
**REQUEST FOR PROPOSAL (RFP) FOR THE CREATION OF THE
CHILEAN INSTITUTE OF CLEAN TECHNOLOGIES**

Table of contents

1.	GENERAL BACKGROUND.....	3
1.1	The challenge of climate change and the role of renewable energies.....	3
1.2	The position of Chile and the Antofagasta region in this context.....	4
1.3	R&D contribution, CORFO Contract – SQM.....	4
1.4	The entity receiving the R&D contribution.....	5
2.	SCOPE, OBJECTIVES AND RESULTS.....	6
2.1	Scope of the proposals.....	6
2.2	Objectives of the Call.....	6
2.3	Expected results.....	7
3.	FUNCTIONS OF THE INSTITUTE.....	9
3.1	Industrial research and technological development.....	9
3.2	Provision of technological services.....	9
3.3	Technology transfer and dissemination.....	9
3.4	Promotion of entrepreneurship and technology-based innovation.....	9
3.5	Generation of information to support regulation and public policies.....	10
3.6	Development and strengthening of human capital.....	10
4.	AREAS OF INTEREST AND CHALLENGES.....	10
4.1	Solar energy.....	10
4.2	Sustainable mining.....	11
4.3	Advanced materials of lithium and other minerals.....	11
5.	APPLICANT AND ASSOCIATED ENTITIES.....	11
5.1	Constitution of a new non-profit legal entity.....	11
5.2	Associates.....	12
6.	FINANCING STRUCTURE.....	13
6.1	Contribution for the installation and development of the Institute.....	13
6.2	Contribution of Associates.....	14
7.	GUIDELINES FOR GOVERNANCE.....	15
8.	FUNDABLE AND NON-FUNDABLE ACTIVITIES.....	16
8.1	Fundable activities.....	16
8.2	Non-fundable activities.....	17
9.	CONTENTS OF THE PROPOSAL.....	17
9.1	Identification and background of the proposal.....	17
9.2	Description of the current situation.....	17
9.3	Strategic Development Plan.....	17
9.4	Proposal of infrastructure and equipment.....	18

9.5	Work plan and outcome indicators	18
9.6	Proposal of public goods.	19
9.7	Governance model	19
9.8	Technology Transfer Strategy	19
9.9	Sustainability.....	19
9.10	Budget and co-financing	20
10.	APPLICATION PROCESS	20
10.1	Call.	20
10.2	Application means	21
10.3	Background for the Application.....	21
10.4	Consultations and Clarifications	22
11.	EVALUATION AND DECISION PROCESS.....	23
11.1	Admissibility Analysis.....	23
11.1.1	Legal background analysis	23
11.1.2	Technical relevance analysis.....	23
11.2	Postulation Evaluation.....	24
11.2.1	Evaluation criteria.....	24
11.3	Decision.	28
12.	FORMALIZATION OF THE AGREEMENT AND DELIVERY OF THE CONTRIBUTION	28
13.	GENERAL ASPECTS	29
13.1	Responsibility of CORFO and the applicants	29
13.2	Obligation of defense and compensation	29
13.3	Confidentiality	29
13.4	Reservation right	30
13.5	Integrity pact	30
13.6	Anti-corruption laws	30
14.	ANNEX 1.....	31
15.	ANNEX 2.....	33
16.	ANNEX 3.....	34

1. GENERAL BACKGROUND

1.1 The challenge of climate change and the role of renewable energies

More than 185 countries endorsed the Paris Agreement adopted in 2015 at the 21st yearly session of the Conference of the Parties (COP21) to the United Nations Framework Convention on Climate Change to establish ambitious measures for the reduction of greenhouse gas (GHG) emissions. Through the adaptation, mitigation and resilience of ecosystems for Global Warming purposes the agreement aims to keep temperature rise below 2°C with respect to the preindustrial level. The National Congress approved the agreement in January 2017. The Ratification Instrument of the Agreement was deposited on February 10, 2017, with the Secretary-General of the United Nations and was promulgated by Decree N°30 of 2017, from the Ministry of Foreign Affairs and published in the Official Gazette on May 23, 2017.

Through this Agreement, Chile undertook to prepare, communicate and maintain its determined contribution with an implementation period between 2018 and 2030, including various milestones and actions in the field of mitigation and adaptation to climate change, capacity building, technology transfer and financing, among others¹.

Additionally, the Special Report on global warming of 1.5°C prepared in October 2018 by the Intergovernmental Panel on Climate Change (IPCC) states the need for a more decisive action to face one of humanity's greatest challenges. The report confirms the urgent need to curb the increase in greenhouse gas emissions and provide a more recent science assessment of global warming of 1.5°C instead of 2°C. The difference between these two numbers of barely half a degree may not seem significant, but the IPCC indicates that a 2°C increase in global average temperature would lead to worse and irreversible global and regional impacts.

To reduce the level of global warming in the future, "zero net emissions" need to be achieved by mid-century. This will require a rapid transition of the world economy. Indeed, in the next 10 to 20 years, energy, agricultural, urban and industrial systems must be transformed, as well as involving non-state actors and integrating climate action into the broader framework of public policies. These will influence areas such as employment, security, technology and innovation.

For the above to happen, the contribution of renewable energies in the energy matrix will have to increase hand in hand with the development of new low-emission technologies, and the maturation of those that allow achieving sufficient scales to trigger an even greater process of investment costs reduction so to enable technological adoption.

On the other hand, in terms of transport, a large number of projections show a relevant change on future trends and developments in the types of energy for mobility. BloombergNEF estimates the sales of electric cars to increase to 10 million by 2025 and 56 million by 2040, equivalent to 50% of sales of electric cars worldwide for that year². This will have a significant impact on the demand for new technological inputs for the storage and accumulation of energy and for a demand derived from some key raw materials for these purposes. For this year 2019, the global demand for lithium is expected between 276,000 and 290,000 tons of Equivalent Lithium Carbonate (LCE). Such demand is expected to increase significantly, reaching 1.9 million tons of LCE by 2035³.

Electric cars utilize about 80-85 kg of copper, versus 20-25 kg for traditional cars. Thus, the demand associated with electromobility could reach 1.74 million tons per year by 2027⁴ and

¹ National Climate Change Action Plan 2017 - 2022, Ministry of Environment, 2017 https://mma.gob.cl/wp-content/uploads/2017/07/plan_nacional_climatico_2017_2.pdf

² Electric Vehicle Outlook 2019, BloombergNEF, 2019.

³ SignumBOX 2019,

⁴ ID Tech – International Copper Association

could mean a third of the demand for refined copper by 2035. Other scarce minerals will also be requested, such as cobalt, nickel and manganese.

However, according to the IEA, in addition to the monitoring of the price and availability of these resources, the minimization of the environmental impacts due to their extraction and processing will also be necessary to put the market for renewable energy and electric vehicles on an economically and environmentally sustainable trajectory. This necessarily implies the development of a sustainable mining industry, with low emissions and traceability.

1.2 The position of Chile and the Antofagasta region in this context.

The threat posed by climate change can be transformed into an opportunity for sustainable economic development for those countries that are taking an active role in the renewable energy, energy efficiency and electro mobility industry, or for those countries with natural resources that are key to favour this green growth, as is the case of Chile.

The World Bank⁵ analysed the role of minerals and metals for the future of low emissions and states that “the shift towards low carbon energy will produce global opportunities in relation to a significant number of minerals,” highlighting that the region, with Chile in the first place, “is in an excellent position to supply the global energy transition”, with its strategic advantages in key materials such as copper, lithium, iron, silver, aluminium, nickel, manganese and zinc.

The Chilean Ministry of Energy and the German International Cooperation Agency (GIZ) estimated in about 1,800 GW the potential of solar energy in Chile, concentrated in the Atacama Desert. This is more than 70 times the capacity currently installed in the country, enough to supply more than four times the energy consumed by all Latin America (Brazil being the main consumer), or even all the energy requested by the American continent (including States United).

This is how the natural wealth of the Atacama Desert can become Chile's greatest opportunity to achieve its development.

With global radiation levels (GHI) that reach 2,700 kWh/m²year, and 3,800 kWh/m²year in the case of direct normal radiation (DNI), and with more than 4,200 average hours of sunshine, the northern area of Chile becomes an exceptional place for investments in solar technologies: photovoltaic solar energy (PV), solar power concentration (CSP), solar fuels (such as hydrogen), and thermal applications, among others.

Given its exceptional solar resources, Chile is in a privileged position in this new “green” copper and lithium industry, being able to capture a significant proportion of this emerging global market and, at the same time, contributing to the sustainable development of the country and the fulfilment of the objectives in the fight against climate change.

1.3 R&D contribution, CORFO Contract – SQM

Production Development Corporation, hereinafter “CORFO”, is the owner of mining belongings, the Belongings, called “OMA”, located in the Atacama salt flat, “Salar de Atacama”, some of which are currently operated by SQM Salar S.A. under contracts signed with CORFO in 1993, mainly for the production of lithium, potassium and magnesium.

In January 2018, CORFO and SQM Salar S.A. (and its partners: Sociedad Química y Minera de Chile SA and SQM Potasio SA), modified and signed the “Contract for Project in the Salar de Atacama”, hereinafter referred to as “Salar de Atacama Contract” and the “Leasing Contract of Mineral Ownerships OMA”, through which SQM Salar SA undertakes to increase the productive

⁵ The Growing Role of Minerals and Metals for a Low Carbon Future, World Bank Group and EGPS.

capacity of lithium products in battery grade from 180,100 tons, contemplated in the contract currently in force, to 349,553 metric tons of equivalent metallic lithium, in the OMA mining belongings located in the Salar de Atacama, which were leased by CORFO until December 31, 2030.

The foregoing allowed the incorporation of a clause in the Project Contract, previously singled out, which contains the obligation of SQM Salar S.A. to make annual contributions for research and development (R&D), and whose tenor is as follows:

FIFTEENTH: Research and Development Efforts in Chile.

Fifteen. One. From the year two thousand eighteen and during the entire Term of the Contract, the Company undertakes unilaterally and irrevocably to contribute annually resources for research and development under the terms of this Clause (the "R&D Contributions"). The R&D contribution must be made to one or more technological institutes and/or research and technological development entities, public or private non-profit, that carry out research and development activities, technology transfer and innovation, technological and specialized technical assistance, technological diffusion or generation of research and information to support regulation and public policies, whose purpose is mainly and among others: (i) studies, research and development of technology that focuses on the use and/or application of solar energy, lithium salts or salts and products of the Belongings; non-metallic mining; or use of solar energy, low-emission metal mining, complementary to the lithium industry in battery development; (ii) studies, research and technology development of complementary industries to lithium in the development of electro mobility and stationary energy storage sources. This includes metallic and non-metallic mining whose products are used for the development of electro mobility, the storage of electrical energy, sustainable mining development and low in emissions, the generation of certified components for electro mobility that facilitate the penetration of intermittent energies, which ultimately need lithium batteries (the "R&D Entities").

Fifteen. Two. One of the objectives of the R&D contribution is to encourage the use of the products of the Belongings, which can potentially translate into a greater volume of sales and/or better future prices of the different products that derive from the exploitation of the mining resources of the Belongings.

Fifteen. Three. The Company recognizes in CORFO the experience and knowledge to determine the Entities that will benefit from the Contribution. Notwithstanding the foregoing, the R&D Entities must previously go through a due diligence process and the approval of the SQM compliance program.

Fifteen. Four. The R&D Contribution may be used only by those R&D Entities in which there is a representation, participation or in any other way interference in its administration, of representatives of universities and/or bodies of the State Administration. Such contribution must be devoted exclusively to the creation, development and maintenance of specialized technological capabilities, as well as the operation of such entities as established in the agreements referred to below. While determining the R&D Entities, the board of CORFO shall establish the term for receiving the R&D Contribution, which may not exceed ten years or the remaining term of the contract, and the purposes of the funds. The R&D Contribution may be renewed or modified by the board of CORFO as far as each R&D Entity remains under the obligation of respecting the purpose for which the contribution is intended and the fulfilment of the purposes and multi-year objectives and performance evaluations that CORFO will establish through an agreement signed with each R&D Entity (...).

1.4 The entity receiving the R&D contribution

To address the challenges described above, and in accordance with the Atacama Salar Contract, CORFO decided to contribute to the creation of the "Chilean Institute of Clean Technologies" or the "Technological Institute", or the "Institute", which will have a strong industrial focus, aimed at catalysing the development, scaling and adoption of technological solutions in solar energy, sustainable mining and advanced materials of lithium and other minerals.

For the Technological Institute to access the R&D Contribution, CORFO defined the nature, scope, functions and corporate governance of this entity, all of which are described and treated throughout this instrument.

2. SCOPE, OBJECTIVES AND RESULTS

This call, "REQUEST FOR PROPOSAL (RFP) FOR THE CREATION OF THE CHILEAN INSTITUTE OF CLEAN TECHNOLOGIES", henceforth and without distinction "RFP", seeks to select the proposal for the installation in Chile of a technological institute for the development of clean technologies, in the following areas of interest: solar energy; sustainable mining; advanced materials of lithium and other minerals, and development of complementary technologies for the lithium industry in the development of batteries.

Applicants will have to submit a proposal for a Strategic Development Plan (hereinafter indistinctly "Proposal") for the creation, operation and consolidation of this Institute, which will transform it into an international technological reference in its areas of specialization, and in a pole of innovation and entrepreneurship of global scope, which captures value for the regional and national economy, in accordance with the provisions of this Procedure.

2.1 Scope of the proposals

The Institute's Strategic Development Plan must contemplate the following:

- Any action must be associative and include the participation of companies and entities supporting research and development (national and foreign technological centres or universities), and in general legal, public or private persons, with or non-profit, national or foreign.
- The Institute will be located in Chile with main location in the Antofagasta Region, with the possibility to operate in secondary or support facilities in other regions of the country and/or abroad, as long as there is an adequate justification.
- Studies, research and technology developed at the Technological Institute should focus, among others, on the use and/or application of solar energy, low-emission mining and advanced materials of lithium and other minerals, and development of complementary technologies for the lithium industry in battery development.
- The Recipient or Beneficiary of the R&D contribution must be a non-profit legal entity created or constituted for that purpose and complying with the requirements of section 15.4 of clause fifteenth: Research and Development efforts in Chile, of the CORFO-SQM contract. The new legal entity must be established at the date of signing the Agreement indicated in point 12 of this RFP document.

Proposals that do not consider any of the elements previously indicated may be rejected.

2.2 Objectives of the Call

Main objective:

Support the Creation and Installation of a Technological Institute that develops research and development activities, technology transfer and innovation, technological and specialized technical assistance, technology diffusion or generation of research and information to support

regulation and public policies, in the areas of solar energy, sustainable mining and advanced materials of lithium and other minerals, and development of complementary technologies for the lithium industry in the development of batteries.

Specific objectives:

- Solve the gaps in the infrastructure and technological equipment, provide specialized technological assistance for innovation through collaborative models of R&D contracts, technological services linked to the territory and the opportunities and challenges of the industry.
- Implement a prioritization model of a portfolio of industry-oriented R&D projects through the adaptation and/or development of technological solutions, including procedures to comply with safety standards, test protocols and certification of results, which make possible the proposed developments.
- Allocate at least 10% of the R&D contribution provided by SQM Salar S.A. to develop technologies and processes in the value chain of lithium cell manufacturing for batteries.
- Implement a technology transfer strategy that ensures scaling and, at the same time, captures the maximum benefit for Chile in production chains.
- Develop a strategy of scaling and commercialization that includes the strengthening of both technology-based entrepreneurship and local suppliers of the production chain for the provision of new services, component production and/or integration of solutions, in the rest of the Country and abroad.
- Allocate at least 10% of the R&D contributions provided by SQM Salar S.A. for research and development activities, technology transfer and innovation, technological and specialized technical assistance, in the areas indicated in the main objective, whose main beneficiaries are those that CORFO has selected as “Specialized Producers” in accordance with clause 15 of the “Leasing Contract of Mineral Ownerships OMA” signed with SQM Salar SA.
- Consolidate a financing model that ensures the long-term economic sustainability of the institute.
- Contribute to the public policy objectives that are being promoted by the State Administration Bodies linked to the Institute's objectives

2.3 Expected results

The Technological Institute seeks to achieve at least the following results in 10 years:

Start-up Stage, first 2 years

- Advanced technological infrastructure with utilization models that guarantee a broad access to R&D&I entities, companies and technology entrepreneurship.
- Portfolio of industry-oriented R&D projects that integrate and harmonize different levels according to the “Technology Readiness Levels (TRL)”.
- Management model and policies of intellectual and industrial property and technology transfer.
- Provision of new services, components production and/or integration of solutions in the country and abroad.
- Information to support regulation and public policies within the scope of the institute.
- At least 1 call for open innovation challenges.
- At least 1 call for Specialized Producers to present projects for the activities indicated in section 2.2 “Specific Objectives”.
- Portfolio of projects that incorporates at least one project per area of interest of the Institute as indicated in section 4 of this RFP document.

Operation Stage, 3rd to 5th year

- Portfolio of industry-oriented R&D projects that integrate and harmonize different levels according to the “Technology Readiness Levels (TRL)”.
- Technologies and processes developed for the value chain of lithium cell manufacturing for batteries.
- Provision of new services, components production and/or integration of solutions in the country and abroad.
- New mass technologies, with the participation of local suppliers in the manufacturing value chain of stationary lithium batteries for energy support, and adopted by the industry.
- New mass technologies, with the participation of local suppliers in the value chain of the Institute's areas of interest.
- New materials and innovations that add value to lithium, salts and other materials in the supply chain of electro mobility and green growth. with special emphasis on capturing value for the national economy through the generation of productive chains.
- Income model that ensures the long-term economic sustainability of the entity.
- Information to support regulation and public policies within the scope of the institute.
- Training of at least 50 professionals and/or specialized technicians in collaboration with the academic sector and trade associations, through the development of professional practices, thesis, master's and doctoral thesis, internships or other mechanisms.
- Connection and/or development of at least 50 technology-based enterprises and local suppliers in the Institute's areas of interest.
- Development of at least one project that relates to research and development activities, technology transfer and innovation, technological and specialized technical assistance that has at least one Specialized Producer as the main beneficiary.
- At least 2 annual calls for open innovation challenges.
- At least 1 new call for Specialized Producers to present projects for the activities indicated in section 2.2 “Specific Objectives”.
- Development of at least one pilot resulting from the call made in the Start-up Stage, and for Specialized Producers in the case of having submitted projects for the activities indicated in section 2.2 “Specific Objectives”.

Consolidation Stage, 6th to 10th year:

- Portfolio of industry-oriented R&D projects that integrate and harmonize different levels according to the “Technology Readiness Levels (TRL)”.
- Provision of new services, components production and/or integration of solutions, in the country and abroad.
- New mass technologies, with the participation of local suppliers in the value chain of the manufacture of lithium battery cells adopted by the industry.
- New mass technologies with the participation of local suppliers in the value chain of the Institute's areas of interest.
- New materials and innovations that add value to lithium, salts and other materials in the supply chain of electro mobility and green growth, with special emphasis on capturing value for the national economy, through the generation of productive chains.
- Consolidated revenue model that ensures the long-term economic sustainability of the Institute.
- Information to support regulation and public policies within the scope of the Institute.
- Training of at least 100 professionals and/or specialized technicians in collaboration with the academic sector and trade associations, through the development of professional practices, thesis, master's and doctoral thesis, internships or other mechanisms.

- Incorporation of at least 100 technology-based enterprises and local suppliers in the technology transfer, scaling and commercialization strategies of the Institute.
- Connection and/or development of at least 100 technology-based enterprises and local suppliers in the Institute's areas of interest.
- At least 2 annual calls for open innovation challenges.

3. FUNCTIONS OF THE INSTITUTE

In order to achieve the objectives and results described above, the Institute must rely on an organization and functions that allow the Institute to become the central point of an ecosystem of R&D, innovation and technology-based entrepreneurship, and with national and international relevance.

3.1 Industrial research and technological development

These activities must be carried out in the areas of interest established in section 4. "Areas of interest and challenges" and allowing the generation of industrial and intellectual property assets (hereinafter "PI") or technology transfer models.

3.2 Provision of technological services

The Technological Institute must provide, at least, the services of industrial scale piloting, testing and demonstration of technologies, creation and validation of prototypes, as well as R&D on a contract basis (contract research) or other technological service, using and making available its infrastructure capacities and professionals, and the articulation with potential associated third parties. Technological services must be additional and complementary, differing from what the market offers in terms of R&D consultancies or services already available in these areas.

The foregoing is based on the need to address the early development of markets for inputs and services necessary for the development of emerging sectors, but with high potential or mechanisms where a reliable entity is required to provide guarantees of independence and neutrality.

3.3 Technology transfer and dissemination

The way to spread knowledge acquired or generated by the Technological Institute to the economy is through the licensing of technology to companies, creating spin-offs that directly develop a business, the design of new business models, among others. Special emphasis will be given to the creation of new companies or investments to create productive chains in the national economy capturing value in global chains.

3.4 Promotion of entrepreneurship and technology-based innovation

The Technological Institute must strengthen the activity of innovation and entrepreneurship in its territory, generating potential productive chains around it, either through the promotion of new entrepreneurs that seek to solve the proposed technological challenges, or through testing and implementation of the results generated by the Institute.

The expected impacts are mainly the generation of an innovation pole, giving rise to new jobs, local value generation, new products and services, and portfolios of technological entrepreneurs attractive to venture capitals.

Note that resources from the R&D contribution are not allowed to be allocated for the development of these activities. Private funding must be committed. The proposal must include the co-financing from the applicant and funding for activities to support entrepreneurship related

to the Institute's areas of interest with a focus on productive chains, such as equity free financial support, venture capital, open innovation challenges and connection with the ecosystem.

3.5 Generation of information to support regulation and public policies

Through its capacities and activities, whether R&D or technological and regulatory watch, the Technological Institute must elaborate information upon request from Public Organizations and in activities related to its areas of interest. As an example, the Institute can develop standards and certification of products and services, such as methodologies, systems and traceability of the carbon footprint, advisory services for the definition of quality standards and certification of technological applications.

3.6 Development and strengthening of human capital

The proposal must contemplate training activities for technical and advanced human capital for the industry, in alliance with training institutions and trade associations, as well as the insertion of specialized technical and advanced human capital.

In this area, the Technological Institute must not fulfil a substitute role, but complementary to training entities like universities, technical-professional entities and trade associations. This is essentially about training of technical and advanced human capital in the technologies of their specialty, and including the possibility to certify competences under international standardized schemes. In addition, it is preferable for the Technological Institute to work together with higher education institutions, which include national and foreign universities, professional institutes and technical training centres, for the development of national and foreign practices, theses, postgraduate studies, PhD, postdoctoral and internships.

4. AREAS OF INTEREST AND CHALLENGES

The Technological Institute must have a focused technological development agenda and an area of industrial technological advisory services that allows the testing, creation and validation of prototypes, piloting and demonstration of various technological products at industrial level and technologies, whose performance requires validation in the conditions of the Atacama Desert or equivalent environments.

The three areas defined for the purposes of this call are:

- Solar energy
- Sustainable mining
- Advanced materials of lithium and other minerals

Each area entails challenges for the industry that, at the same time, represent opportunities for technological development and therefore for the market. Therefore, and with prior justification, at least one of the prioritized challenges must be addressed in each of the areas, except in the case of Solar Energy where the proposal must consider the challenge called “solar fuels”, among them hydrogen.

4.1 Solar energy

Solar electricity. Accelerate the integration of solar electricity generation solutions from photovoltaic technologies and solar power concentration, ranging from the current state of technology to the challenges and opportunities due to the solar resources in Chile to supply the industry in a competitive way.

Solar fuels. Accelerate the development and integration of efficient technological solutions of fuels produced by solar energy, considering the value chain, from production to application, through storage, transport and distribution of solar fuels.

Solar heat. Develop systems that enable the use of solar energy to supply the thermal requirements of industrial and mining processes for different levels of temperature and pressure, with special attention to solutions that minimize the effects of solar radiation variability.

4.2 Sustainable mining

Sustainability in the extraction and processing of minerals. Contribute to the reduction of emissions and water consumption, focusing on circular economy in the extraction and production of metals, so that they contribute sustainably to the development of clean technologies.

New mining-metallurgical processes. Produce new products reducing the minimum environmental impact through new approaches for the process of minerals and innovations that increase the value of the production chain.

Traceability of greenhouse gas emissions. Provide technologies for monitoring, recording and verification of emissions related to products obtained from metallic and non-metallic mining.

Sustainability in the extraction of minerals from salt flats and/or saline lagoons. Provide efficient technological systems low in water consumption and emissions, minimizing environmental effects in the extraction and processing of lithium and other relevant products.

4.3 Advanced materials of lithium and other minerals

Innovations in advanced materials based on lithium, salts and other strategic minerals. Advance in the lithium value chain with the objective of offering a competitive supply to the industries of energy storage and electro mobility, among others, with emphasis on the creation of opportunities for local productive investment. This objective includes both the production and the processing of advanced materials.

5. APPLICANT AND ASSOCIATED ENTITIES

Participation to the previous RFI stage is not mandatory to apply for this RFP stage. In case of having participated to the previous RFI stage in association with other entities, such association is no longer mandatory for this RFP stage.

5.1 Constitution of a new non-profit legal entity

The Applicant must consider constituting a legal entity that will receive the R&D contribution, as well as being responsible to CORFO for the execution of the proposal. The new legal entity will be an active and passive subject of all the rights and obligations established in the Agreement to be concluded.

In the Proposal, each of the applicants that will constitute the new legal entity must be individualized.

For the purposes of the application, the future constituents must grant a mandate to one of them, which will be denominated "agent", the others being "constituents", with the capacity of representation rights and empowered to act with CORFO. This agent must be constituted or created in Chile.

The mandate and the faculties of the agent to nominate the proposal in the RFP stage on behalf of the constituents, and acting as counterpart with CORFO for that purpose, must be in writing,

and the document uploaded or accompanied with the application, and having the characteristics indicated in ANNEX 1.

The legal entity to create must meet the following requirements (part of the R&D contract between CORFO and SQM):

- a) To be a research and technology development entity, public or private non-profit institution, in which representatives of universities and/or bodies of the State Administration have representation, participation or otherwise in their administration. The form of this representation, participation or intervention is explained in number 7 of this RFP.
- b) To carry out research and development activities, technology transfer and innovation, specialized technological and technical assistance, technological diffusion or generation of research and information to support regulation and public policies, whose purpose is mainly and among others:
 - i. Studies, research and development of technology that focuses on the use and/or application of solar energy, lithium salts or the salts and products of the Belongings; non-metallic mining; or use of solar energy, low-emission metal mining, complementary to the lithium industry in battery development;
 - ii. Studies, research and technology development of complementary industries to lithium in the development of electro mobility and stationary energy storage sources. This includes metallic and non-metallic mining whose products are used for the development of electro mobility, the storage of electrical energy, sustainable mining development and low in emissions, for the generation of certified components for electro mobility that facilitate the penetration of intermittent energies, which ultimately demand lithium batteries.
- c) Develop R&D activities, transfer of technology and innovation, specialized technological and technical assistance, technological dissemination or generation of research and information to support regulation and public policies, whose purpose is mainly the study, research and development of technology that focuses on solar energy, low emission mining and advanced lithium materials.
- d) Have technological capabilities (human capital, knowledge and infrastructure) to carry out R&D activities and to achieve the management, transfer and dissemination of acquired and developed knowledge. These capacities will be examined by the Technological Capabilities Division during the evaluation process.

Applicants must commit contributions that co-finance the development of activities.

Finally, the members that make up or will make up the R&D Entity may not be considered a related party to SQM Salar S.A., nor a Related Party of companies that operate CORFO's property in the Salar de Atacama. All related companies, entities, individuals or legal entities, national or foreign related to SQM Salar S.A., shall be understood as related party and/or Albemarle Limitada under the terms of article 100 of Law No. 18,045 of the Stock Market.

5.2 Associates

The proposal may contemplate the participation of Associates which must contribute to the co-financing.

The Associates are relevant actors in the areas of interest. Likewise, they are expected to have significant innovation strategies for the development of the project and willing to contribute to the collaborative research and development agenda and in the execution of the proposal portfolio.

Associates can be:

- Public or private technological institutions with or without profit, aimed at applied research, technological development and productive innovation.
- Technological and public research institutes, understanding specific problems in paragraph k, of article 4, of Law No. 21,105, which creates the Ministry of Science, Technology, Knowledge and Innovation.
- Chilean universities that, at the time of the application, are currently in force in institutional management, in accordance with Law No. 20.129, which establishes a National System for Quality Assurance of Higher Education.
- National or foreign entities, leaders in technological development and innovation.
- National or foreign entities, leaders in support and/or promotion of entrepreneurship and technology-based innovation.
- Companies established in Chile or abroad and/or industrial unions in the mining, energy, technology, manufacturing or other sectors related to the areas of interest referred to in this instrument.
- Companies having the quality of Specialized Producers as established in number 2.2, “specific objectives” of this RFP.

The role, functions and mechanisms of incorporation or participation of each of the Associates must be specified, being able, for example, to contemplate differentiated membership mechanisms, specialized councils, international alliance networks and broad collaboration through agreements.

In the event that an Associate does not continue participating in the proposal, the recipient of the Contribution will be responsible for proposing a replacement or assuming the contributions committed by the leaving Associate. This situation should be duly informed to CORFO.

Those companies considered as a Related Party to SQM Salar S.A., or of any company that exploits CORFO's property in the Salar de Atacama, cannot be Associates of the R&D Entity. All related companies, entities, individuals or legal entities, national or foreign related to SQM Salar S.A., shall be understood as related Party. and / or Albemarle Limitada under the terms of article 100 of Law No. 18,045 of the Stock Market.

Each Associate must accompany the application with a letter of expression of interest, signed by their representative(s), in accordance with the format established in ANNEX 2.

6. FINANCING STRUCTURE

6.1 Contribution for the installation and development of the Institute

For the development of activities related to the areas of interest, the Technological Institute will have basal funds from the R&D contribution, indicated in the “Salar de Atacama Contract”.

The maximum basal funds that you will be able to access is a maximum accumulated amount of USD 193,485,024 (one hundred ninety-three million four hundred eighty-five thousand twenty-four dollars of the United States of America), during a period from 2018 to the year 2030 (hereinafter the “R&D contribution”).

CORFO's Council will determine the entity receiving the R&D contribution. Notwithstanding, the entity must previously go through a due diligence process and comply with all requirements under the SQM compliance program.

Table (1) shows the R&D contribution:

Contribution SQM Salar S.A.		
YEAR	ANUAL CONTRIBUTION	CUMMULATIVE CONTRIBUTION
2018	USD 7.270.560	USD 7.270.560
2019	USD 9.694.080	USD 16.964.640
2020	USD 9.694.080	USD 26.658.720
2021	USD 13.483.584	USD 40.142.304
2022	USD 17.038.080	USD 57.180.384
2023	USD 17.038.080	USD 74.218.464
2024	USD 17.038.080	USD 91.256.544
2025	USD 17.038.080	USD 108.294.624
2026	USD 17.038.080	USD 125.332.704
2027	USD 17.038.080	USD 142.370.784
2028	USD 17.038.080	USD 159.408.864
2029	USD 17.038.080	USD 176.446.944
2030	USD 17.038.080	USD 193.485.024
TOTAL	USD 193.485.024	

Contributions must be devoted exclusively to the creation, development and maintenance of specialized technological capabilities, as well as to the operation of the entity. The R&D contribution may be modified by CORFO's Council in accordance with the provisions of the Salar de Atacama Contract, already indicated in section 1.3 above.

6.2 Contribution of Associates

Likewise, the financing structure must contemplate a "Co-financing Proposal", with a minimum average of 30% of private co-financing, for each of the stages indicated in section 2.3, until 2030. The private co-financing must consist of at least 60% of monetary contribution (pecuniary). The remaining percentage may include non-monetary contributions (non-pecuniary), duly valued.

Proposals that do not comply with the provisions of the preceding paragraph will be declared inadmissible.

It should be noted that those participants of the RFI stage who obtained an additional 5%⁶ may modify their proposals by up to 10% in regard to the percentage of pecuniary and non-pecuniary contribution.

In the proposal of pecuniary co-financing, the applicant must explain how much of this contribution will be allocated to the generation of operating capacities and expenses of the Institute, with the respective programme for the first 10 years, and what part of the minimum pecuniary contribution will be allocated to the development of the portfolio of R&D projects and initiatives, as well as the promotion of entrepreneurship.

⁶ In accordance with the provisions of Exempt Resolution N ° 629, of 2019, of CORFO, an increase of 5% of the final score in the RFP stage was granted for each member individually, indicated in this administrative act, as well as the possibility to modify their proposals up to 10% in the percentage of pecuniary and non-pecuniary base contribution for the rest of the bidders in the application.

The financing model must ensure the economic sustainability of the Technological Institute in the long term, once the R&D contribution indicated in the “Salar de Atacama Contract” has been completed.

Likewise, the monetary co-financing contribution must be contemplated and used from the beginning of the Institute's activities, so that both the contribution and the base financing from the R&D contribution finance the Institute's activities.

7. GUIDELINES FOR GOVERNANCE

It is essential for the governance of the Institute of Clean Technologies-ITL to be agile, flexible and not captured by interest groups of any kind. Thus, it will be essential to discriminate the roles of the institutions that participate or have representation in the Institute, of those that participate in the execution of the proposal. It will be important to distinguish between institutions that primarily demand innovation, from those that are suppliers of innovation. Likewise, governance must influence the entire development and transfer process of the organization, from the definition of research lines, evaluation of research projects, protection strategies, business models and technology transfer.

The corporate governance must be structured and integrated in order to ensure the Technological Institute to permanently maintain the focus, on the one hand, on innovation of a productive nature, and on the other, on the generation of applied research and development, and adjusting to the public policy defined by the competent Ministries in the themes of the Institute.

Likewise, the applications are expected to incorporate technology development and innovation entities into the structure of the Technological Institute with a focus on solving industrial problems, focused on key technological areas and with dedicated human capital.

The corporate governance of the ITL must subject to the following principles:

- Neutrality. The bodies must be neutral with respect to the organizations part of the governance to ensure the interests of the new technological entity
- Purpose. The organization must be defined according to the purposes of the Institute.
- Transparency and efficiency. Policies and processes that ensure transparency and efficiency in decision-making processes must be ensured.

Specifically, it will be the Board of Directors of the Institute that defines the investment of the resources of the R&D contribution, for the fulfilment of the objectives, the expected and regulated objectives, and the obligations contemplated in the Agreement concluded with CORFO.

Likewise, the Board of Directors will be responsible for defining the strategic direction of the Institute, approving its general policies, plans and guidelines, as well as the proposal to be implemented. Additionally, the Board will decide on the lines of research, business models and transfer strategies.

The Board of Directors is expected to be made of seven (7) members including one (1) university representative selected among its founding partners or in the manner indicated in the proposal. The rest of the Board of Directors must be composed of 3 representatives of the private sector chosen among its founding partners or in the manner indicated in the proposal - excluding universities or professional institutes, or technical training centers - and one representative of the founding partners , whose nature should be part of the proposal.

The two remaining members of the board of directors must be representatives of organs of the State Administration. For the foregoing, the President of the Republic shall appoint two

members, pursuant to the provisions of article 47, of Law No. 21.050, and/or other applicable regulations⁷, so that, on his behalf, they are part of this Board of Directors and participate in the formation and constitution of the respective legal entity.

Note that for normative or merit reason, that CORFO's Council may - at the time of selecting the proposal - indicate a different conformation for the members of the Board representing the Administration, which must be specified in the corresponding legal form.

In case of any problem during the constitution of the legal entity, and related to the participation of any public body, the board of directors shall proportionally reduce the number of its members, and public representatives may be part of the Strategic or Technical Council discussed below.

Notwithstanding the foregoing, the proposal should consider at least the following advisory bodies as part of the governance model:

- a) Strategic Council: composed of the Executive Director of the Institute; at least one (1) representative of the Participating entities of the Institute, and at least one (1) representative appointed by CORFO. This Council shall exercise strategic coordination tasks of the Institute with other initiatives in execution and supported by CORFO or another institution of the National Innovation System (such as, for example, the CORFO Technology Centers and Consortiums), as well as the permanent evaluation of the Institute guidelines, among other tasks of the follow-up.
- b) Technical Council: composed of at least one (1) specialist proposed by the Institute for each sector or area of interest, , and one (1) representative appointed by CORFO. This council must exercise support and technical supervision during the implementation of the strategic plan of the Institute, in addition to those determined by CORFO. Additionally, this technical council must make decisions regarding project evaluation, project modifications and project elimination proposals.

8. FUNDABLE AND NON-FUNDABLE ACTIVITIES

8.1 Fundable activities

The R&D contribution must be used exclusively for the creation, development and maintenance of specialized technological capabilities (human capital, knowledge, technological infrastructure), as well as the operation of these entities.

In this context, the acquisition of goods and the necessary and pertinent activities for the fulfilment of the specific objectives of the Institute may be:

- **Tangibles:** equipment to realize applied research, development, technology transfer, innovation and entrepreneurship.
- **Intangibles:** activities related to the direction, operation, administration and management of the Technological Institute that allow its correct development and operation, with sufficient human resources to perform the work related to expenses reporting and administrative aspects, activities related to the execution of the applied research and development such as prototype development, technology valuations, diagnostics, travel, hiring experts, market research, business models, patentability studies, among others, surveillance and prospective technological and regulatory activities, dissemination, transfer, scouting for solutions to technological challenges, networks and alliances,

⁷ Among which is Article 6 of Law No. 18,575

training activities and training of new and/or existing personnel in areas that are relevant to the purposes of the Technological Institute in the fields of applied research and development.

- Other relevant activities that, in CORFO's opinion, facilitate the achievement of the objectives and expected results.

The operating expenses of the Institute, also called administrative expenses, may not exceed 5% of the R&D contribution, and must comply with that percentage annually. For these purposes, the operating expenses will correspond to indirect costs derived from the execution of the initiatives, not associable to a particular project.

As for the remunerations and fees paid from the R&D contribution, no amount will be greater than the equivalent of the 1:15 ratio between the lowest and the highest remuneration.

8.2 Non-fundable activities

It is expressly forbidden to finance the design and/or construction of the property in which the Technological Institute will operate with the R&D contribution, as well as any other activity that does not contribute to the creation, development and maintenance of technological capabilities.

9. CONTENTS OF THE PROPOSAL

The proposal must be submitted in the format that will be available for this purpose, developing at least the following elements:

9.1 Identification and background of the proposal.

In this section the applicant must indicate the title of the proposal, Chilean region(s) of execution and impact, define the institutional counterparts, present and identify the applicants and future constituents of the Institute, as well as the participants in the proposal, executive summary and objectives.

9.2 Description of the current situation.

Diagnosis. It must contain the analysis of the diagnosis with the identification of the opportunity(s) and closing gaps in the areas of interest and challenges of the call.

Analysis of potential demand. In order to determine the technical and economic sustainability strategy of the technological entity, the proposal must contain an analysis of the potential demand for technological products and services for the productive sector in the short, medium and long term.

Description and justification of the scope of the proposal. It must describe to which regions and productive sectors results are expected to impact.

9.3 Strategic Development Plan.

The proposal must include a 10-years Strategic Development Plan with a business model focusing on technological development, innovation and technology transfer to progress towards more sustainable development, taking as a starting point the areas and themes of the call. This includes at least:

- Vision, mission, general and specific objectives of the Institute with a horizon of 10 years, within the framework of the challenges and its contribution to closing gaps in which it will focus.
- Description of the participants of the proposal (equipment, experience and human resources), also emphasizing the complementarity of the capacities of the different

Associates, and the degree of alignment of the individual strategic views of the participants with the vision of the Institute.

- Plan for strengthening and/or creation of advanced, professional and technical specialized human capital, aligned with the strategic plan of the Institute.
- Areas of Industrial Technology Research and Development linked to the technological gaps identified in the areas of interest established in section 4 “Areas of interest and Challenges”. Likewise, you must define the initial portfolio of R&D projects that the Institute will execute collaboratively.
- Types of Technological Services linked to technological gaps, and proposed implementation for the provision of services.
- Description of the linking strategy with public and/or private organizations, national and/or foreign, that support the implementation of the Institute's strategy.
- Description of the strengthening action plan and concrete support for local and national entrepreneurship and innovation.

9.4 Proposal of infrastructure and equipment

The applications must contain an Infrastructure and Equipment Plan that allows solving the technological gaps to be addressed by the Technological Institute. Likewise, the applicant must describe the location(s) and/or reference site(s) of this infrastructure, which must be located with headquarters in the Region of Antofagasta, with the possibility to have justified operations or support facilities located in other regions of the country and/or abroad, as long as this were properly justified and approved.

In addition, the infrastructure must enable the accommodation of at least technology test sites (testbench), industrial pilot plants and laboratories for applied research.

In case of availability of fiscal land, CORFO commits its best efforts to get them delivered to the Technological Institute for free and for a limited period, through a title of mere possession.

Notwithstanding the foregoing, the Infrastructure and Equipment Plan may include proposals for other land for these purposes, to the extent that they comply with the conditions described above and their use or acquisition is not financed with the R&D contribution.

9.5 Work plan and outcome indicators

The proposal must include a detailed work plan and Gantt chart, with milestones and expected results for each stage, such as achieved technological developments, amount of technology transfers to companies and ventures and promotion of open innovation mechanisms. Efforts to combine short, medium and long term results will be valued. At the same time, the metrics for the proposal progress measurement has to be explained and justified. These metrics must be attainable, realistic, and proposed by the applicant and, in addition, they will be part of the commitments that the applicant assumes for the execution of the proposal, and will be controlled in the Agreement to be concluded with CORFO.

Work agendas and strategic plans included in the proposal must be presented considering and differentiating between the following 3 stages:

- i. The start-up stage focuses on initial investments in equipment and infrastructure, the organizational formation of the Technological Institute - including its board of directors - and the work team, the formalization of internal and external intellectual property agreements and policies, development of equipment and base infrastructure, start and start-up of the first research and development initiatives, innovation and entrepreneurship of the portfolio of projects and lines of research validated by the Board of Directors and contemplated in the Agreement with CORFO.

- ii. The operation stage aims at the sale of the first technological services, development of R&D under contract, execution of innovation projects, including also the commercialization of the first results of the R&D.
- iii. The consolidation stage implies having high standard scientific and technological capabilities and capital, the implementation of a sustainable financing model based on income from the sale of services and/or R&D according to contract and income from development of innovation projects. This stage points to establish the Technological Institute as an international reference in the areas of interest and to become a pole of innovation and entrepreneurship.

These stages must be formulated taking into account the requirements of short, medium and long-term expected results..

The foregoing with no prejudice to all the requirements required in this RFP that must be contemplated by the selected proposal and will be implemented in the respective contract or agreement.

9.6 Proposal of public goods.

The proposal must also incorporate a proposal of public goods to be faced by the Institute, clearly identifying the gap to be addressed and the opportunity that this public good is promoting. This includes information for the development of public sector norms and regulations.

9.7 Governance model

Describe the strategy to optimize the use of technological capabilities (infrastructure, equipment and human capital) that is intended to be strengthened and/or created, with special emphasis on ensuring broad access for smaller companies, technology ventures and other entities of R&D+i, and maintain high occupancy rates with measurable and verifiable indicators.

The proposed governance model must describe the decision-making mechanisms and the organic for the management of the Institute, and explain the coordination mechanisms.

Note that the proposed governance must consider the guidelines established in point 7 of this RFP "Guidelines for Governance".

9.8 Technology Transfer Strategy

The applicant must present a technology transfer strategy to:

- Perform technological surveillance, competitive intelligence and international benchmarking on the evolution and performance of the technologies and applications developed.
- Establish the mechanisms of protection, management and administration of intellectual and industrial property arising from the work of research and that originate in the development of the activities of the proposals.

Any further modification of the proposed strategies, policies and regulation of the intellectual and industrial property must be approved by CORFO.

9.9 Sustainability

Description and justification of the economic sustainability model of short, medium and long term, emphasizing the way in which the Institute creates, delivers and captures value. According

to the gaps and potential demand identified in point 9.2 (Description of the current situation), the proposal must characterize the potential users/customers of the Institute, the value offer to be delivered, as well as alliances with national and/or international entities necessary for the construction of the value offer.

Likewise, a scaling and commercialization strategy must be described, including the strengthening of both technology-based enterprises, and local suppliers of the production chain, for the provision of new services, component production and / or integration of solutions, in the rest of the country and abroad.

9.10 Budget and co-financing

The destination of the R&D contribution and the amount of the contributions committed by the participants, as well as the nature of the contribution (pecuniary and/or non-pecuniary), must be specified, separating the contributions for the generation and strengthening of capacities and operation of the Institute, from the contributions pledged for the execution of R&D projects and activities.

In the formulation of the Financing Structure of the Technological Institute, the best international practices for institutes of this type should be observed, with a focus on innovation of a productive nature, including examples and success stories, with greater flexibility in the initial years and increased private contribution once the Technological Institute has reached maturity.

10. APPLICATION PROCESS

For the selection of the Technological Institute, as a recipient of the R&D contribution of SQM Salar SA, CORFO has made a call consisting of two stages.

A first stage called RFI, request for information, which has ended and that aimed to raise market and industry information regarding the conformation, technological agenda, roles, functions and corporate governance of the Technological Institute, as well as obtaining project proposals and evaluate the ability of potential proponents to carry out the proposed initiative.

From the offers submitted to this stage, relevant information has been collected for the best fulfilment of the challenge of establishing in Chile an international Technological Institute with a focus on innovation of a productive nature. The results have been published on the website www.corfo.cl, in particular those proposals that won the additional 5% (five percent) prize in the final score in the RFI stage (see RFI Stage Procedure).

The second stage called Request For Proposals, RFP, which corresponds to the one regulated in this instrument, aims to convene the call for definitive proposals for the selection of the Institute.

Participation to the RFI stage is not mandatory to submit a proposal, neither the associations submitted in the RFI stage.

10.1 Call.

The communication on the presentation of the applications will be made by means of a notice published in a newspaper of national circulation, with the following information: opening and closing date of applications; document availability ("RFP"); applications starting date, email for inquiries; means of application. This information, will also be published in CORFO's website www.corfo.cl.

CORFO may modify the provisions of this RFP document and its annexes, either on its own initiative or in response to a clarification requested by any of the potential applicants, until before the deadline for submitting applications.

Any modification will be informed through the website www.corfo.cl. These modifications will be an integral part of this RFP document. The modifications of the RFP will be in effect from the total processing of the administrative act that approves them.

Together with publishing the modification, a new prudential term may be established for the closure or reception of the proposals, so that the potential proponents can adapt their offers or exercise their right to withdraw from continuing the process without penalty.

In all cases, it will be the obligation of the applicants to periodically review the present RFP process through CORFO's portal, and attend to any modification.

10.2 Application means

Proposals must be submitted in Spanish or English, together with the technical-economic and legal background as requested, and must be entered into the electronic CORFO project application system, if available. Otherwise, they may be submitted on paper, attaching a pen drive or other digital storage medium, under the heading "**PROPOSALS (RFP) FOR THE CONFORMATION OF THE CHILEAN INSTITUTE OF CLEAN TECHNOLOGIES**", in the Office of Parts of CORFO, located on the street Currency N° 921, 2nd floor, commune and city of Santiago.

The documents attached in the electronic system, in the pen drive or other digital storage medium, and must be in text documents, electronic spreadsheets or other files such as doc, xls, jpg, pdf.

10.3 Background for the Application

The proposals must be accompanied by the background information to verify compliance with the requirements to be met by the applicant (described in Section 5 of this RFP). In case of not submitting the information, or the submitted information does not allow verification, the proposal will be declared inadmissible and rejected.

Notwithstanding the foregoing, if not presented, CORFO may require that background information, in accordance with section 11.1.1. Thus, if the situation presented is remedied, the proposal will not be declared inadmissible.

In addition, the following legal background must be submitted by the applicant or by each of the entities whose participation is contemplated in the constitution or creation of the new legal entity:

LEGAL NATURE	LEGAL BACKGROUND
Legal persons under private law, with or without profit, incorporated in Chile	<ul style="list-style-type: none"> • Simple photocopy of the act of constitution and its modifications or a consolidated text of the statutes. • Simple photocopy of the instrument stating the name of the representative (s) and their powers to sign the respective Agreement with CORFO, unless it is a legal person that has been constituted in accordance with Law No. 20.659, in which case the aforementioned documents will be obtained directly from the respective Registry. • Certificate signed by the legal representative, authorized before a minister of faith, stating the corporate mesh, if it is a legal person for profit. This corporate network must include at least every company considered as a related party in the terms of article 100 of the Law No. 18.045 of the Stock Market.
Legal persons under public law created in Chile	<ul style="list-style-type: none"> • Enter the data of the standard that created it. • Accompany the act of designating the authority acting as legal representative.
Foreign Legal Persons	<ul style="list-style-type: none"> • Affidavit, in Spanish or English, signed by the representative of the legal entity, before a Chilean diplomatic or consular agent accredited in the country of origin, or before a Minister of Faith or official of his domicile, who in accordance with the laws or practices of each country, attest that said entity was constituted in accordance with the regulations that are applicable to it and that it is currently in force, also identifying the document from which the declarant's power to represent it emanates. • Certificate signed by the legal representative, authorized before a minister of faith, stating the corporate mesh, if it is a legal person for profit. This corporate network must include at least every company considered as a related party in the terms of article 100 of the Law No. 18.045 of the Stock Market.

10.4 Consultations and Clarifications

Those interested in participating in this call may make inquiries related to it, in Spanish and in writing, to the email convocatoriarfp@corfo.cl or to the one given in the notice that communicates the opening of applications, indicating name and email of contact, until one month before the closing of the call.

Inquiries raised through a channel other than the one mentioned above will not be accepted or answered, or the deadline set for that purpose will expire.

The last date for receiving inquiries will be the one indicated on CORFO's website.

Inquiries received will be answered within **10 business days** from their presentation, directly to the email from which they were made.

Every fifteen days CORFO will publish on its website, a compilation with the questions that have been asked in this way and the answers to all of them, which will remain available for review, safeguarding the identity of the person who has formulated them.

CORFO may, on its own initiative, clarify the rules of this instrument, to specify the scope or interpret any element of its content that, in its opinion, has not been sufficiently clear and makes the application difficult.

CORFO may modify the provisions of this RFP document and its annexes, either on its own initiative or in response to a clarification requested by any of the potential applicants, until before the deadline for submitting applications.

The modifications that are carried out will be informed through the website www.corfo.cl. These modifications will be an integral part of this RFP document. The modifications of this RFP will be in force as soon as the administrative act of approval has terminated.

Together with publishing the modification, a new prudential term may be established for the closure or reception of the proposals, so that the potential proponents can adapt their offers or exercise their right to withdraw from continuing the process without penalty.

In all cases, it will be the obligation of the applicants, to periodically review the present RFP process, through the CORFO portal, and attend to any modification made.

11. EVALUATION AND DECISION PROCESS

This process includes an analysis of admissibility and the evaluation of the applications, and will be carried out by CORFO in accordance with the following criteria.

11.1 Admissibility Analysis

11.1.1 Legal background analysis

CORFO will verify, in general, compliance with the legal requirements requested of the participants, indicated in section 10.3 above, being able to request during this analysis, by email, clarifications and/or additional or complementary antecedents have been produced or obtained prior to expiration of the deadline to submit proposals or refer to non-mutable situations between the expiration of the deadline for submitting offers and the evaluation period

This information must be submitted within 5 business days from your request.

If the minimum background requested in section 10.3 above is not presented or complemented, the project will not continue in the next stagewith due communication to the applicant.

11.1.2 Technical relevance analysis

CORFO will analyze the degree of convergence of the objective of the proposal with the scope and objectives of this call and meeting the requirements of co-financing of the participants. In case of “Non-Relevance”, the evaluation process will not be followed, the decision being communicated to the applicant. Said analysis will be executed by the Technological Capabilities Division.

If the application is declared “Not Admissible”, the evaluation process will not be followed, the decision being communicated to the applicant.

In the case of “Admissibility”, the evaluation process continues and the decision is communicated to the applicant.

11.2 Postulation Evaluation

The applications that are admissible and pertinent will be evaluated by an Evaluation Commission designated for this purpose, which will present the result to CORFO's Council for final decision. The Technological Capabilities Division will execute the evaluation of the projects, which will be carried out through a methodology that allows evaluating the relevant aspects, and that ensures a fair and equitable treatment during the process, with due confidentiality protection. During this process, external consultants may be hired for a better analysis of the applications.

In addition, during the evaluation process, information may be requested from other organs of the State Administration, which are relevant in relation to the objectives of the call and the proposal.

During the evaluation, CORFO may request additional information necessary for an adequate understanding of the proposal, with no alteration of the offer and the principle of equality of the applicants.

11.2.1 Evaluation criteria.

The admissible proposals will be evaluated with grades from 1 to 5, 1 being the minimum and 5 the maximum in each of the following criteria, these being analyzed based on the information provided, applying the following criteria:

Evaluation Criteria	Description	Weighing
I. RELEVANCE OF THE DIAGNOSIS	<p>The quality and coherence of the diagnosis that justify the potential demand and the scope of the proposal will be evaluated in the three technological areas defined in section 4 of this RFP, being evaluated with score:</p> <ul style="list-style-type: none"> • 5, proposals that present a clear identification of opportunities, bridging gaps, in the areas and challenges that it is proposed to cover and adequately quantify the potential demands in order to justify the technical-economic sustainability models of the future Institute. • 4, proposals that present identification of opportunities and partial or unclear gaps in any of the three areas, making it difficult to justify the models of technical-economic sustainability. • 3, proposals identifying opportunities and partial or unclear gaps in two of the three to areas, making it difficult to justify the technical models of economic sustainability . • 2, proposals that present identification of opportunities and partial or unclear gaps in one of the three areas, making it difficult to justify the models of technical-economic sustainability . • 1, proposals with incomplete diagnoses in one or more of the three areas, leaving with no evidence the proposed technical and economic justifications for these areas. 	5 %

Evaluation Criteria	Description	Weighing
II. COHERENCE OF THE PROPOSAL	<p>10-year strategic development plan of the Institute according to the contents established in section 9.3.</p> <p>Evaluating with score:</p> <ul style="list-style-type: none"> • 5, proposals that develop clear, coherent and pertinently the strategic development plan for each of the three stages defined in paragraph 9.5. • 4, proposals that present weaknesses in clarity, coherence or relevance in the strategic development plan for one of the three stages defined in section 9.5. • 3, proposals that present weaknesses in clarity, coherence or relevance in the strategic development plan for two of the three stages defined in section 9.5. • 2, proposals that present weaknesses in clarity, coherence or relevance in the strategic development plan for the three stages defined in section 9.5. • 1, proposals that present incomplete strategic development plans in some of the three stages defined in section 9.5. 	15 %
	<p>Infrastructure and equipment proposal</p> <p>It will be evaluated with score:</p> <p>5 . proposals for infrastructure and equipment that are clear, consistent and relevant with the strategic development plan and the areas of interest described in section 4, for each of the three stages defined in section 9.5.</p> <p>4. infrastructure and equipment proposals that present weaknesses in clarity, coherence or relevance with the strategic development plan and the areas of interest described in section 4, for each of the three stages defined in section 9.5.</p> <p>3. infrastructure and equipment proposals that present weaknesses in clarity, coherence or relevance with the strategic development plan and the areas of interest described in section 4, for each of the three stages defined in section 9.5.</p> <p>2. infrastructure and equipment proposals that present weaknesses in clarity, coherence or relevance to the strategic development plan and the areas of interest described in section 4, for each of the three stages defined in section 9.5.</p> <p>1. infrastructure and equipment proposals incomplet in some of the three stages defined in paragraph 9.5.</p>	10%
	<p>The Work plan will be evaluated in the following aspects:</p>	5%

Evaluation Criteria	Description	Weighing
	<p>a) Proposed work plan in relation to the lines of research to be developed, and how this allows the achievement of the specific objectives established in section 2</p> <p>b) Consistency of the results and impact indicators proposed, with the objectives and expected results of the Institute specified in section 2.</p> <p>c) Clarity of the metrics that will allow verifying compliance with the Institute's commitments, as well as those that allow measuring the medium and long-term impacts and results of the proposal.</p> <p>Evaluating with score:</p> <p>5, proposals that developed in three clear, coherent and pertinent areas for each of the three stages of development.</p> <p>4, proposals that present weaknesses only one of the three previous areas.</p> <p>3, proposals that present weaknesses two of the three previous areas.</p> <p>2, proposals that present weaknesses in the three previous areas.</p> <p>1, proposals that are incomplete in some of the previous areas</p>	
	<p>Budget: The coherence between the requested funds and their financing structure will be evaluated over time, with the objectives and the work plan.</p> <p>5, coherent and relevant budgetary formulations between the requested funds and their financing structure over time, with the objectives and the work plan, for each of the three stages defined in section 9.5.</p> <p>4, budgetary formulations that present weaknesses in coherence or relevance between the requested funds and their financing structure over time, with the objectives and the work plan, for each of the three stages defined in section 9.5.</p> <p>3, budgetary formulations that present weaknesses in the coherence or relevance between the requested funds and their financing structure over time, with the objectives and the work plan, for each of the three stages defined in section 9.5.</p> <p>2, budgetary formulations that present weaknesses in the coherence or relevance between the requested funds and their financing structure over time, with the objectives and the work plan, for each of the three stages defined in section 9.5 .</p> <p>1, incomplete budgetary formulations in some of the three stages defined in section 9.5.</p>	15%

Evaluation Criteria	Description	Weighing
III. PARTICIPANTS	<p>The Capacities of the participants and the models of linkage with other national and international entities will be evaluated, as well as the representativeness of the participants in the value chain.</p> <p>It will be evaluated with score: 5, proposals which are to plurality of participants with relevant capacities to the three areas of development and balanced representing both academia and the value chain of industrial sectors and/or technology to which is intended to serve. 4, proposals that present weaknesses in the capacities and/or representativeness of the participants of both the academic sector and the value chain of the industrial and/or technological sectors to which it intends to serve in one of the three development areas . 3, proposals that present weaknesses in the capacities and/or representativeness of the participants of both the academic sector and the value chain of the industrial and / or technological sectors to which it intends to serve in two of the three development areas. 2, proposals that present weaknesses in the capacities and/or representativeness of the participants of both the academic sector and the value chain of the industrial and/or technological sectors to which it intends to serve in the three areas of development . 1, proposals that do not present a plurality of participants with relevant capacities in any of the three development areas .</p>	10%
IV. GOVERNANCE	<p>The relevance and coherence of the governance model proposed for the Institute will be evaluated, according to the guidelines given in numerals 7 and 9.7 of this RFP , as well as the operational model of the institute that will allow the different areas to work together.</p> <p>Evaluating with score: 5, proposals that clearly, coherently and pertinently develop what is required in this RFP, as well as the operating model. 3, proposals that present weaknesses in the previous areas. 1, proposals that are presented incomplete in some of the previous areas</p>	10%
V. LONG TERM SUSTAINABILITY OF THE PROGRAM	<p>The coherence and feasibility of the business model will be evaluated to ensure the long-term sustainability of the Institute, also evaluating the feasibility of the plan to optimize the use of the technological equipment proposed in the proposal.</p>	20%
SAW. PROPOSED CO-FINANCING	<p>The amount of pecuniary resources committed as a counterpart by the participants will be evaluated.</p>	10%

The financial contributions of the project will be evaluated by Stages, based on the following formula:

$$Score_{pecuniary\ contribution} = \frac{(Score_{stage\ 1} + Score_{stage\ 2} + Score_{stage\ 3})}{3}$$

Where the grade per Stage will be determined based on the following table:

Percentage (%) of pecuniary contribution over the total counterpart contribution for each stage, either by the beneficiaries, co-executors or their associates.	Score
Greater than 70%	5.0
60% < % Contribution ≤ 70%	4.0
Equal to or less than 60%	3.0

11.3 Decision.

Once the evaluation is completed, the result of the evaluation and the recommendations of the Evaluation Commission will be presented to CORFO’s Council, which will decide on the entity that will receive the R&D contribution, being able to establish conditions and/or requirements for the Agreement to be held between the Corporation and the selected Entity. The Board may also form a ranking, according to the grades obtained, with the other entities, which may become recipient or beneficiary entities in case of withdrawal of the selected one or of his breach of the conditions and/ or requirements established in the selection.

Notwithstanding the foregoing, if three or less proposals are submitted, CORFO may declare the process void, provided that its purpose is to select the best possible initiative, for which it is expected to have a call that allows to value the largest number of proposals.

12. FORMALIZATION OF THE AGREEMENT AND DELIVERY OF THE CONTRIBUTION

As a condition to receive the SQM Contribution, the Corporation and the Entity selected must sign an Agreement in which it is obliged to respect the purpose for which the contribution is intended and to comply with the purposes and objectives established for that purpose by the Corporation. This Agreement may be modified by the Parties provided there is a change in the circumstances justifying such modification.

In addition, the Agreement must contain a breakdown of the expenses associated with the destination of the resources, identification of the expenses that cannot be paid with the SQM Contribution, the indicators of compliance with objectives, delivery of follow-up reports, their periodicity and associated documentation, grounds for early termination and restitution of resources to SQM, duty of confidentiality and rules on intellectual and industrial property.

The following may be grounds for early termination of the Agreement, and without the right to compensation, among others: (i) the failure to deliver any of the follow-up reports in the time and manner indicated; (ii) not following the plans approved by the Monitoring Commission indicated below; and (iii) in the event that the Beneficiary is sanctioned by administrative or jurisdictional entities by virtue of breaches of current legislation, whether they are related to labor, tax,

environmental, sanitary or other regulations, due to the activity of the R&D Entity . The grounds indicated above may not be the only grounds for termination to be indicated in the Agreement.

CORFO's Council has the ability to decide on the continuity of the Contribution for the following calendar year.

CORFO will constitute a monitoring commission in charge of approving the plans and monitoring the fulfilment of the obligations of the agreement.. Likewise, the Monitoring commission will be in charge of the application of fines for non-compliance by the selected entity, which will be duly reimbursed to the R&D contribution delivered by SQM Salar S.A.

Once CORFO's Resolution approving the Agreement indicated in this numeral is fully processed, the receiving entity or Beneficiary may require SQM to deliver the R&D contribution. SQM and the Beneficiary may agree on the stipulations they deem necessary for these purposes, including guarantees for the fulfillment of their obligations.

13. GENERAL ASPECTS

It will be understood that all the deadlines indicated in this instrument are maximum. If they refer to days, they will be understood as business days, unless otherwise indicated. Non-working days are: Saturdays, Sundays, bank holidays⁸. The time zone for all purposes will be the one that governs the Santiago Metropolitan Region of Chile.

CORFO, through its Prosecutor, reserves the right to resolve any dispute or doubt as to the correct meaning and scope, form and opportunity of application, and any other interpretative conflict that may arise from the application of this instrument. The foregoing, without prejudice to the resources established in the Law.

13.1 Responsibility of CORFO and the applicants

Given that the proposals must contemplate the creation of a new legal entity that will assume the status of Beneficiary of the R&D contribution, it will be the responsibility of each entity to verify their qualification or ability to participate or have representation in it, especially in the case of public universities and/or bodies of the State Administration, by the provisions of article 1 and 6 of Law No. 18,575 , of General Bases of the State Administration .

All expenses and costs of any kind incurred by the applicants for the elaboration of their proposals will be of their exclusive charge, without having the right to demand from CORFO any reimbursement or compensation for said concept or any other that has originated as consequence of the present RFP process.

13.2 Obligation of defense and compensation

The applicant will assume full responsibility for the case in which some and/or all the proposals or ideas object of the process of application and execution of the proposal infringe intellectual property rights, industrial or any other third party right. CORFO will have no responsibility to this respect. In any case, the applicant is obliged to indemnify CORFO in full with respect to any contract, demand, complaint or action of any kind generated by said concept, including the amount of compensation decreed against CORFO, the suspension of activities and any other expense generated by claims or lawsuits that could be filed against CORFO.

13.3 Confidentiality

⁸ Bank holidays to be considered are those in the Metropolitan Region of Santiago de Chile.

CORFO will adopt all measures aimed at maintaining the confidentiality of the information presented by the interested party(s) during the selection process, whose character will be reserved or whose disclosure could affect its commercial or economic rights.

The foregoing is without prejudice to the delivery of information that CORFO must make to its supervisory entities, or in compliance with resolutions or decisions of other State agencies with powers to order their disclosure, either within the framework of Law No. 20,285 or of other special regulations, or in compliance with judicial resolutions issued by the Courts of Justice.

Notwithstanding the foregoing, CORFO may disseminate freely and without limitations of any kind, all information that is not confidential or reserved about companies or proposals submitted to them. Likewise, it may publish data related to the applications in a statistical manner, without mentioning or identifying the applicant or the proposal.

13.4 Reservation right

CORFO reserves the right to reject one or more applications for not complying with the terms and purpose of the call, as well as to change terms or aspects of the selection procedure until the end of the application phase, and also to suspend or terminate the procedure at any stage, for well-founded reasons.

13.5 Integrity pact

By the mere fact of presenting its application, the bidder agrees to provide CORFO with all the information and documentation that is considered necessary and required according to this procedure, expressly assuming the obligation to review and verify all the information and documentation presented, and to take all the measures that are necessary to ensure the veracity, integrity, legality, consistency, accuracy and validity of the same.

13.6 Anti-corruption laws

In order to comply with laws that prohibit bribery, money laundering, terrorist financing and reception ("Anti-Corruption Laws"), as well as the internal regulations of CORFO and SQM Salar SA regarding prevention of crimes of this nature, applicants are informed that mechanisms will be contemplated to prevent R&D contributions from being used for illegal purposes, illegitimate acts or as part of any crime included in the Anti-Corruption Laws. In addition, the entity or entities that receive the R&D contribution must go through a due diligence process and also by the approval of the SQM Compliance Program, according to the standards and requirements indicated in ANNEX 3.

14. ANNEX 1

Instructions and model contract of mandate.

If the proposal contemplates the constitution of a new juridical person, the future constituents of the same must appoint among them a mandatory applicant with powers of representation, who will act before CORFO. The mandate must have the following characteristics: special, irrevocable (during the period of execution of the RFP stage), with the express power of the mandatory applicant to present the proposal on behalf of the constituents, and to act as a counterpart before CORFO for the own effects of the RFP stage (to be notified, to provide complementary information of the agent or constituents, etc.), free of charge, recorded in writing, non-delegable and with the power to represent.

MANDATE CONTRACT MODEL

SPECIAL MANDATE AND DECLARATION

In _____, on ____ of _____ of the year two thousand ____, appear, _____, (names and surnames), (nationality), (marital status), (profession or trade), national identity card number _____, representing _____, RUT: _____, both domiciled, for these purposes, in _____ commune of _____, city of _____, (repeat this information for each of the constituents) hereinafter “the constituents” and _____, (name) (nationality), (marital status), (profession or trade) , national identity card number _____, on behalf of _____, RUT: _____, both domiciled, for these purposes, in _____ commune of _____, city of _____ onwards “the agent” and agree:

FIRST: Background.

1. The Corporation for the Promotion of Production, indistinctly CORFO, has decided to contribute to the creation of the “CHILEAN INSTITUTE OF CLEAN TECHNOLOGIES”, or “Technological Institute”, for which it has planned a two-stage process: RFI (request for information) and RFP (request for proposal).
2. The selection process contemplates the existence of two stages, the second being the so-called “RFP”, request for proposals, which aims to convene the call for definitive proposals for the formation of the Institute.
3. The procedure that governs this second stage establishes that, when a legal entity must be constituted, the future constituents of the same, must appoint among them a mandatory applicant with powers of representation, who will act before CORFO
4. The appearing parties in this instrument have nominated the proposal called “_____”.
5. The parties declare to accept and know the definitions corresponding to their respective qualities of participation in the said instrument.
6. With the objective of complying with the requirement indicated in numeral 3, the parties come to enter into this mandate contract.

SECOND: Power of representation.

By this act _____, _____, _____, _____, _____, _____, etc. come to grant a special mandate to _____ to represent them before CORFO in the process of nominating the proposal called: “_____”. The participants declare that they expressly know the content, objectives and purposes of the aforementioned proposal, which is understood to be part of this contract. In addition, by this instrument, the mandatory applicant accepts the task of presenting the proposal on behalf of the constituents, and of acting as a counterpart before CORFO for the purposes of the RFP stage (being notified, providing complementary information of the mandatory applicant or constituents, etc.).

THIRD: Irrevocability.

This mandate shall be irrevocable for the duration of the RFP stage.

FOURTH: Gratuity.

The parties expressly agree that this mandate is free.

FIFTH: Prohibition to delegate, assign or transfer.

The mandatory applicant may not assign, transfer or delegate this mandate or the rights and obligations that emanate from it.

SIXTH: Domicile and extension of the competition.

The Parties establish, for the purposes of this contract, their domicile in the city and commune of Santiago and are subject to the jurisdiction of their Ordinary Courts of Justice.

SEVENTH: Personeries.

The role of the representative of _____ is contained in _____, a document that is not inserted because it is known to the parties.

The role of the representative of _____ is contained in _____, a document that is not inserted because it is known to the parties.

EIGHTH: Issues.

This Mandate is granted in ___ copies of the same tenor and validity, leaving a copy held by each of the parties.

(Representative)
(Client 1)

(Representative)
(Mandatory Applicant)

(Representative)
(Client 2)

(Representative)
(Client 3)

15. ANNEX 2

LETTER OF EXPRESSION OF INTEREST FROM THE APPLICATION'S ASSOCIATE

Date:

Name of the Application:

Council (Comuna in Chile):

City:

Present

Dear Mr./Ms.

In my capacity as representative of (name of the associate), RUT N ° (unique tax role number), I hereby express the interest of my represented in participating, as an associate of the application, in the application called "(name of the proposal) ", presented to the RFP stage of the " CHILEAN INSTITUTE OF CLEAN TECHNOLOGIES "initiative.

Also, through this letter, I come to state that I am aware of the terms of that application and the role assigned to my represented in it.

Associate Representative(s)

RUN representative (ID NUMBER)

Position

Mandating entity name.

(when applicable, with a visa and stamp of whoever corresponds)

16. ANNEX 3

COMPLIANCE AND DUE DILIGENCE FOR R&D ENTITIES

The entity or entities selected to receive the R&D contribution must comply and deliver the documentation indicated below under the compliance and due diligence program followed by SQM, hereinafter the Company, namely:

1. Documentation:

The Company requires its counterparts to provide information about them and to evaluate the risks associated with anti-corruption issues that may arise. The following background information and forms may be required:

- a) Form provided by the Company to the entity or entities;
- b) Copy of the constitution deed of the entity or entities, together with the publication and other requirements established by law to account for the legal existence of the legal entity;
- c) Owner's certificate of property, including names and ID number. If the owner of the legal entity is another legal entity, the owners of said second legal entity must also be identified, and so on until all natural persons are identified;
- d) Two (2) letters of recommendation from third parties regarding their ethics and integrity. If the legal entity was recently created, certificates referred to their owners will be accepted;
- e) Information about all employees of the entity or entities. In case of many employees, the information may be limited to executives. Required information includes names, ID numbers, and the management body (for example, members of the board of directors), if any, also indicating their names and ID numbers;
- f) Documentation certifying the existence of a crime prevention model or equivalent compliance program (the "Program") in application in the entity or entities;
- g) Affidavit in which the entities undertake to comply with the Company's Code of Conduct for Business Partners (the "Code") and the Anti-Bribery and Corruption Policy (the "Policy") during the execution of the contract, which will be duly delivered for analysis by the Company when appropriate;
- h) Certificate of criminal records of all the persons identified above;
- i) Certificate of bank account;
- j) Certificate of powers;
- k) Curriculum Vitae of all persons in charge of the respective proposal or Agreement.

2. Approval criteria:

The compliance department of the Company will review all records to determine if (i) the third party, its owners, directors or principal executives are linked to Public Officials (according to the Policy), (ii) the third party, its owners, directors or principal executives have been linked to, or investigated or punished for, cases of bribery of a public official, bribery of a foreign public official, bribery between private parties, unfair administration, incompatible negotiations, money laundering, terrorism financing or reception; (iii) the third party, its owners, directors or principal executives appear on international lists of restricted persons; (iv) the third party, its owners, directors or principal executives have adverse press publications in the media; (v) the third party has a Program.

According to the findings of the case, the compliance department of the Company may request additional information, reject or approve under any scheme reducing risks.

3. Post approval requirements:

Within the Program, the Company requires all counterparts to implement (if they haven't yet), at least a Code of Ethics (the "Code") and a policy against bribery and corruption in a period of 30 days from contract subscription. The Code must define the mission, vision and values of the entity, and regulate issues related to conflicts of interest, relationship with suppliers, anti-corruption, non-discrimination and respect for the environment, among other issues that may seem relevant given the circumstances. In turn, the Policy must prohibit any kinds of political contributions.

Entities with more than 10 employees must facilitate the possibility for internal irregularities complaints, and mechanisms to respond to those complaints.

4. Contractual clauses:

The contract or agreement must contain a standard clause on anti-corruption matters. This clause enables the Company to terminate the contract unilaterally in the event that the entity, its owners or principal employees are linked to cases of ethical misconduct or corruption due to the contract. This clause also implies the due diligence process to be repeated every two (2) years when the contract is valid for three (3) years or more.