



## **Community Contribution Policy**

**AntarChile S.A.**

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### **PREAMBLE**

The company undertakes its activities in a business environment in which its employees, service providers, nature, customs and community idiosyncrasies interact, form part of and affect the business development.

Bearing this in mind, the company makes contributions for the progress of society, and particularly to its stakeholders.

This document sets out the general policy so that the support and direct contributions made by the company by means of donations, sponsorship or others are undertaken, in form and essence, in accordance with its principles and values and that they directly benefit the community.

### 1. COMMUNITY CONTRIBUTION POLICY

The company has decided to establish a policy that serves as a guideline for the decisions made on contributions deemed appropriate and that benefit the country and communities where the company undertakes its operations.

This Policy is of mandatory compliance by the entire organization, i.e., directors, senior managers, employees, temporary personnel and external collaborators.

The company supports initiatives in the social, cultural, environmental, sports, entertainment and arts areas, and of scientific and technological dissemination, among others, developed by corporations and institutions that are formally established and duly authorized to receive such contributions under current legislation. To such effect, the company may make contributions in any way within the regulatory framework of the respective laws, like educational, sports, cultural, social donations and others that might exist in the future, provided such contributions strictly comply with the current legal system when made.

The background information of the institutions being considered for the potential granting of any benefit should be appraised. The objective of those institutions must be a worthy cause, and priority shall be given to those in which the people in charge of managing them have no record that raises doubt about their intentions or for having committed offenses against document authentication authorities.

The contributions given shall always be accounted for in accordance with the current legal and accounting regulations.

Special care should be taken to make sure that the objective of the contributions is to benefit the community and never as a way of influencing the performance of the authorities or control bodies. In particular, considering the scope of what is laid down in Law N°20.393 on the Criminal Liability of Corporations, extra care should be taken when making contributions to avoid that this action might involve invitations and/or gifts to public officials, people who are politically exposed or who belong to State companies in Chile and overseas.

It is the company's policy that contributions for the benefit of the community are undertaken with appropriate controls, based on procedures, with the due documentation, and hopefully following up on how the beneficiary or recipient has effectively used the contributions received. Whenever necessary, this requires the implementation of those tools needed to execute the generation, receipt and assessment of applications, and the contribution delivery mechanism.

It is not permitted to make contributions of any kind whatsoever in cash.

## 2. PRINCIPLE AND DEFINITIONS

The principles and definitions mentioned below constitute the basis on which the Policy established by the company is applied.

### 2.1 Responsibility

#### 2.1.1 Board of Directors

**2.1.1.1** This is responsible for establishing and updating the Community Contribution Policy.

**2.1.1.2** It should provide management with the guidelines and rules on the delivery of resources and the related annual budget.

#### 2.1.2 Management

Apart from being in charge of making the contributions, management is responsible for developing and applying the procedures needed for suitable control of the commitments, transactions or disbursements incurred in each contribution to third parties, be this in money, by delivering goods or in any other way, and their suitable accounting record in accordance with current regulations.

Management must align the delivery of contributions to the budget authorized by the board of directors, and consult it for those particular cases which are not covered under this Policy, or when a specific situation raises doubt about the application of the Policy.

Management shall, at least once a year, report to the board of directors on the overall amount of contributions made by the company the prior year, informing of the amounts delivered according to the characteristics of the beneficiaries for each type (educational, social, sports, environmental, etc.). The board of directors may appraise whether such contribution or donation amounts or objectives are in line with what is laid down in this Policy, which management shall duly certify.

#### 2.1.3 Internal Audit and Person in Charge of Prevention

They are in charge of verifying compliance with this Policy, the procedures and the current regulation. They must immediately report any irregularity detected regarding this to the board of directors.

### 2.2 Definitions and Classifications

For the effects of this Policy, a community contribution shall be construed as any voluntary contribution made by the company to a third party, which can be offered in money, in goods or as services, including people, organizations, corporations, foundations and any company.

These contributions must be distinguished from courtesies and gifts that company representatives might offer for institutional or commercial marketing purposes, which are regulated in the company's Code of Ethics.

#### 2.2.1 Types of Contribution

##### 2.2.1.1 Donation

This is a monetary or in-kind contribution made without there being, or the parties binding themselves to, any consideration in exchange.

By means of a donation, the company provides money or goods to undertake an activity, create or improve infrastructure, or for services whose aim is to support the community, by contributions to specific non-profit organizations, which must be formally established and duly authorized to receive donations under current legislation.

Apart from exceptions duly authorized by the board of directors, the company may only make donations when applicable legislation exempts the suggestion proceeding and the donee institution delivers the corresponding donation certificate.

##### 2.2.1.2 Sponsorship

This is an economic contribution to a certain project or activity, which commits whoever receives it to include the sponsor's name in dissemination and advertising. Unlike donation, the sponsor receives compensation by means of dissemination of its image on appearing publicly as the sponsor of the activity or project.

##### 2.2.1.3 Support

This is the support the company gives a certain project or activity, which does not involve providing resources but support with its name and prestige, which is understood as adding value to the party supported for the success of its management.

##### 2.2.1.4 Minor Contributions

These are those made for minor amounts to organizations that are not necessarily incorporated but can be clearly identifiable in the community.

Each year the board of directors shall define the overall amount that management can allocate for these effects and the maximum amount that may be delivered individually in each case. Examples of this kind of contribution are: a set of jerseys as a reward for a sports championship; solidarity contribution for disaster victims; contributions for some celebration; equipment for a social center; transportation for some educational activity; etc.

### **2.2.2 Areas Eligible for Contributions**

The company may generally make the contributions it deems suitable, and senior management is responsible for their approval.

The following should preferably be considered out of the different possible areas:

- Research and development
- Education
- Culture
- Community equipment
- Environment
- Social welfare
- Health
- Arts
- Sports

Any contribution that cannot be classified in any of the above categories must be presented to the board of directors for its analysis.

### 3. PROCEDURE

#### 3.1 Contribution Application

Any donation, sponsorship, support or minor contribution must be formally applied for in writing by the beneficiary, be this by letter or a project that, notwithstanding the various forms, content and style to generate the application, should finally include the following essential information:

- Taxpayer ID number, company name, company or organization information.
- Description of the organization applying.
- Identification of its powers of attorney, representative and main leaders.
- Amount or goods requested.
- Objective and forecasted destination of the contribution.
- Other information that the applicant deems appropriate to include.

There may be exceptional cases in which contributions are made to institutions that have not requested them. This is in case the decision arises in the company without an application by the beneficiary institution. Even in such cases, such action should be ratified with a formal letter from the institution acknowledging such action and providing the same information mentioned that is necessary to vouch for the contribution

#### 3.2 Assessment and Approval

Any application for a donation received must be assessed by management and, in those cases in which the assessment is positive, must be formally approved by general management.

It is important that the assessment considers the background information of the beneficiary, in terms of the formality of its organization, the honesty of its main members and what the financing or goods given will be used for. Priority should be given to those organizations that can subsequently show the use of what they received for the purposes defined in the application.

The assessment should also consider the reasonableness of the amount requested in regard to the objective or project proposed.

### 3.3 Contribution Record, Backup and Documentation

A record of the applications received should be created and kept updated in the company. Such record should at least contain the following information:

- Full information of the applicant: taxpayer ID number, company name, organization information, objective of the application, amount.
- Result of the review of the background information of natural persons and corporations on the OFAC, PEP and public official lists.
- Resolution of the application, duly signed by the CEO and whoever sponsored the application.
- Details of transactions, disbursements or contributions arising from the resolution.
- If appropriate or necessary, the beneficiary's representative and the CEO must sign the contribution agreement document in accordance with the pre-established format.
- Accounting account to record the contributions made.
- Certificates or other formal documents supporting that the donation, sponsorship or support were actually made, and eventually to access the tax exemptions or benefits applicable.
- If appropriate or necessary, documentation of the follow-up action taken, ideally photographs of what was done, press cuttings, videos, interviews of the beneficiaries, etc.
- In no case may a donation or sponsorship be given in cash. It must always be undertaken by means of nominative documents (check, cashier's check or bank transfer). These documents may not be issued in the name of a third party.

There are specific laws that regulate how to provide, record and control certain kinds of donations (e.g., sports, culture and others). Should a contribution be within the scope of such laws, the record and control action stated is notwithstanding the rigorous oversight established therein.

### 3.4 Annual Budget

**3.4.1** Management must submit an annual budget for donations, sponsorship and support, along with an overall budget for minor contributions and the maximum amount for each minor contribution. These must be formally approved in a board meeting.

**3.4.2** Management may process and make the contributions stated in the budget approved by the board of directors without needing to request approval for each case. In any case, the delivery of the contribution must always be made by the CEO.

**3.4.3** Any contribution that exceeds the company's total annual budget must be formally approved by the board of directors.

### 3.5 Reporting

The CEO must inform the board of directors half yearly and copy the person in charge of offence prevention of the applications for donations, sponsorship or support received and the decision made in each case, giving details of the amounts and/or value of the goods actually delivered or committed. The report must also indicate the total amount actually delivered to date, compared to the annual amount authorized.

### 4. APPROVAL AND MODIFICATIONS

This Manual was approved by the company board of directors in a board meeting held on November 6, 2015. Should any modifications be made, this section shall contain the date the company board meeting was held approving such modification.

### 5. VALIDITY

This Manual shall be valid as of November 6, 2015 and shall be indefinite, unless the company board of directors reaches a decision otherwise about it.

### 6. DISCLOSURE MECHANISMS

The complete and updated text of this Manual shall be made and kept available for interested parties on the company website ([www.antarchile.cl](http://www.antarchile.cl)).