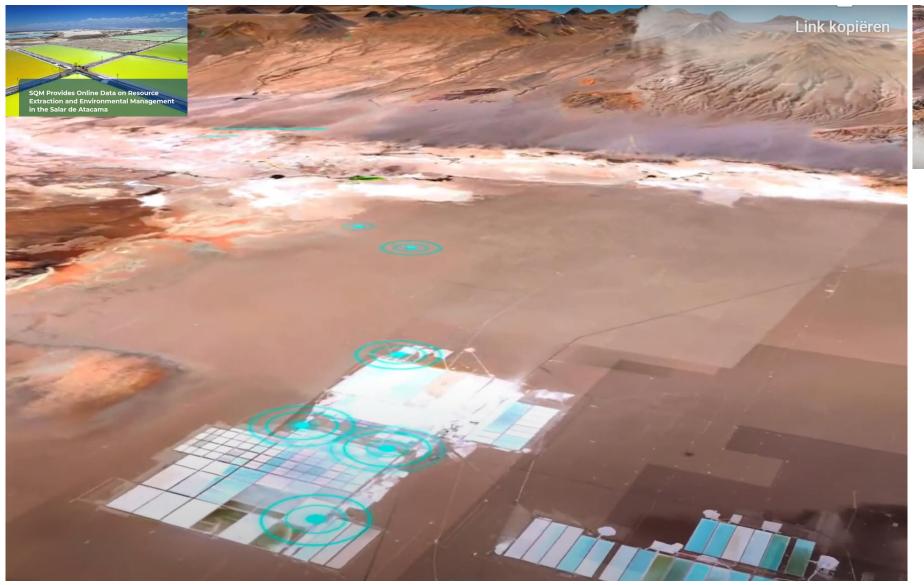
Online availability of SQM environmental and hydrogeological monitoring system for all stakeholders

www.sqmsenlinea.com





## **Online Monitoring**

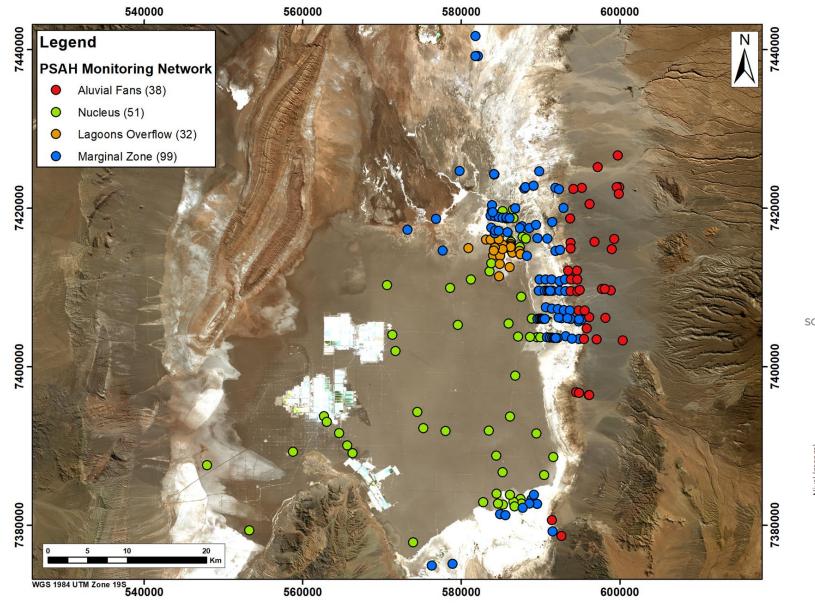




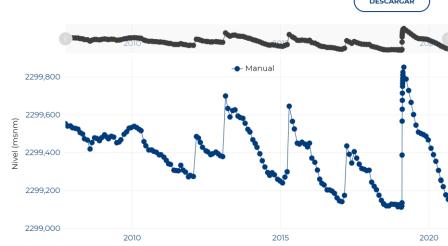
- Robust and extensive environmental monitoring network
- Data reported formally every 6 months to the local environmental authorities
- Regularly updated data (some on daily basis)
- Data collected since more than 14 years. Some monitoring points have up to 25 years of data available
- Available online in interactive transparency tool



## **Online Monitoring**









### **European Union - ESG Leadership**

#### EU Battery Directive to be revised in Q4 2020

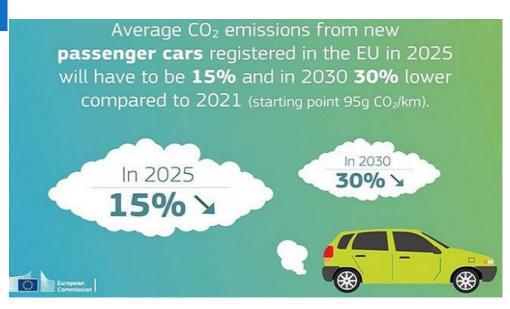
30.01.2020 – The EU Commission has published its working programme for the current year. According to the preliminary schedule released on Wednesday, a legislative proposal revising the EU Battery Directive is to be tabled in the fourth quarter of 2020. The revision will "notably encompass end-of-life and sustainability requirements".



New "end-of-life and sustainability requirements"







#### Global Supply Chains - Global Responsibility

The Federal Ministry of Labour and Social Affairs made human rights and decent work in global supply chains a priority during Germany's Presidency of the Council of the European Union.



Commission announces actions to make Europe's raw materials supply more secure and sustainable



## **European Automotive Battery Value Chain**



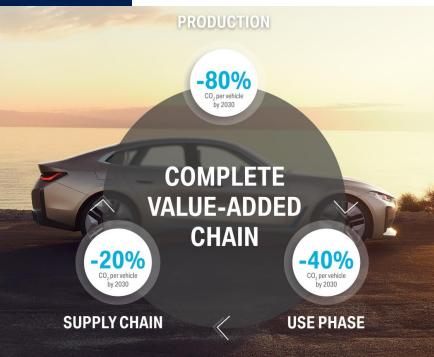




Emission values are reduced along the entire value chain







## THANK YOU!



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