

## Salmones Camanchaca signs the first Sustainable Credit Facility of its kind in the Chilean industry for a total of US\$ 135 million

- The new agreement, that reschedules its financing lines with DNB Bank, Rabobank and Santander, will grant additional liquidity to the Company for the next 5 years, and is the first that meets the five characteristics to be recognized as a **"Sustainability Linked Loan"** by the Loan Market Association (LMA) and the Loan Syndications and Trading Association (LSTA), which require linking margins to compliance with progress on specific sustainability metrics negotiated with creditors.
- Reduction in the emission of greenhouse gases to achieve Carbon Neutrality by 2025; increase in the fraction of non-hazardous solid waste that is recycled, and progress in labor safety are some of the commitments included.

*Thursday, November 18, 2021.*- Salmones Camanchaca has reschedule its long-term financing lines with DNB Bank, Rabobank and Santander, for a total of US \$ 135 million, which gives the company an important financial liquidity for the next 5 years, given the 3 years grace period, reductions of 10% at the end of year 3 and 4, and 80% amortization at the end of 2026.

This renegotiated credit facility led by DNB bank, will have financial costs like the ones in previous agreement. The novelty of this committed credit line is that it is the first in the Chilean salmon industry that meets the five key characteristics to be considered as a **"Sustainability Linked Loan" (SLL)**, quality granted by the Loan Market Association (LMA) and the Loan Syndications and Trading Association (LSTA), that is ambitious objectives and with enough materiality to achieve progress; agreement of key performance indicators with creditors and margin spreads linked to achieving these objectives. It requires as well certified independent reporting.

In line with the above, this SLL or credit facility linked to progress in sustainability measurements includes special clauses that grant a discount of up to 5 basis points in the interest rate of Salmones Camanchaca, when progress is reported in the following five dimensions: 1) reduction in greenhouse gases emissions in more than 40% from 2020, reaching Carbon Neutrality by 2025; 2) increase the harvested biomass volume with Aquaculture Stewardship Council (ASC) certification, exceeding 61% by 2025, with the most demanding and prestigious certification for sustainable salmon farming; 3) decrease of marine ingredients inclusion rates in diets for salmon (known as "fish in-fish out ratio") targeting lower than 0,6 by 2025; 4) increase the fraction of non-hazardous solid waste that is recycled by the company (not sent to landfills) exceeding 60% by 2050; and 5) improvement of the occupational health and safety performance, to be among the leaders in Chile and with a accident rate of 2, which represents a decrease of 25% vs 2020.

"We proactively went to our creditor banks, not only to request and negotiate a refinancing much longer than we had, but also to include a set of commitments and ambitious sustainability targets as a clear demonstration of our commitment for sustainable salmon farming, and very transparent in its progress report. This is part of our sustainability model, which we have promoted since 2019,

so that we do not become a passive spectator given the challenges of the planet and Chile, and this reaches financial management," said Ricardo García Holtz, vice president of Salmones Camanchaca.

The new credit facility is materialized in a context of favorable recovery for the company, having communicated only 8 days ago a significant improvement **in its financial results for the third quarter of the year**, with an EBITDA driven by salmon prices increasing, after a start of the year affected by episodes of algae bloom. These events, added to the impacts on sales prices derived from the pandemic, led the company to approve a capital increase **of up to US\$ 30 million** to strengthen its financial position and support an investment plan in 2022 to reduce operational risks.

In this same context, this week Salmones Camanchaca **was selected in the** exclusive group of companies that are part of the **Dow Jones Sustainability Index (DJSI) of Chile** and **MILA Pacific Alliance** (which includes the stock exchanges of Santiago, Peru, Colombia and Mexico), this is a direct recognition of the company's sustainability management, and their social, environmental and economic performance. The firm obtained 64 points out of a total of 100, remaining over 92% of the rest of the companies evaluated.