



## Codelco secured its first climate financing

*Crédit Agricole CIB, a French bank, will grant a US\$ 532 million loan, guaranteed by the Multilateral Investment Guarantee Agency (MIGA), a World Bank Group entity. The funds will be used to finance Codelco's transition to a renewable energy matrix*

**Santiago, July 23, 2024.-** Codelco achieved a historic milestone by securing US\$532 million in long-term climate financing from Crédit Agricole CIB, backed by a guarantee from the Multilateral Investment Guarantee Agency (MIGA), a World Bank Group entity. This landmark loan will fund Codelco's ambitious plan to decarbonize 100% of its energy matrix by 2030.

Codelco represents nearly 9% of the country's energy consumption, making this step crucial in the effort to reduce greenhouse gas emissions and contribute to a more sustainable future for Chile.

Codelco's decarbonization efforts began in 2018 with a contract with Engie for the Chuquicamata Division, followed by a renegotiated contract with Colbun in 2022, and an agreement with AES Andes in 2023. In 2024, Codelco awarded a public tender for 1.8 TWh/year of renewable energy to Atlas, Colbun, and Innergex, aiming for 85% renewable electricity by 2026. In May 2024, Codelco reached an agreement to decarbonize a final contract with Engie for the Chuquicamata Division, enabling full decarbonization of all power purchase agreements before 2030.

"The new transaction contributes to a greener and more sustainable mining sector, reflecting Codelco's commitment to innovation and environmental responsibility. This focus on sustainability not only enhances our competitiveness but also sets a new standard for the global mining industry," highlighted Rubén Alvarado, CEO of CODELCO.

Alejandro Sanhueza, CFO of Codelco, remarked, "This loan represents a significant milestone in Codelco's strategy to diversify its financing sources. It is the first time we have secured a facility backed by MIGA, highlighting our commitment to sustainability and to mitigating risks in our financial operations."

"MIGA is delighted to support Chile's and Codelco's efforts to decarbonize the economy," said Hiroshi Matano, MIGA Executive Vice President. "Our engagement demonstrates the World Bank Group's role in larger economies to help tackle global greenhouse gas emissions, and we are keen to replicate this in other markets."

"With its strong commitments, Codelco is leading the way in the mining industry in the Chile's transition towards sustainable energy sources and decarbonization. Crédit Agricole CIB is committed to actively supporting this transition and we are very proud to have worked with MIGA and Codelco to achieve a successful closing of this facility," said Andre Gazal, Global Head of Export Finance, Crédit Agricole CIB.