

# Crime Prevention Model

Camanchaca Group



# Law 20,393 “Criminal Liability of Legal Entities for specific Crimes”

The purpose of this document is to present the Crime Prevention Model of Camanchaca S.A. and its subsidiaries in a practical and simplified manner, in accordance with Law 20,393.

This law implements the recommendations issued by the Organization for Economic Cooperation and Development (OECD).

Its purpose is to establish that legal entities are criminally liable for the crimes listed in Article 1:

- Money laundering (Law 20,393)
- Financing terrorism (Law 20,393)
- Bribing a national or foreign public official (Law 20,393)
- Receiving stolen goods (Law 20,931)
- Bribery between individuals (Law 21,121)
- Disloyal administration (Law 21,121)
- Misappropriation (Law 21,121)
- Improper negotiation (Law 21,121)
- Water pollution (Law 21,132)
- Marketing prohibited products (Law 21,132)
- Illegal fishing of marine resources (Law 21,132)
- Processing, storing and using scarce resources (Law 21,132)
- Fraud to obtain employment protection benefits (Law 21,227 - April 2020)
- Non-compliance with isolation and other measures ordered by the authority during pandemics (Law 21,240 - June 2020)

## WHO ARE INVOLVED?

Crimes committed for the benefit of the legal entity by owners, controllers, directors, senior executives, representatives, managers or supervisors, and those who directly report to them.

## WHICH CRIMES ARE INVOLVED?

### *Money laundering:*

Anyone who intends to conceal or disguise the illicit origin of specific property, or to acquire, own, hold or use that property, knowing that it has an illicit origin that relates to underlying money laundering crimes.

### *Financing terrorism:*

Anyone who knowingly provides or collects funds by any direct or indirect means, with the illicit intention that they should be used, or knowing that they will be used, fully or partially by a terrorist organization, or by a terrorist, to commit terrorism.

### *Bribery:*

Anyone offering or agreeing to offer a financial or non-financial benefit to a national or foreign public official, in order to influence the performance of their duties, within the scope of their position, skills and responsibilities, which will benefit the legal entity or company.

### *Receiving stolen goods:*

Anyone who has in their control, in any capacity, goods that are stolen or misappropriated (including animal rustling), and knowing their origin or being unable to avoid knowing it, transports, purchases, sells, transforms or markets them in any form, even if they had already disposed of them.

### *Bribery between individuals:*

Any employee or agent who requests or accepts a financial or non-financial benefit, for themselves or

for a third party, for prioritizing or for having prioritized the selection of one bidder over another while performing their duties.

Anyone who offers or agrees to offer an employee or agent a financial or non-financial benefit, for themselves or for a third party, for prioritizing or for having prioritized the selection of one bidder over another.

*Disloyal administration:*

Anyone who is responsible for safeguarding or managing the assets of another person, by virtue of the law, an official order, a deed or a contract, and who causes harm either by abusing their responsibilities, or by executing or omitting to execute a transaction in a manner manifestly contrary to the interest of the owner of those assets.

*Misappropriation:*

Anyone who appropriates in a manner that harms another person money, goods or any other tangible object that has been received as a deposit, an assignment, to manage it or for any other reason that requires that person to return it.

*Improper negotiation:*

Any public employee who directly or indirectly takes an interest in any negotiation, transaction or contract, where their position requires them to be involved.

The director or manager of a corporation who directly or indirectly takes an interest in any negotiation, transaction or contract involving the corporation, which breaches the conditions established by law, as well as any person to whom these regulations regarding corporate director's or manager's duties applies.

*Water pollution:*

Anyone without authorization, or contravening the conditions, or in breach of applicable regulations, introduces or orders the introduction of chemical, biological or physical contaminating agents into the

sea, rivers, lakes or any other body of water, and causes damage to hydro-biological resources.

*Marketing prohibited products:*

Processing, holding, transforming, transporting, marketing and storing prohibited hydro-biological resources, and preparing, marketing and storing products derived from them.

*Illegal fishing of marine resources:*

Anyone who extracts benthic resources in areas where they are managed without the corresponding authorization.

*Processing, storing or using scarce resources:*

Anyone who processes, prepares or stores hydro-biological resources or products derived from them, but cannot accredit their legal origin, where those resources have been overexploited or are in a state of collapse.

*Fraud to obtain employment protection benefits:*

Anyone who directly and immediately obtains benefits through impersonation or deception and in so doing obtains greater benefits than they would otherwise be entitled to.

*Non-compliance with isolation and other measures ordered by the authority during pandemics:*

Employers who knowingly and having the authority to control an employee's work, require an employee to attend their workplace, which is not their residence, while that employee is subject to quarantine or compulsory sanitary isolation decreed by the health authority.



### WHAT ARE THE COMPANY'S PENALTIES?

1. Dissolution of the legal entity. *This does not apply to state enterprises, nor to private enterprises that provide a public service.*
2. Temporary (2 to 5 years) or permanent prohibition from contracting with the State.
3. Partial or total loss of taxation benefits (20% to 100%) or absolute prohibition from receiving them for a fixed period (2 to 5 years).
4. Tax penalty (400UTM to 300,000UTM) \$19,496,000 to \$14,622,300,000 in Chilean pesos.
5. Accessory penalties (*publication of the penalty in the official journal, confiscation of the criminal proceeds, and other penalties*).

### EXTENSION TO THE CRIME PREVENTION MODEL

#### *Breaches of fair competition*

Camanchaca S.A. and its subsidiaries have extended the scope of their crime prevention model by incorporating controls and measures that mitigate the risk of failing to comply with Chilean fair competition laws. Although breaches of fair competition cannot result in criminal liability for the company, they can for the people who commit them. Therefore, Camanchaca has decided to incorporate fair competition into the model.



# REQUIREMENTS:

## CRIME PREVENTION MODEL

### (Art. 4, Law 20,393)

Article 4 of Law 20,393 requires legal entities to adopt a crime prevention system, which must contain at least the following components:

#### *Crime Prevention Officer (CPO)*

This person is appointed by the highest authority within the legal entity, and shall remain in office for up to three years, which may be extended for similar periods. They shall be independent from management.

The Board of each Camanchaca company in the Group has designated this function to the Corporate Audit and Internal Control Manager.

#### *The CPO's roles and responsibilities.*

The CPO has sufficient authority to perform their duties, based on the size and financial capacity of the legal entity. They directly report to the Board of Directors, who evaluates their performance.

#### *The Crime Prevention System.*

It identifies the entity's habitual or sporadic transactions or processes that expose the entity to or increase the risk of the crimes referred to in Article 1 of Law 20,393.

#### *Monitoring and certifying the Crime Prevention System.*

The CPO must evaluate whether the Crime Prevention Model has been effectively implemented, in order to detect and correct any faults, and update it to reflect any changes in the Company's circumstances.

The legal entity may certify its CPM, which accredits that the company has fulfilled its management duties by correctly implementing a crime prevention model.



# CRIME PREVENTION MODEL

## CAMANCHACA GROUP

Camanchaca S.A. and its subsidiaries have implemented a Crime Prevention Model based on four pillars, which are prevention, detection, response, and supervision and monitoring.

### 1. PREVENTION

The objective of prevention is to avoid failure to comply with the Crime Prevention Model and to prevent the crimes indicated in Law 20,393.

*The prevention pillar of the Crime Prevention Model of Camanchaca S.A. and its subsidiaries establishes the following:*

- The functions of the Board and management
- The compliance functions (CPO)
- The functions of executives and support departments
- Risk assessment
- Regulations and procedures
- Communication and training
- Due diligence, employees and third parties

*The main regulations and procedures that apply to the CPM are the following:*

- Internal procedures and health and safety regulations
- Code of conduct and business ethics
- Appendices to employment and supplier contracts (obligations Law 20,393).
- Crime Prevention Manual
- Release strategies and the structure of Powers of Attorney
- Procedure for dealing with public officials.
- Donations procedure
- Investigations procedure

- Procurement and tender procedures
- Expense claim procedure
- Conflict of interest procedure
- Recruitment, selection and hiring procedures, and other procedures

### 2. DETECTION

The objective of detection is to detect actual or potential conditions or events that fail to comply with the Crime Prevention Model and Law 20,393.

- Complaints mechanisms
- Compliance testing, continuous monitoring and evaluations
- Litigation reviews
- Responsibilities and penalties

### 3. RESPONSE

The objective of response is to correct situations that are or could potentially become failures to comply with Law 20,393.

*The response pillar of the CPM establishes the following:*

- Investigation protocols
- Response protocols
- Dissemination protocols
- Report management
- Documentation conservation

#### 4. SUPERVISION AND MONITORING

The CPO and management must effectively evaluate and monitor the CPM every year, in order to detect faults in a timely manner and update it in accordance with regulatory or structural changes in the entity, in accordance with Article 4(4)(a) of Law 20,393.

*The supervision and monitoring pillar of the CPM establishes the following:*

- Internal audits or direct reviews of the CPO, in order to regularly verify that they are performing correctly.
- Internal audits within the Annual Audit Plan.
- Updating risks and controls, as a result of amendments to Law 20,393 or any of the audits or reviews.
- External audits by the certifier to verify the effectiveness of CPM controls and functions.



### **CERTIFICATION OF THE CRIME PREVENTION MODEL**

Certification accredits that the Company's Crime Prevention Model has all the significant components required by Law 20,393, according to the Company's specific circumstances, and that it is known by the entire organization.

Certification accredits that the Company has fulfilled its management duties by correctly implementing a Crime Prevention Model. Certification also helps to position the Company as a good corporate citizen, which enhances its brand image as an ethical company.

### **COMPLAINTS MECHANISMS**

Camanchaca and its subsidiaries have established complaints channels, for internal use by directors, executives and employees, and for external use by customers, investors, suppliers, advisors, contractors and related third parties. Namely:

Complaints Channel:

- [www.camanchaca.cl](http://www.camanchaca.cl)
- [www.salmonescamanchaca.cl](http://www.salmonescamanchaca.cl)

Email: [marcelo.aguilera@camanchaca.cl](mailto:marcelo.aguilera@camanchaca.cl)

Telephone: +56 2 2873 2963

Personal Interview: With the Crime Prevention Officer.

Certified letter addressed to: Crime Prevention Officer, Av. El Golf 99, Floor 10, Las Condes, Santiago.



If you have any doubts or queries, please contact the Crime Prevention Officer:

**Marcelo Aguilera Contador / [marcelo.aguilera@camanchaca.cl](mailto:marcelo.aguilera@camanchaca.cl) / Telephone +56 2 2873 2963**

