



Solutions  
for human  
progress

# CORPORATE PRESENTATION

May 2023



## Customary note regarding forward-looking statements

This presentation release 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 capital expenditures, financing sources, Sustainable Development Plan, Salar Futuro project, business outlook, future economic performance, anticipated profitability, revenues, expenses, or other financial items, anticipated cost synergies and product or service line growth.

Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are estimates that reflect the best judgment of SQM management based on currently available information. Because forward-looking statements relate to the future, they involve a number of risks, uncertainties and other factors that are outside of our control and could cause actual results to differ materially from those stated in such statements, including our ability to successfully implement the Sustainable Development Plan. Therefore, you should not rely on any of these forward-looking statements. Readers are referred to the documents filed by SQM with the United States Securities and Exchange Commission, specifically other important risk factors that could cause actual results to differ from those contained in the forward-looking statements. All forward-looking statements are based on information available to SQM on the date hereof and SQM assumes no obligation to update such statements, whether as a result of new information, future developments or otherwise, except as required by law.



# SQM at a Glance: Strong Performance Across All Business lines

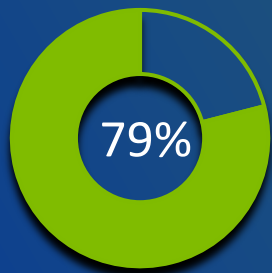
LTM<sup>1</sup> Revenues: **US\$11 billion** | LTM<sup>1</sup> Adjusted EBITDA<sup>2</sup>: **US\$5.7 billion**

LTM<sup>1</sup> Adjusted EBITDA Margin<sup>2</sup> : **52%** | NFD/Adjusted EBITDA<sup>2</sup>: 0.1x

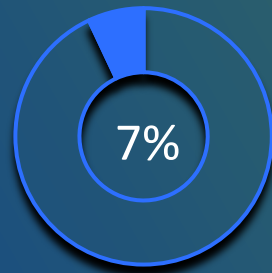
% GROSS PROFIT<sup>3</sup>



**LITHIUM AND  
DERIVATIVES**



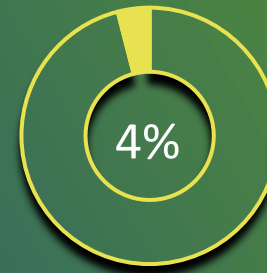
**SPECIALTY PLANTS  
NUTRITION**



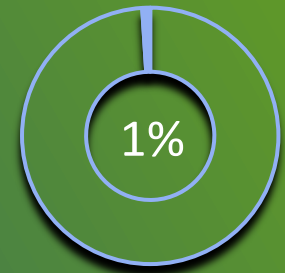
**IODINE AND  
DERIVATIVES**



**POTASSIUM**



**INDUSTRIAL  
CHEMICALS**



<sup>1</sup> Last twelve months ended March 31, 2023.

<sup>2</sup> Adjusted EBITDA = gross profit - administrative expenses + depreciation and amortization. Adjusted EBITDA margin = Adjusted EBITDA/revenues.

<sup>3</sup> Contribution to gross profit for the last twelve months ended March 31, 2023.

# LTM<sup>1</sup> Business Highlights

Record High Sales Prices in Lithium, SPN, Iodine and Potassium Markets

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Sustainable Capacity Increases To Meet Growing Demand in Lithium, Iodine and Nitrates Markets

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Innovation: Increasing Lithium Production in 2023-2024 while Significantly Reducing Extractions

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Salar Futuro Announcement: Future Implementation of Novel Lithium Production Technologies to Reduce Footprint Beyond Current Targets

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Prudent Financial Management, Stable Investment Grade Ratings, Delivering Robust Growth and Profitability

<sup>1</sup> Last twelve months ended March 31, 2023.

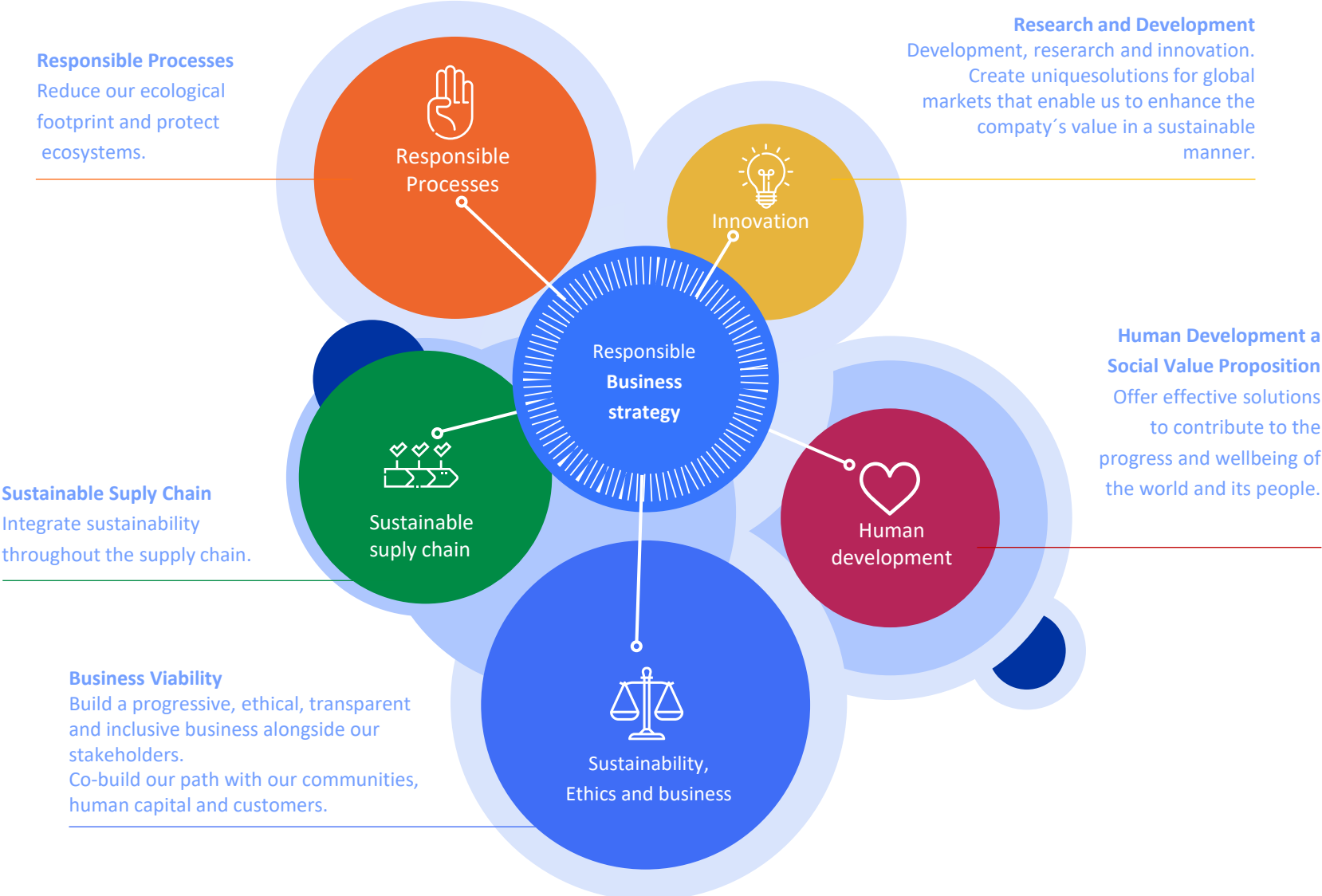


# Delivering Sustainable Solutions to Global Challenges

## Responsible Business Strategy

Business Responsibility  
Sustainability, Ethics and  
Human Rights

- Meet global needs through responsible business habits to build a better future.
- Focus on rising inequality resulting from climate change, socioeconomic adversity, and healthcare issues.
- Innovate, research and develop sustainable production and product development to better the wellbeing of the global population



# Our commitment to Sustainability

**Member of the** United Nations Global Compact, Global Battery Alliance, DJSI Chile y DJSI MILA Pacific Alliance. In the last months we completed external on-site audit under **IRMA** and participated in the **DJSI and CDP** climate change evaluations.



## Continental water reduction

40% by 2030 and 65% by 2040.



## Emissions reduction

Carbon neutral in the lithium, potassium chloride and iodine products by 2030, and in all of our products by 2040.



## Brine extraction reduction

Reduce brine extraction by 50% by 2030.

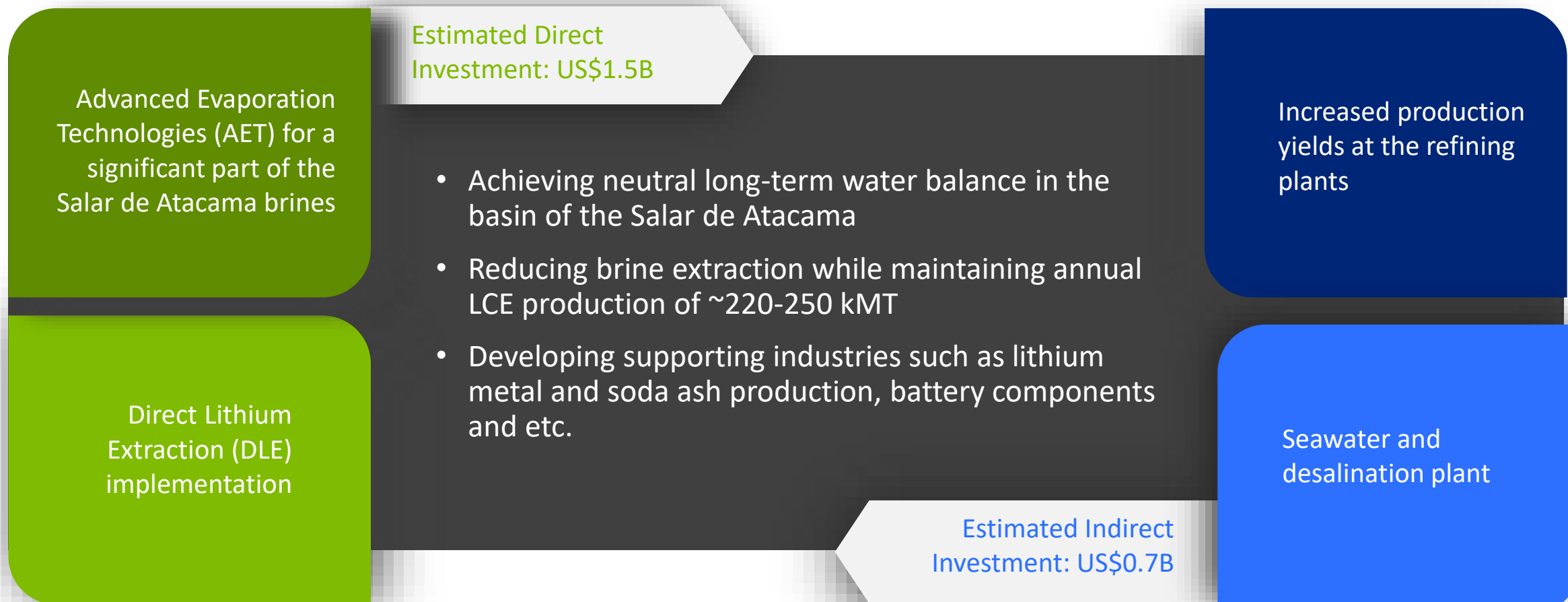


## Waste reduction

50% by 2025

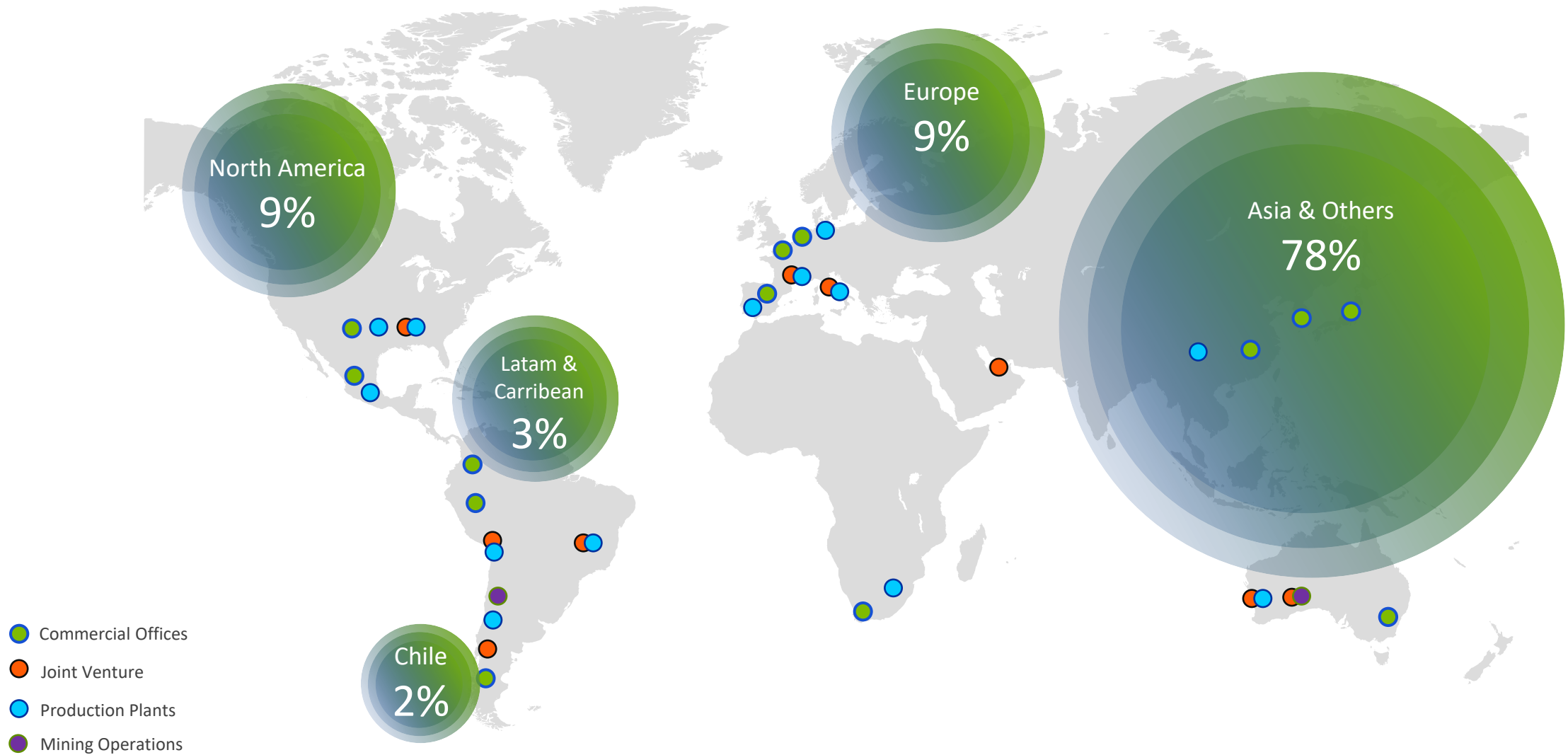


## Salar Futuro: Advanced Technology to Reduce Footprint Beyond Set Goals



*The Salar Futuro Project implies important technological challenges. The initial tests allow us to be optimistic, but these are fundamental changes in the technologies and processes currently used that imply taking relevant risks to achieve the proposed ambitious objectives. We expect to submit technical documentation for evaluation to the Chilean authorities in 2024.*

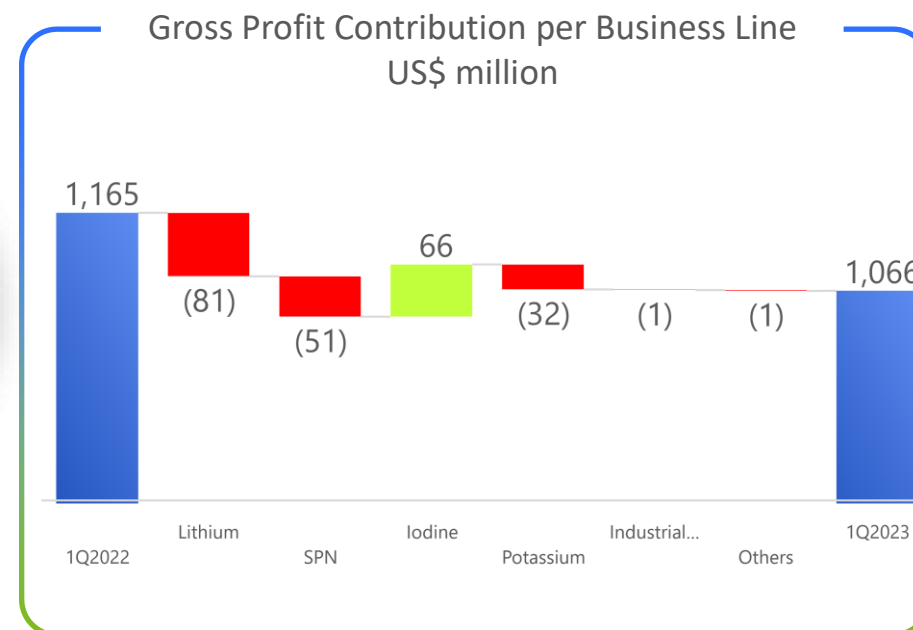
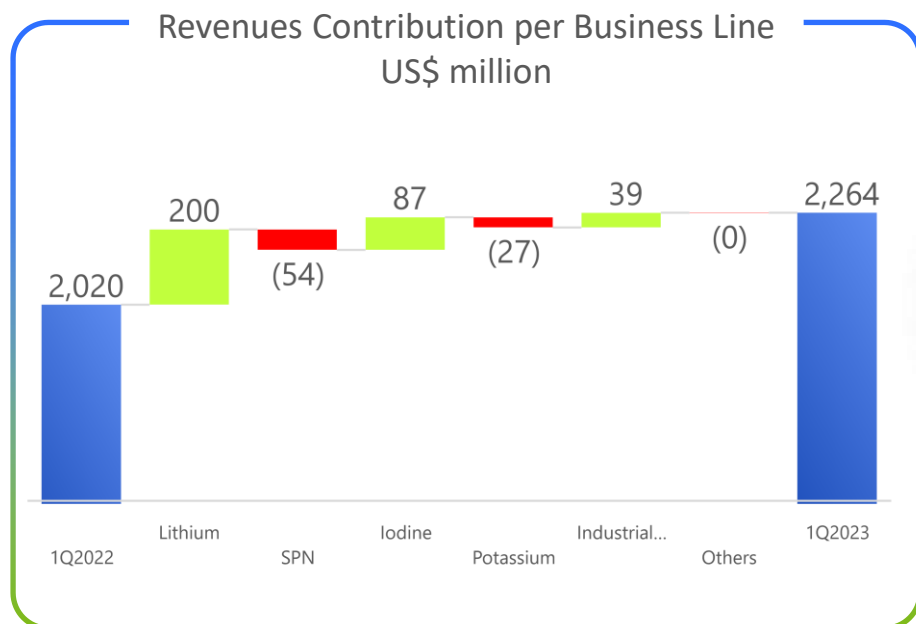
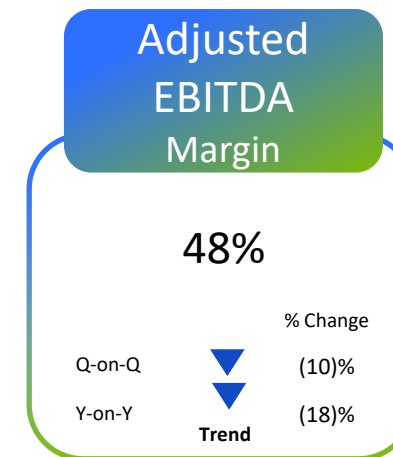
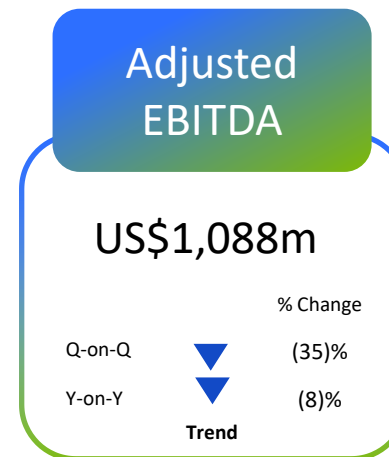
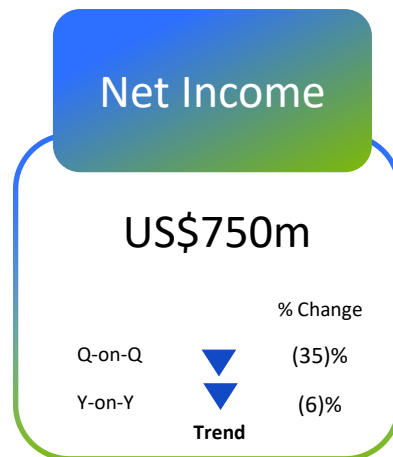
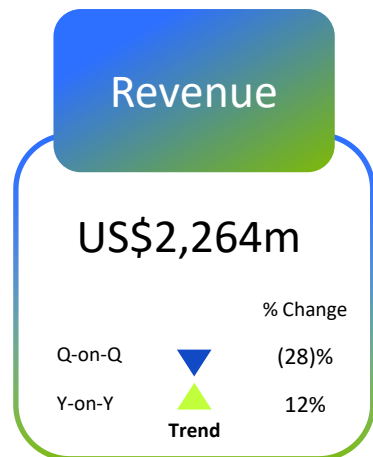
# Global Presence and Diversified Sales<sup>1</sup> Channels



<sup>1</sup> Revenues for the last twelve months ended March 31, 2023



# Summary of First Quarter 2023 Results



# Results Key Drivers 1Q2023 vs 1Q2022



Iodine: Record-high sales prices (40%) and high sales volumes (12%)

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Lithium: Lower sales volumes (-15%), partially offset by higher year-on-year average sales prices (34%)

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Lithium: Gross margin (-20%) affected by increased cost of sales driven by higher lease payments to Corfo

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SPN: Lower sales volumes (-20%), flat year-on-year average sales prices

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Potassium: Lower average sales prices (-21%) and sales volumes (-3%)



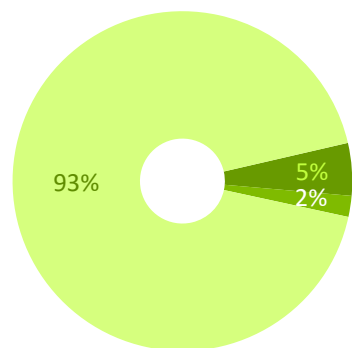
# Lithium and Derivatives: Intact Fundamentals, Tight Demand and Supply Conditions



## LITHIUM AND DERIVATIVES

LTM<sup>1</sup> Gross Profit: US\$4.4B

LTM<sup>1</sup> Revenues: US\$8.4B



■ Europe ■ North America ■ Asia

~20% Market Share<sup>2</sup>

Quarterly Sales Volumes (kMT)  
& Average Price (US\$/kg)



## Global Lithium Chemical Market

- Slow demand and high inventory levels in the battery value chain at the beginning of 2023 impacted customer purchasing activity.
- We believe that destocking has come to an end as customers are looking for more volume to buy.
- We expect the market to remain tight for the remainder of the year, with demand growing at least 20% and new supply delayed.

## SQM Lithium

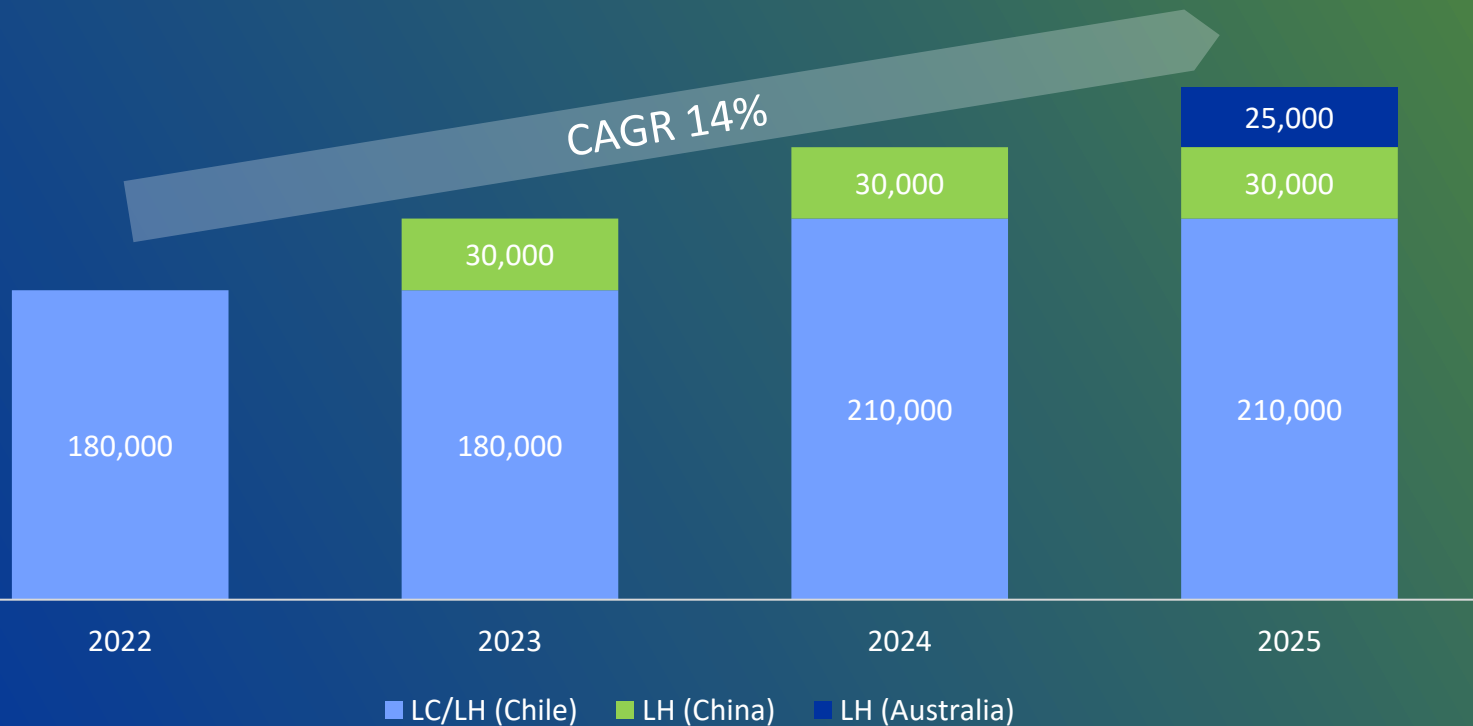
- Lower sales volumes in the 1Q2023 as a result of softer market demand. Sales volumes are expected to increase in the upcoming quarters.

<sup>1</sup> Last twelve months ended March 31, 2023.

<sup>2</sup> Market share as of December 31, 2022. Market share percentages have been developed by us using internal and external sources and reflect our best current estimates, which have not been confirmed by independent sources.

# Meeting Lithium Demand Growth through Innovation and Significant Capacity Increase

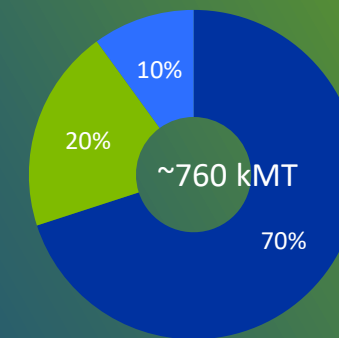
SQM Lithium Capacity Growth, MT



- 2022-2025: Antofagasta Carmen Lithium plant capacity expansion.
- 2023: Beginning of lithium hydroxide refining capacity at Sichuan plant (China).
- 2023: Spodumene production to start at Mt. Holland site (4Q2023)
- 2025: Start-up of lithium hydroxide production at Kwinana refinery in Australia (50/50 JV, total capacity 50,000 MT).

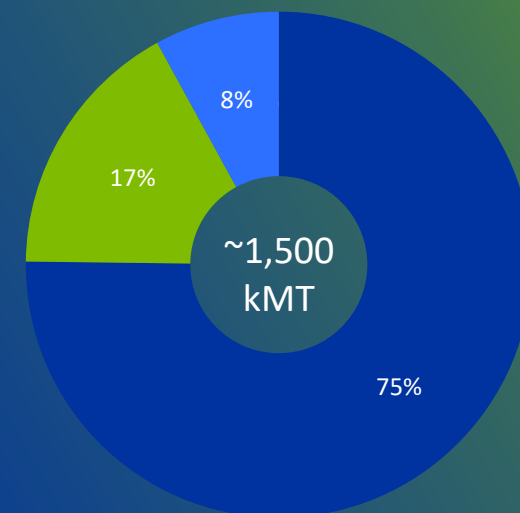
## Lithium Chemical Demand

2022



CAGR ~23%

2025E

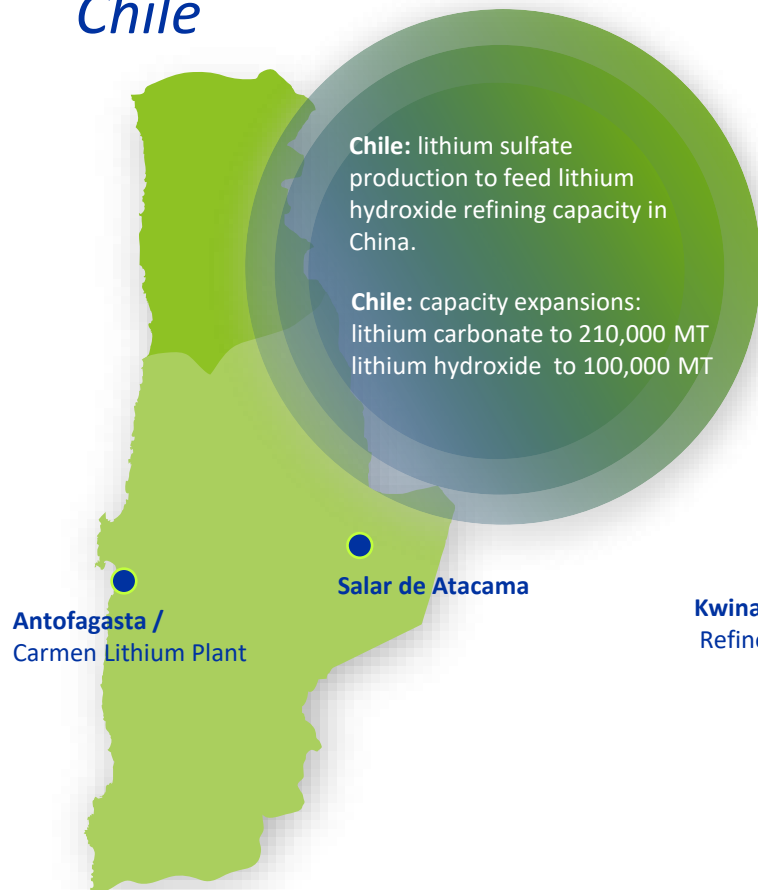


EV Batteries Other Batteries Others

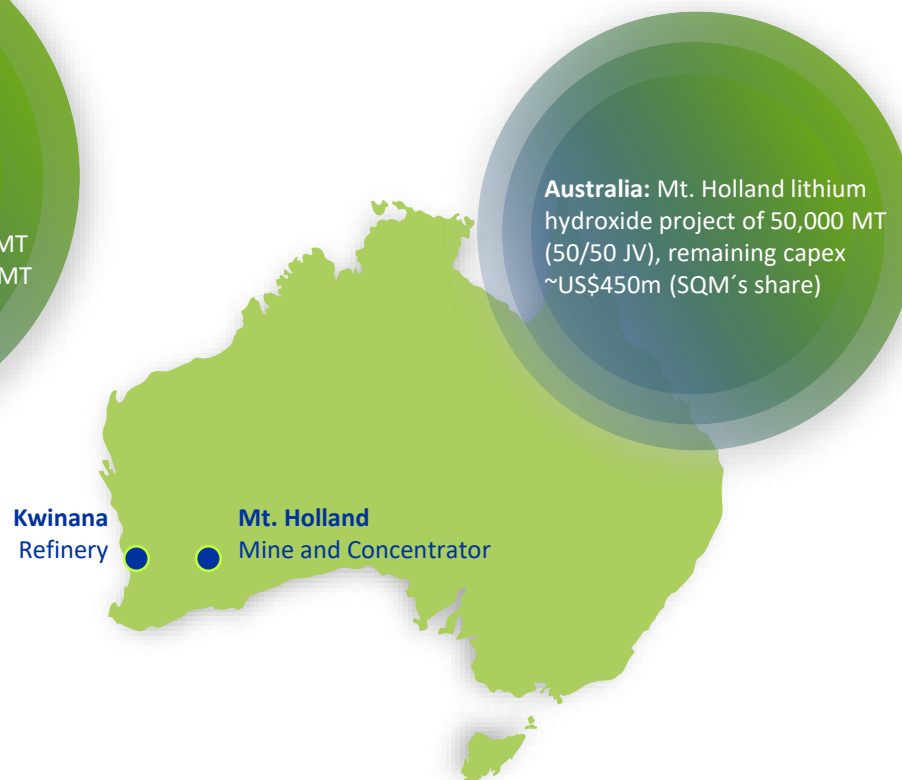
# Lithium and Derivatives: Fully integrated lithium producer from natural resource to chemical refining with full traceability



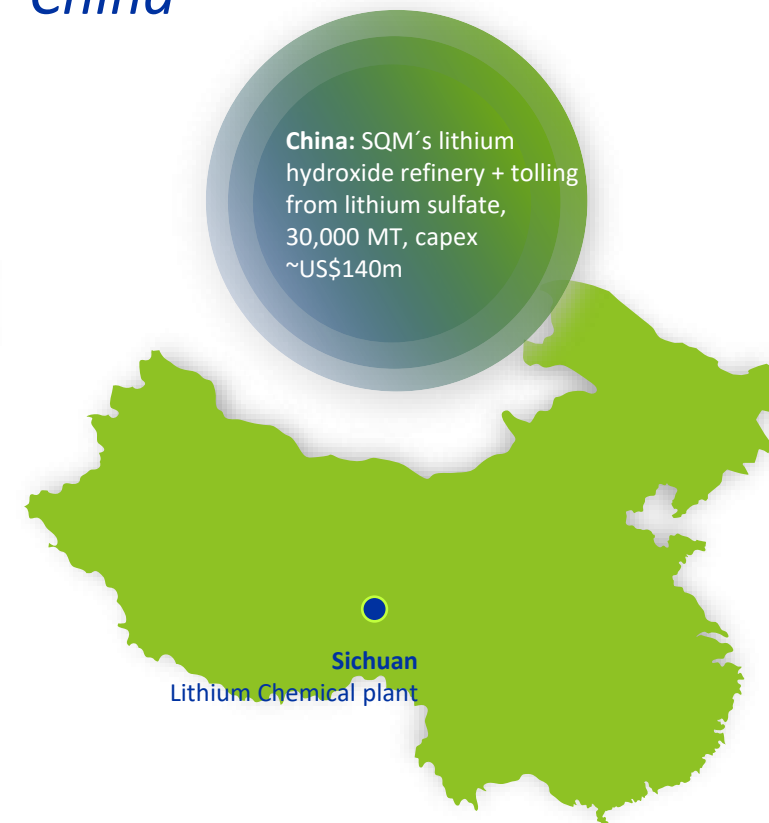
## Chile



## Australia



## China

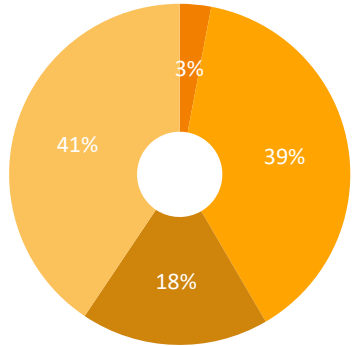


**Total capex 2023-2025: US\$2.2 billion, including maintenance**

# Iodine and Derivatives: Tight Supply and Demand – Record Prices Continue



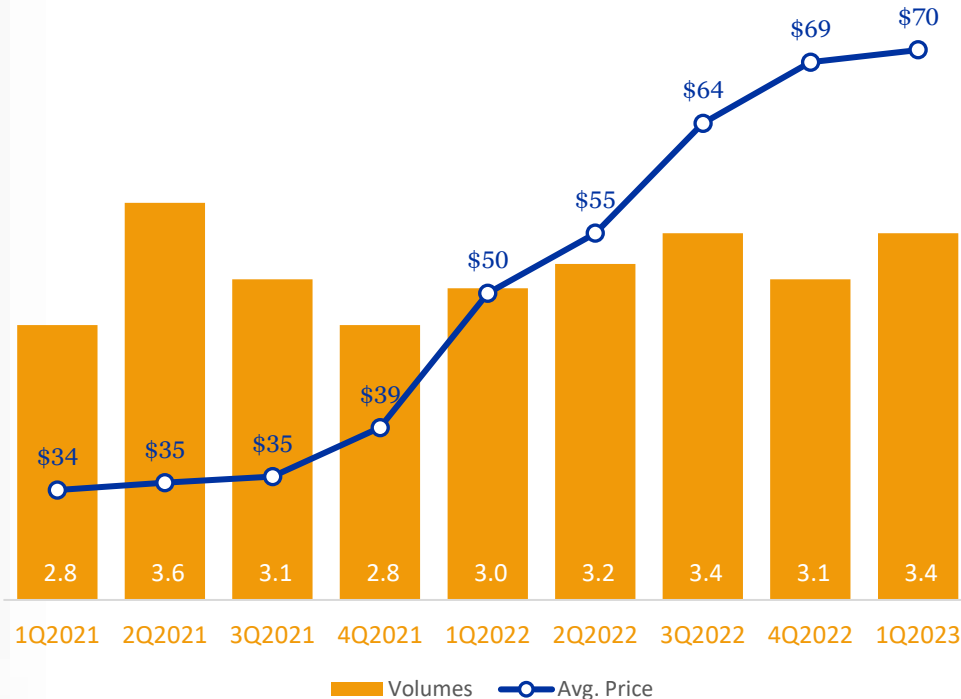
LTM<sup>1</sup> Gross Profit US\$539M  
 LTM<sup>1</sup> Revenues: US\$842M



■ Latam & Caribbean ■ Europe  
 ■ North America ■ Asia

~33% Market Share<sup>2</sup>

Quarterly Sales Volumes (kMT) & Average Price (US\$/kg)



## Global Iodine Market

- Flat global market growth in 2023, with contrast media segment growing close to 7%.
- Market remains tight, prices hit a record high, and stable prices are expected for 1H2023.

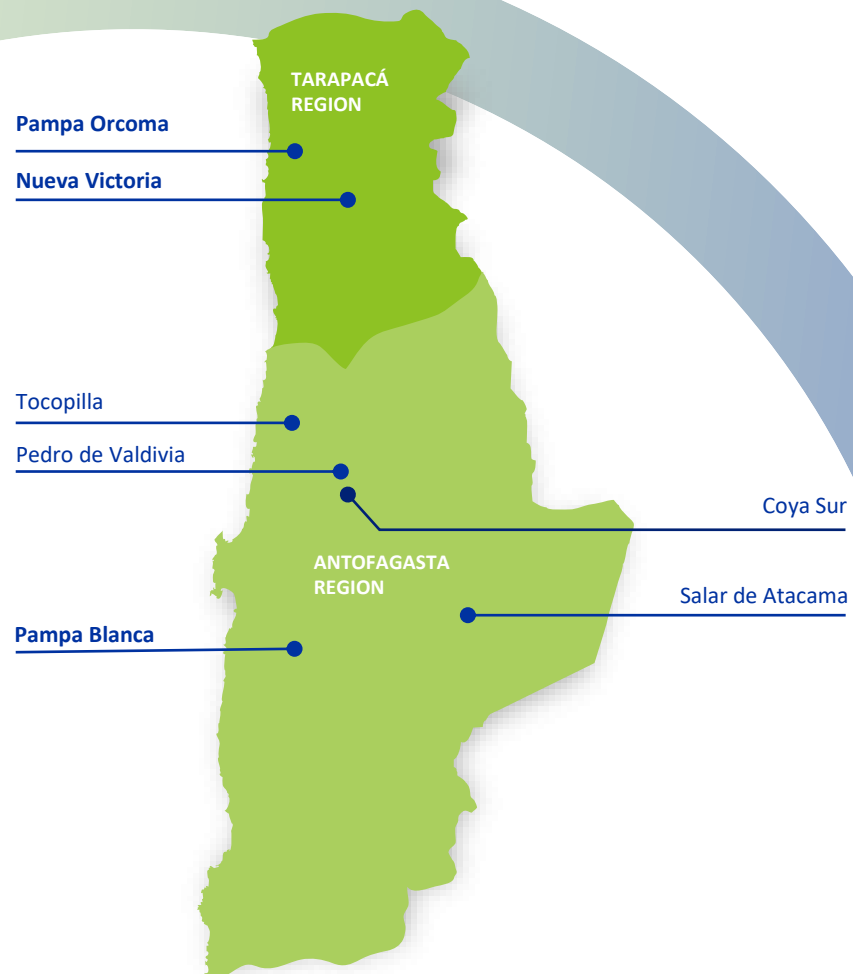
## SQM Iodine & Derivatives

- Slightly higher sales volumes are expected in 2023 vs 2022 with higher average price when compared to 2022.
- Continue to work on iodine capacity expansions, which will let us add additional ~1,000 metric tons in 2023.

<sup>1</sup> Last twelve months ended March 31, 2023.  
<sup>2</sup> Market share as of December 31, 2022. Market share percentages have been developed by us using internal and external sources and reflect our best current estimates, which have not been confirmed by independent sources.

# Nitrates and Iodine Operations: SQM to maintain leading position in nitrates and iodine industries

Iodine and Nitrates Projects, total capex 2023-2025: ~US1.2 billion, including maintenance:



**Pampa Blanca**, additional 1,300 MT of iodine and 100,000 MT of nitrates salts

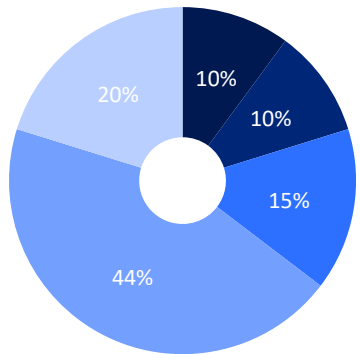
**Greenfield projects**, additional 2,500 MT of iodine and 250,000 MT of nitrates salts, using seawater

**Nueva Victoria**, up to 900 I/s seawater supply project and yield improvement initiatives

# Specialty Plant Nutrition: High Prices, Increased Competition – Slower Demand Recovery



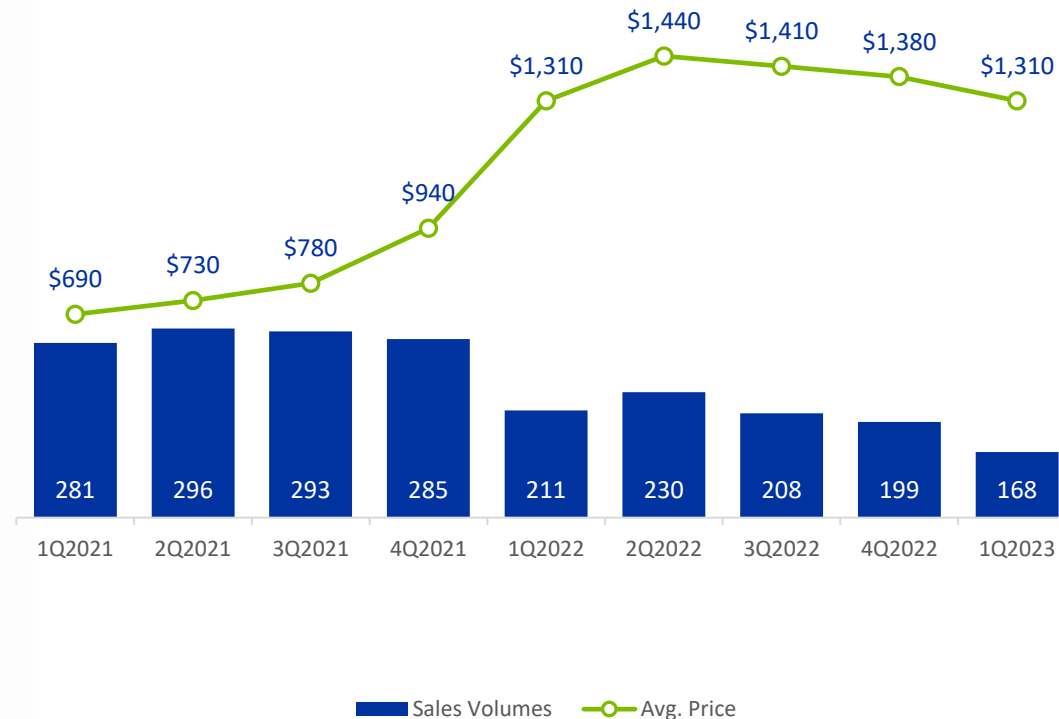
LTM<sup>1</sup> Gross Profit US\$399M  
LTM<sup>1</sup> Revenues: US\$1.1B



■ Chile  
■ Europe  
■ Asia  
■ Latam & Caribbean  
■ North America

~45% Market Share<sup>2</sup>

SPN Quarterly Sales Volumes (kMT) & Average Price (US\$/MT)



## Global KNO<sub>3</sub> Market

- Lower potassium prices put pressure on KNO<sub>3</sub> price.
- Some demand recovery is expected in the agricultural potassium nitrate market during 2023.

## SQM KNO<sub>3</sub> 2023

- Depending on the rate of demand recovery, sales volumes in the SPN business line are expected to be similar or better in 2023 vs 2022.

<sup>1</sup> Last twelve months ended March 31, 2023.

<sup>2</sup> Market share in the agricultural potassium nitrate market as of December 31, 2022. Market share percentages have been developed by us using internal and external sources and reflect our best current estimates, which have not been confirmed by independent sources.



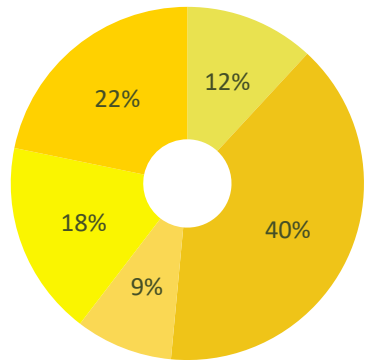
# Potassium: Prices Decline – Sales Volumes Increase



POTASSIUM

LTM<sup>1</sup> Gross Profit US\$212M

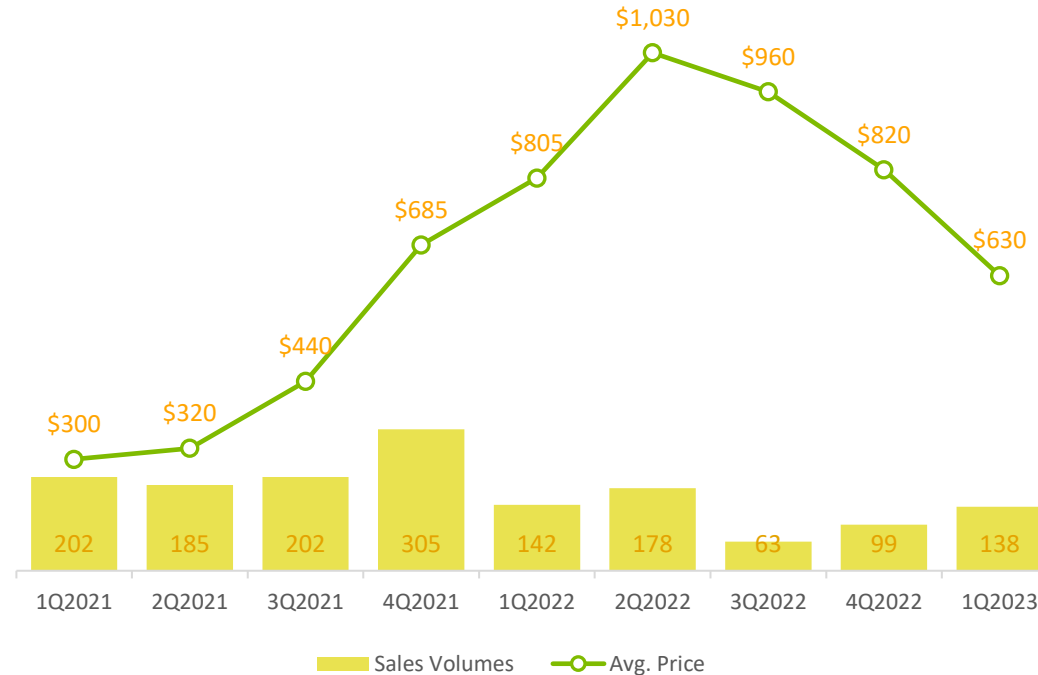
LTM<sup>1</sup> Revenues: US\$410M



- Chile
- Latam & Caribbean
- Europe
- North America
- Asia

~1% Market Share<sup>2</sup>

Potassium Quarterly Sales Volumes (kMT) & Average Price (US\$/MT)



<sup>1</sup> Last twelve months ended March 31, 2023.

<sup>2</sup> Market share as of December 31, 2022. Market share percentages have been developed by us using internal and external sources and reflect our best current estimates, which have not been confirmed by independent sources.

## Global Potash Market

- Potash prices continued to decrease during 1Q23 as a result of weaker demand and high inventory across the markets.
- Potassium market demand decreased almost 10 million tons in 2022 vs 2021. Lower prices should result in some demand recovery in 2023.

## SQM Potassium 2023

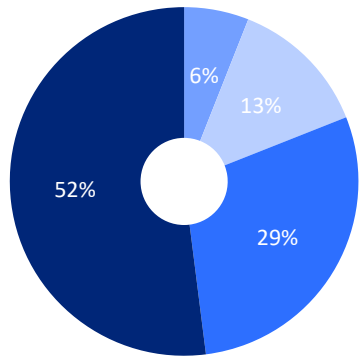
- Potassium chloride and potassium sulfate sales volumes are expected to reach ~500,000 metric tons in 2023.

# Industrial Chemicals: Historically High Prices in Industrial Markets



## INDUSTRIAL CHEMICALS

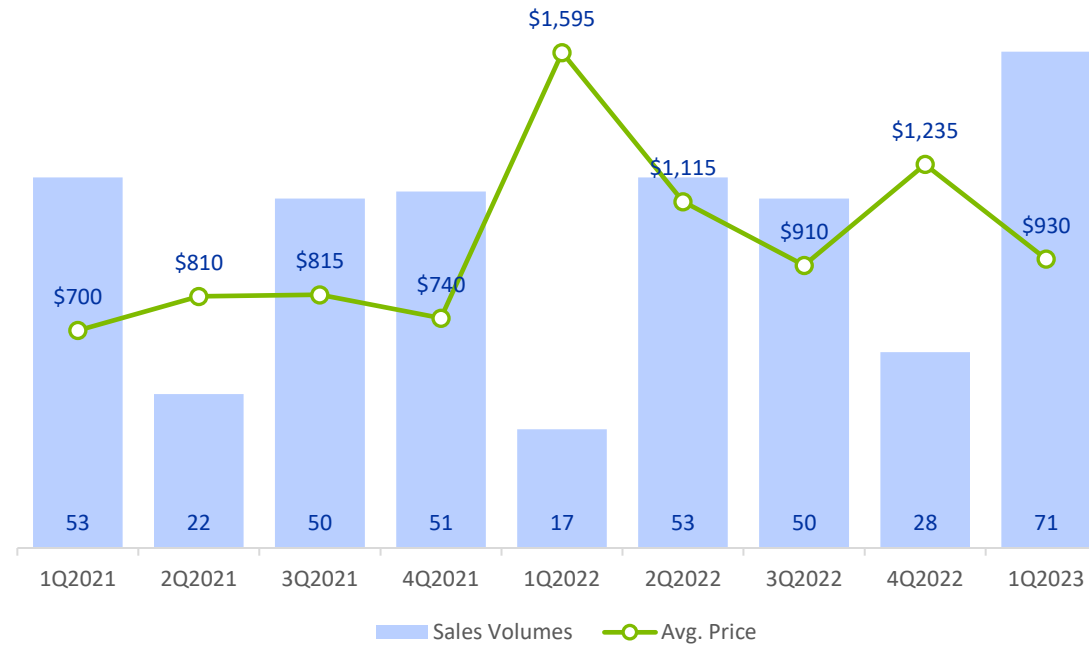
LTM<sup>1</sup> Gross Profit US\$52M  
LTM<sup>1</sup> Revenues: US\$205M



■ Latam & Caribbean ■ Europe  
■ North America ■ Asia

~60% Market Share<sup>2</sup>

Industrial Chemicals Quarterly Sales Volumes (kMT) & Average Price (US\$/MT)



## Global Industrial Chemicals Market

- Industrial potassium nitrate market prices should follow the trends seen in the agricultural sector.

## SQM 2023

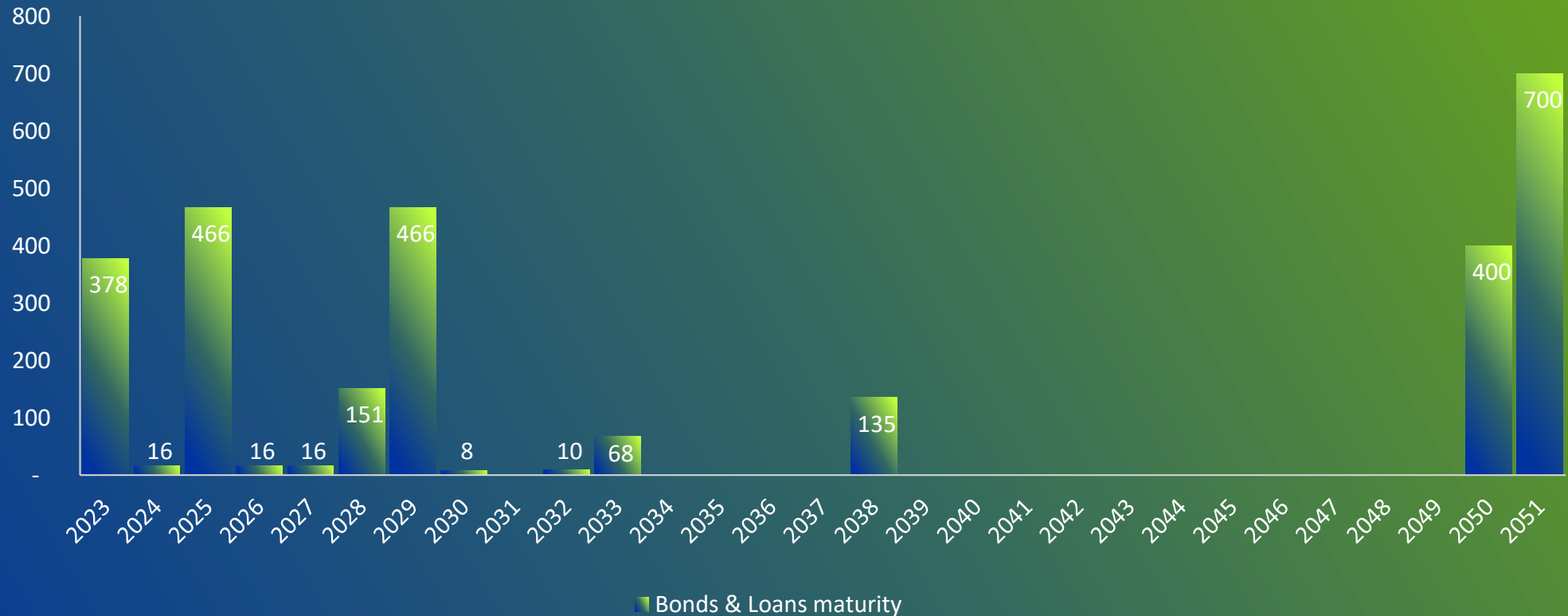
- We expect to sell ~120,000 metric tons of solar salts.

<sup>1</sup> Last twelve months ended March 31, 2023.

<sup>2</sup> Market share in the industrial potassium nitrate market as of December 31, 2022. Market share percentages have been developed by us using internal and external sources and reflect our best current estimates, which have not been confirmed by independent sources.

# Debt Maturities: Prudent Financial Management & Stable Investment Grade Rating

Maturity debt profile<sup>1</sup> as of March 31, 2023 (US\$ million)

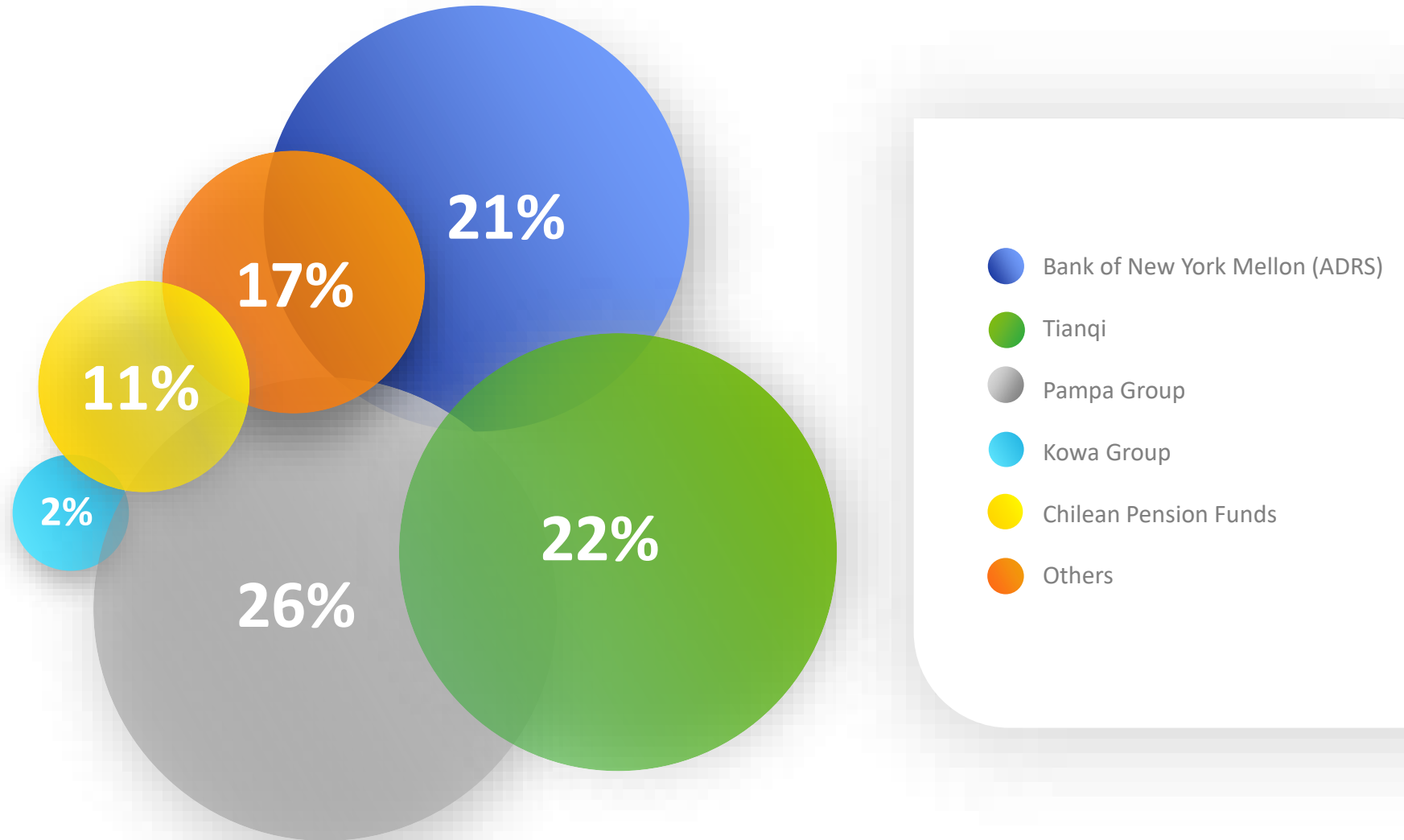


Moody's: Baa1 | Standard & Poor's: BBB+

<sup>1</sup> Including amortization

# Ownership & Dividends: Delivering Robust Growth and Profitability

Ownership Structure<sup>1</sup>



<sup>1</sup> According to the Shareholder Registry as of April 30, 2023

# Ownership & Dividends: Delivering Robust Growth and Profitability

## Dividend Policy<sup>1</sup>

Dividend Payout (% of Net Income)		100%	80%	60%
$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	$\geq$	2.5	2.0	1.5
$\frac{\text{Current and Non-Current Liabilities} - \text{Cash \& Cash Equivalents} - \text{Other Current Financial Assets}}{\text{Total Equity}}$	$\leq$	0.8	0.9	1.0
<i>If none of the above parameters are met, dividend payout would be 50% of 2023 net income</i>				

<sup>1</sup> Please see the full version on our website at [www.sqm.com](http://www.sqm.com)

# Agreement with CORFO

## Payments<sup>1</sup>

Li <sub>2</sub> CO <sub>3</sub>		LiOH		KCL	
US\$/MT	% <sup>2</sup>	US\$/MT	% <sup>2</sup>	US\$/MT	% <sup>2</sup>
< 4,000	6.8	< 5,000	6.8	<300	3.0
4,000 – 5,000	8.0	5,000 – 6,000	8.0	300 – 400	7.0
5,000 – 6,000	10.0	6,000 – 7,000	10.0	400 – 500	10.0
6,000 – 7,000	17.0	7,000 – 10,000	17.0	500 – 600	15.0
7,000 – 10,000	25.0	10,000 – 12,000	25.0	>600	20.0
> 10,000	40.0	> 12,000	40.0		

### Production Allowance

Total production quota 2018-2030: 349,553 MT of LME or ~2.2 million metric tons of LCE

## Example

Lithium Average Price, US\$/MT		\$50,000		\$40,000		\$30,000	
Total Lease Fee Paid	%	US\$/MT	%	US\$/MT	%	US\$/MT	%
Li <sub>2</sub> CO <sub>3</sub>	34.7%	\$17,372	33.4%	\$13,372	31.2%	\$9,372	
LiOH	33.5%	\$16,730	31.8%	\$12,730	29.1%	\$8,730	
Potassium Price, US\$/MT		\$600		\$500		\$400	
Total Lease Fee Paid	%	US\$/MT	%	US\$/MT	%	US\$/MT	%
KCL	6.8%	\$61	5.2%	\$26	4.0%	\$16	

### Contribution to the Development & Communities

- Annual contribution of ~US\$11-19 million for R&D efforts
- Annual contribution of ~US\$10-15 million to neighboring communities of the Salar de Atacama
- Annual contribution of 1.7% of SQM Salar's sales per year to regional development

**Total contribution to the Chilean treasury for the three months ended March 31, 2023, surpassed US\$1 billion.**



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## Contact information

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