Law 20,393 on Criminal Liability of Legal Entities established, for the first time in Chile, the possibility for legal entities to respond for criminal behavior in the event certain people or individuals linked to them, perpetrate certain crimes to their benefit. The latter entered into force and effect on December 2nd, 2009.

Pursuant to the foregoing regulation, legal entities can be held directly as criminally liable should their owners, directors, senior executives, representatives, those who hold a management or supervisor position, or those who are supervised by or report directly to any of the above commit any of the following crimes:

I. Money Laundering.
II. Terrorism Financing.
III. Accepting a request for bribery from, or offering bribery to, domestic and foreign Government officials.
IV. Concealment or Receiving stolen goods.

For the legal entity’s criminal liability to be enforceable, it is necessary for the perpetration of the crime to have resulted from the breach, on the legal entity’s part of its duties to lead and supervise.

Besides, the Law sets forth that the legal entity shall only be criminally liable if the crimes cited were committed directly and immediately by the foregoing individuals, in the interest of the legal entity or for its benefit.

It is understood that the duties to lead and supervise have been fulfilled whenever, prior to the perpetration of the crime, the legal entity had adopted and implemented organization, administration, and supervision models for crime prevention. The aforementioned law provides Companies a protection upon potential crimes that the foregoing individuals might perpetrate, given the attribution of criminal liability for the legal entity operates only in case the latter has not fulfilled his/her duties to lead and supervise.
It is thus that, as part of its leading and supervision duties, the Leadership Team (1) of BHP’s Minerals Americas (hereinafter, “BHP Chile”, or, indistinctly, the “Company in Chile”) authorized the implementation of a Crime Prevention Model (hereinafter, the “CPM”). This Crime Prevention Handbook (hereinafter, the “Handbook”) sets forth the working order and guidelines of various activities set forth in BHP Chile, aimed at the prevention of crime perpetration.

The CPM is comprised by the following elements:

2. Whistleblowing channel or Ethics-Point.
5. Policies and Procedures defined to support the initiatives implemented to mitigate the vulnerabilities identifies in the Crime Prevention Risk Matrix.
6. Contractual Clauses.
7. Monitoring in applicable cases.
8. Training Plan aimed at workers and employees of BHP Chile.

(1) BHP Chile Inc. (President Operations BHP Minerals Americas); Minera Escondida Ltda. (Owners´ Council); Compañía Minera Cerro Colorado Ltda. (Board of Directors); Minera Spence S.A. (Board of Directors)
The main purposes of this document can be summarized as follows:

- Present in a simplified manner all elements considered by the CPM under the provisions of the Law for BHP Chile.
- Establish a mechanism to prevent and mitigate the risks of crime to which BHP Chile is exposed.
- Instruct the CPM activities of which the Crime Prevention Officer is in charge, in fulfilment of his tasks of supervision of the CPM and fully abide by the requirements set forth under Law No. 20,393 and its amendments, as well as the remaining regulation applicable on the matter.
3. SCOPE

This Handbook applies to everyone rendering direct or indirect services to BHP Chile (2). The scope includes owners, controllers, senior management, managers, executives, employees, temporary staff, contractors, subcontractors and advisors of BHP in Chile, as well as anyone who holds a position with the Company, regardless of the capacity, means, or type of working or contractual relationship under which their services are rendered (hereinafter, the “Handbook Recipients”, or the “Recipients”).

For the purposes of this Handbook, the following companies shall be considered part of BHP Minerals Americas:

- Minera Escondida Ltda.
- BHP Chile Inc.
- Compañía Minera Cerro Colorado Ltda.
- Minera Spence S.A.

(2) Law 20,393 establishes and regulates the criminal liability of the legal entity. Therefore, the implementation agreement of the Crime Prevention Model and any management deriving from this agreement must be adopted, and be directly applicable by each of the areas of BHP Chile Inc. and the group entities.
4. GENERAL DEFINITIONS

Law No. 20,393 has set forth a catalogue of crimes that may trigger corporate criminal liability. Likewise, the law presents a general framework of applicability of the duties to lead and supervise.

The following definitions shall be considered in the CPM, unless it were understood, from a context, that they have been given a different meaning:

**Administration of the Legal Entity**

Law No. 20,393 assigns a series of obligations to that which has been called “Maximum Administrative Authority”, in the understanding that the latter corresponds to the “Legal Entity Administration”. The law provides that who is to play this role of Authority shall provide on the form of administration the relevant entity might have, and so, in BHP Chile’s case, it shall be BHP Chile Inc. (Operations BHP Minerals Americas’s President); Minera Escondida Ltda. (Owners’ Council); Compañía Minera Cerro Colorado Ltda. (Board of Directors); Minera Spence S.A. (Board of Directors).
Accepting a request for bribery from, or offering bribery to, a public officer

The crime of bribery [one kind of bribery in Chile] is the conduct, whether passive or active, by a public officer or Government official, aimed at receiving undue retribution in exercising their job, as well as the behavior by an individual, passive or active, aimed at giving to a public officer or government official an undue retribution in the exercise of their post. However, for the purposes of Law No. 20,393 and the criminal liability of legal entities, only the crime perpetrated by the individual bribing the public officer or Government official, be it that he/she offers a bribery (active bribery), or that he/she consents in giving the bribery requested by the public officer or Government official (passive bribery). For purposes of criminal liability of the legal entity, the Law sets forth that the crime of bribery refers to the conducts described in articles 250 and 251 bis of the Criminal Code.

In the case of consenting to the request of bribery by a foreign public officer, the case shall be overseen by Chilean courts of law provided such consent is given by a Chilean citizen or foreigner with habitual residence in Chile.

Associated Persons

Means any person, whether individual or legal entity, with which the Company has or shall have a commercial or service-rendering liaison. These include the employees, clients, contractors, subcontractors, advisors, or any third party that, because of its role and/or business relation with BHP, its behavior or conducts may eventually configure events constituting the crimes cited in Law No. 20,393 and its amendments.

Concealment

Anyone who, knowing the origin, or being unable to otherwise but knowing it, had in his/her possession, at any title, stolen or robbed goods or stolen cattle, or goods that have been concealed or misappropriated, transports them, purchases, sells, transforms or trades them in any way, even if it had already disposed of them, is deemed as perpetrator of the crime of concealment or misappropriation.
Financing Terrorist Crimes

Financing of terrorism (FT) is the activity executed by an individual or legal entity that, via any direct or indirect means, gathers and/or delivers contributions of any sort, to be used in facilitating any terrorist act, be it via contributions in kind, money, or by otherwise collaborating with activities that qualify as terrorism.

Money Laundering

Money laundering (ML) seeks the concealment or disguise of the nature, origin, location, ownership, or control, of money and/or assets illegally obtained. It implies introducing into the economy illegally originated assets, rendering them the appearance of legality by turning to legal activities, which enables criminals and criminal organizations to disguise the illegal origin of its product, without putting the source in danger.

Generally speaking, drug trafficking is identified as the main base crime for money laundering. It is not the only one: ML may arise from the illegal sales of weapons, from human trafficking, from organ trafficking, from embezzlement, from insider trading, bribery of public servants, misrepresentation of information to the market, and terrorism, among other crimes described in article 27 of Law No. 19,913. All of these activities produce ill-gotten benefits and profit, creating incentives to try to legitimize them.

It should be noted that, even if the subject is unaware of the illegal origin of the assets, he/she could be prosecuted on charges related to money laundering if the subject should have known the origins of such assets due to his/her role with the Company, and due to lack of care, or willful ignorance, he/she did not do so.
Public Officer or Government Official

For the purposes of the law, it shall be understood that this means every person who performs a public post or task, be it in the central administration or in semi-fiscal, municipal, or autonomous institutions or companies, or instrumentalities created by the State, or depending from it, even if they are not appointed by the President of the Republic, nor do they receive a State salary, including posts of popular election. The core axis of the legal definition is the performance of a public post or function. Therefore, government officials belonging to the Executive, Legislative, and Judicial Branches are included in this definition. Likewise, there are other functions ancillary to the State, such as, for example, the person certifying crime preventive models pursuant to Law No. 20,393.

Unlawful Association

[In Chile] Criminal enterprise is a group of individuals that have come together to perpetrate an act against the law, whether in civil or criminal matters. In general, this term comprises a group of people whose wills have agreed to perpetrate illegal acts, even if that group lacks a full hierarchical or juridical organization, but with minimally a distribution of tasks and roles aimed at the perpetration of illegal acts. It should be noted that Law No. 20,393 amended the penalty of these crimes in the [Chilean] Criminal Code and applicable legislation to establish the criminal responsibility of legal entities for their participation in criminal enterprises.
Pursuant to article 4 of Law No. 20,393, which sets forth the criminal liability of legal entities, BHP Chile has voluntarily determined the implementation of a CPM that considers the following elements:

I. Appointment of the Crime Prevention Officer (hereinafter, the “CPO”);

II. Definition of means and authorities of the CPO;

III. Establishment of a crime prevention system contemplated in the Law; and,

IV. Supervision and certification of the crime prevention system in the Law.

The CPM of BHP Chile consists in a preventive and supervisory system through various control activities, about the business processes or activities that are exposed or will be exposed to the risks of commission of the crimes of bribery of government officials, whether national or foreign, financing of terrorism, money laundering, and concealment, as provided in Law No. 20,393 on Criminal Liability of Legal Entities, and any other crime which might in the future be incorporated via a legal amendment.

The responsibility for the implementation and maintenance of the CPM corresponds to the Manager Compliance Minerals Americas as CPO.

Below, please find a graphic representation of the model:
5.1 Crime Prevention Officer

Article 4 of Law No. 20,393 describes the minimum elements that the Crime Prevention Model should include, one of them being a person especially designated to assume the responsibility of supervising the model; i.e., a Crime Prevention Officer (CPO), whom is the employee especially designated by the President of Operations BHP Minerals Americas Inc.; the owners council of Minera Escondida Ltda. the Board of Directors of Compañía Minera Cerro Colorado Ltda. (Board of Directors); and the Board of Directors of Minera Spence S.A. to design, implement, and supervise the CPM in conjunction with the Company´s administration. The appointment of the CPO shall be executed by the abovementioned companies’ representatives for a 3-year period and may be renewed for like periods.

5.2 Role of the Crime Prevention Officer

The means and authorities to perform his duties will be the following:

- Autonomy regarding the Administration of BHP Chile for the purpose of directly accessing and reporting to the representatives of the companies mentioned in point 5.1 above and to the executive levels, to report findings and provide account of his job.

- Annual budget resource approved by BHP Head of Compliance Americas, and with appropriate staff to carry out the implementation, operations, and reviews of the CPM pursuant to Law(3).

- Non-restricted access to all necessary information for the suitable performance of his role, and to which access might be granted pursuant to the law;

- Basic and suitable infrastructure for the correct performance of the tasks and responsibilities, this is, if necessary, tech tools, physical infrastructure, and HR.

(3) Law 20,393, Art 4th, 2): the Legal Entity Administration shall provide to the CPO means and authorities enough for the performance of his functions, among which at least the following are considered: a) the necessary resources and material means to suitably perform his duties, in consideration to the size and economic capacity of the legal entity; b) direct access to the Administration of the Legal Entity to inform it in a timely manner and by suitable means about the measures and plans implemented in the fulfillment of his commission, and to render account of his performance, and to report at least every 6 months.
Duties of the Crime Prevention Officer comprise at least to:

- Design, develop, and implement the CPM after the approval on the part of the representatives of the companies mentioned in point 5.1 above, as well as the subsequent amendments he might decide on.

- Convey to the representatives of the companies mentioned in point 5.1 above, the updates, amendments, or enhancements to the CPM, subject to variations in the regulatory environment, or in the Company, as well as of the assessments performed to it.

- Provide regular management reports, at least bi-annually, or whenever circumstances so call for, to the executive levels, regarding the status of the CPM and other issues within their area of responsibility. Timely report any issues they should be aware of so as to take the necessary measures.

- Propose the development and implementation to the accountable division or owner of the process, those policies, procedures, and/or activities of control necessary to supplement the CPM.

- Validate the design and scope of the training programs for the Crime Prevention Model under Law No. 20,393, for all of BHP Chile’s employees and collaborators.

- Ensure that the information regarding the CPM, via protocols, policies, procedures as elements of crime prevention, are known by employees and collaborators in their daily routines.

- Seek that the Manual and the CPM is updated according with changes of law and the Company’s environment of business.
Request from the relevant areas the records or evidence of compliance and execution of the controls for which they are responsible, identifying gaps, and determining action plans for their closure.

Receive any report filed on non-compliance of the CPM or perpetration of an illegal act, filed by any of its accountable offices, executives, managers, workers, employees, service renderers, advisors, etc. in order to take the measures that, in his opinion are most appropriate, including reporting to the authorities, the prosecutor’s office or a Court, among others in conjunction with Legal.

Set up specific audits, when applicable, to confirm compliance with CPM activities.

Record and maintain evidence referred to the crime prevention duties.

Provide broad collaboration in the certification process of the Crime Prevention Model.
5.3 Establishing a Crime Prevention System

The CPO, along with senior management of the Company, shall establish a crime prevention system, which shall, as a minimum, assess the following:

- Identification of the entity’s activities or processes, be them habitual or sporadic, in which context the risk is triggered or increased for the commission of crimes typified in the law.

- The establishment of specific protocols, rules, and procedures that enable people involved in the activities of riskier processes, to plan and execute their jobs in a manner that prevents the materialization of the crimes contemplated in Law No. 20,393.

- The identification of the procedures to manage and audit the financial resources that enable the Company to prevent their use in the crimes set forth in Law No. 20,393.

- The existence of internal administrative sanctions, as well as the whistleblowing channels and/or prosecution of the monetary liabilities against those breaching the Crime Prevention System.

5.4. Supervision and certification

The CPO shall establish the methods for the effective diligence of the Crime Prevention Model, and its supervision, to identify and correct and amend its weaknesses in accordance with any changes in the conditions potentially being faced by the Company.

The Company may proceed with the Certification of the CPM to confirm its correct design and implementation. The certification process shall enable the Company’s Administration to objectify the strength of the CPM and its ability to prevent the occurrence of the crimes included in Law No. 20,393. To these ends, the certification shall be performed by a registered entity authorized by the Securities and Insurances Commission (“Superintendencia de Valores y Seguros”) to fulfil this duty.
6. CRIME PREVENTION SYSTEM

BHP’s Crime Prevention System contemplates the following aspects:

6.1 Control Environment

Set of documents and culture, including ethical values that regulate the organization, and comprise the basis upon which the Crime Prevention System is supported, since it facilitates the main pillars regarding its structure and operation.

In this regard, the actions of Senior Management, Directors, Managers and Collaborators, will be executed in accordance with the values, policies, regulations, and procedures set forth in the following documents, which could also be complemented:

a) BHP Chile’s Crime Prevention Manual.

b) Code of Business Conduct.

c) BHP Chile’s Employee Manual on Order, Health, and Safety.

It is absolutely forbidden to any Director, Executive, Manager, or Collaborator to, directly or indirectly, whether individually or jointly, plan, develop or practice any type of initiative or activity which purpose is to attain any benefit or advantage on behalf of the Company proven to be an action constituting a crime provided in Law No. 20,393. All employees in leadership positions must ensure that continued dissemination to its collaborators of provisions indicated herein and its compliance.

6.2 Prevention Activities

The purpose of prevention activities is to inhibit breaches or violations to the CPM and avoid the perpetration of crimes set forth in Law No. 20,393. Effective prevention shall avoid unsuitable behaviors or omissions.

Among these activities we find:

Training and dissemination of the CPM

The CPO shall implement annual training programs which purpose shall be:

a) Train employees and collaborators regarding the Company’s CPM operation.

b) Induction of new employees and collaborators in the contents and scope of the CPM as well as of Law No. 20,393.

c) Dissemination of CPM updated information for all collaborators.
Training shall contemplate the following content, as minimum standard:

- Definition of the crimes contemplated in said legal provisions.
- Regulations on these matters, responsibility, penalties, mitigating elements.
- Role of the Crime Prevention Officer.
- Examples of situations of risk of committing these crimes.
- References to policies and procedures of crime prevention in force and effect (e.g. gifts, travel, donations, payments, etc.).
- Any other relevant and required matter.

Promotion of the Prevention Model

With the objective of spreading the concepts of the Company’s CPM among all employees and collaborators, the CPO shall:

- Communicate to all Directors, Executives, Managers, and Collaborators of the Company of the enactment of the Model, as well as its amendments and/or updates.
- Manage the publication and communication of the CPM in the Company’s corporate website and intranet, as well as in any other suitable means, as appropriate.

Risk Matrix

- Compliance Minerals Americas together with the support areas, shall identify the activities or processes with larger risk or exposure to the commission of crimes indicated under Law No. 20,393, which shall be documented in a Crime Risk Matrix. The purpose of the Crime Risk Matrix shall be to evaluate existing risks in the various processes of the Company, with the aim to make an estimation of their impact and probability of occurrence, assess efficiency of existing controls, and determine which processes must be improved together with their eventual remediation.

Once controls are identified and assessed, the formation, update or enhancement of policies, protocols, and/or specific procedures shall be structured jointly with the support areas, thus preventing and/or detecting the commission of crimes.
6.3. Detection Activities

Detection activities allow to identify breaches to the CPO or possible commission scenarios of the crimes included in Law No. 20,393.

For example, the following activities:

a) **Review of Contentions:** the CPO together with the Company’s Legal team shall review each time any law suits, judicial processes, penalties, breaches and/or any legal action or surveillance activity involving BHP in any crime scenario related to Law No. 20,393 occurs, with the purpose of detecting breaches to the CPM and analyze the measures necessary for its treatment.

b) **Whistleblowing Channels:** The Company shall assure that Whistleblowing Channels are available for all its employees, collaborators, clients, suppliers and interested third parties wishing to file a claim of possible violations to the CPM and Law No. 20,393, as well as reporting breaches to the Code of Business Conduct exist. Means enabled to file these claims are:

- Whistleblowing channel or Ethics Point, which is accessed through the Company's intranet and corporate website.

  **Ethics Point:** [https://secure.ethicspoint.com/domain/media/en/gui/23435/index.html](https://secure.ethicspoint.com/domain/media/en/gui/23435/index.html)

- Direct claims to the Company’s CPO, in writing or through email.
  
  Email addressed to: Ethics.Team@BHP.com phone 123 0020 1359.

The CPO shall coordinate the relevant investigation with the corresponding area in the event that the claim refers to Law 20,393, which shall comply with all legal requirements, as well as transparency, confidentiality, anonymity, and lack of retaliation or redress against those who make claims in good faith, and objectivity of treatment and analysis of cases received.

c) **Compliance Audits for MPD’s controls:** through compliance audits, the Crime Prevention Officer or whoever he/she designates must periodically verify effectiveness of MPD’s controls.
6.4 Response Activities

Response activities seek to establish disciplinary measures and/or sanctions to those disregarding the Company’s CPM or when discovering breaches to the crimes set forth in Law No. 20,393.

a) Claims before Courts of Law: When a fact that may be qualified as a crime contained in Law No. 20,393, the CPO shall assess together with the Legal area, the probability of carrying out claims before the Police Force or the Public Prosecution Office, with the end of executing legal actions against those who turn out to be responsible, with the criminal and civil sanctions established in the Courts of Law pursuant to applicable law.

b) Disciplinary Sanctions: breaches to the principles contained in the CPM may be qualified as a serious fault to the obligations imposed by the Employee Manual on Order, Health, and Safety, the Code on Business Conduct, as well as to the Labor Agreement. The Company may use disciplinary measures if crime prevention policies and procedures are breached, considering the following:

- Sanctions have to be consistent with the Company’s internal procedures.
- Sanctions have to be applicable to all those individuals implicated, this is penalties are universal and uniform.
- Sanctions have to be proportional to the fault committed.

The sanction to be applied shall be determined by a committee at least including a Human Resources representative, the responsible two-up and the Legal area.
c) **Improvements in Control Activities:** The CPO shall assess the control risks and activities breached in each one of the cases sanctioned with the purpose of establishing the obligation of setting new control activities or improvement in those activities where the control is not effectively operating or have an inadequate design. If applicable, the implementation of suggested new corrective measures to the areas involved shall be in charge of the CPO. However, the responsibility of the implementation of corrective actions shall be of the corresponding area.

### 6.4.1 Responsible Areas

Support areas are of great importance in the CPM since they support the CPO in preventing, detecting, answering, supervising and monitoring.

Considering the operation standards of the CPM, below we find the activities to be executed by each support area, being only a representative sample and not acting as limitation in any regard:

**Ethics & Compliance:**

- Carrying out the preventive and detective controls in connection to the effective operation of the CPM.
- Deliver bi-annual reports related to law suits and/or judicial processes of the organization related to the crimes included in Law No. 20,393.
- Deliver bi-annual reports related to the review of penalties applied to the organization by regulatory authorities with the purpose of detecting the cases affecting compliance with Law no. 20,393.
- To give recommendations in the process of including compliance clauses (Law No. 20,393) in contracts entered into with third parties.
- To give recommendations in the process of including compliance clauses (Law No. 20,393) in labor contracts and in the Employee Manual on Order, Health, and Safety of the Company.
- Give advice in decision-taking processes related to the corrective sanctions and actions to be implemented due to the investigations carried out and completed.
- Deliver training to roles with higher exposure to matters connected to crimes established under Law No. 20,393.
Supply and HR:

- Ensure that clauses of compliance [of the CPM] are included in the work contracts BHP Chile enters into with its employees and/or third parties.

- Deliver the information that the CPO requires for carrying out his functions in connection to the implementation and execution of the CPM.

- Carry out controls for identified breaches arising from investigations performed in connection to the CPM or any new risk identified in such investigations.

- Support coordination of dissemination activities of the CPM carried out by the CPO, including:
  - Effective communication of the crime prevention policy and procedure.
  - Update information of the CPM through available communication means.
  - Include CPM matters and associated crimes in induction programs for the organization new personnel.

- Orient in decision-taking processes related to the sanctions and actions to be followed due to the investigations carried out.

- Provide relevant information regarding the employees' subject to investigation, pursuant to the law.
Risk Management

- Facilitate the application of BHP’s risk methodology to support risk assessment processes related to crimes contemplated in Law 20,393 and legal provisions related therein.

- Facilitate risks workshops with the partnership of functional experts, control owners and risks owners.

Legal

- Deliver the information that the CPO requires for carrying out his functions in connection to the implementation and execution of the CPM.

- Give advice in the process of including compliance clauses (Law No. 20,393) in the various contracts entered into by BHP Chile with its employees or third parties.

- Give advice in decision-taking processes related to the sanctions and actions to be followed due to the investigations carried out.

Other Areas

- Deliver the information that the CPO requires for carrying out /her functions in connection to the implementation, operations, and effectivity of the CPM.

- Carry out controls for identified breaches arising from investigations performed in connection to the CPM or any new risk identified.

6.5. Report to Operational Leadership Team (OLT)

The CPO shall report to the OLT at least on a bi-annual basis, in connection to the activities and remediation measures implemented in meeting responsibilities, as well as to provide reports or indicators on results of the duties carried out by him/her. The OLT may delegate the function of such report in the MALT (“Minerals Americas Leadership Team”), however the CPO shall always have direct access to report his activities to the Board of Directors or senior management, each time he or the OLT deem it appropriate.

In the event of BHP companies in Chile, the CPO shall report at least to the OLT every six (6) months.
Information to be reported shall at least include the following matters:

- Preventive actions
- Detective actions
- Response actions
- CPM Monitoring and Supervision
- Eventual crimes perpetrated under Law 20,393 (including the claim status through EthicsPoint)

6.6. Legal and Labor Instruments

a) Chapter Employee Manual on Order, Health, and Safety: The CPM considers modifications in the internal regulations of the Company, having to expressly include the obligations, prohibitions, and internal sanctions of the CPM in the Employee Handbook.

b) Labor Contracts: labor contracts of all employees of the Company must contain clauses requiring compliance of the CPM and of regulatory, legal, and integral regulations referred to in Law No. 20,393, as well as contain the scope and obligations arising from its compliance.

c) Service Procurement Contracts: CPM contemplates to be expressly incorporated in clauses of contracts with Company’s supplier, also establishing obligations, prohibitions, and sanctions arising from the Company’s CPM.
Below, in no particular order, we include the process and activities identified as critical since they present a larger exposure to risk to those crimes established in Law No. 20,393.

Relationship with Third Parties

The adoption of BHP’s contractors/vendors (hereinafter “Collaborators”) must be based on a “Due Diligence process” which will allow knowing the counterparty before establishing a contractual and/or commercial relationship with it when reviewing legal background information as well as potential conflicts of interests, among others.

Subsequently, the collaborator, through a contract or purchase order, will acknowledge its/his/her commitment with this Manual and the other documents in which the Manual is contained.

In such document, the provider of service or collaborator shall at least represent the following:

- Collaborator/provider of services represents to abide by all legal provisions applicable to the Contract relating it/him/her with the Company, whatever the nature of those legal provisions are.

- Collaborator/provider of represents that neither him/her/it or affiliates have authorized, offered, promised, or delivered, or shall authorize, promise, or deliver payments or any other financial benefits to a government official, whether domestic or foreign, for the latter to carry out actions or omissions to the collaborator/service provider benefit or to BHP’s benefit.

- Represents implementing and complying with efficient and effective internal controls for preventing and detecting the crimes of money laundering, financing of terrorism, bribery, and concealment that may be committed by its owners, main executives, representatives, those who have administration or surveillance activities or those under orders or supervision of some of the foregoing.

Any breach of this clause by vendor/provider of services shall entitle BHP Chile to immediately terminate the relevant contract or purchase orders or services.
Employees Travel, Reimbursement of Expenses and Use of Corporate Card

Depending on his/her functions some employees may reimburse expenses and can be provided with a corporate credit card to comply with his/her tasks.

The reimbursement procedure comprehends filling statement and submission of pre-established forms, clearly stating the detail of expenses, timing, and the amount of the expense with its relevant support (invoices, receipts, etc.). Forms have to be processed with the authorization of the direct supervisor approving such expense and sent to the Finance Area.

It is strictly forbidden to use these funds for expenses different to those stated above. Neither can they be used to invite or give something of value to a public officer.

For more details, please review
https://spo.bhpbilliton.com/sites/GRPRPTTEEM/default.aspx

Donations (NGO’s, Communities, etc.)

Donations made by the Company must avoid the existence of possible conflicts of interests, whether with clients, investors, or employees. The following obligations form an integral part of the procedure regulating donations:

- Ensure and review that the entity receiving the relevant donation has right & proper legal and current credentials (incorporation, legal representatives, etc.).

- Identify final beneficiaries of the donation.

- Identify the role in the community of the institution receiving the funds, the purpose of the donation, and use of the resources donated by BHP Chile.

- BHP shall not donate to political campaigns.
Sponsorships

Sponsorships made by the Company must avoid the existence of possible conflicts of interests, whether with clients, investors, or employees. The following obligations form an integral part of the procedure regulating sponsorships:

- Ensure and review that the entity receiving the relevant sponsorship has right & proper legal and current credentials (incorporation, legal representatives, etc.).
- Identify final beneficiaries of the activity.
- BHP shall not make contributions to political campaigns.

Recruitment and Hiring Process

It is BHP´s policy to select and hire for vacant positions, based on merit the most qualified people, keeping a strict recruitment and personnel selection process.

Every person entering the organization is subject to a selection process managed by Human Resources, which in turn performs a transparent and methodical recruitment and selection process allowing to have the more suitable personnel to fill the vacant positions required.

Relationship with Public Officers / Government officials

Compliance with the controls established in the “Government officials or People who represent others Guidance note” has to be abide with. Such note regulates how to deal with relationships the company or the company´s employees might have with public officers (also known as government officials) and close relatives in order to mitigate vulnerabilities avoiding situations that may appear as, for example, acts of bribery. Meetings held in person with authorities and/or public officers have to be informed with due anticipation, subject to an agenda, and count with prior approval.

BHP will not give political contributions in cash or kind or participate in political campaigns.

Permits Management

Part of the normal business activities of BHP involve requiring a series of sectoral permits and others for the ends required by the business. This is why communications with public officers have to refer to the Government officials or people who represent others Guidance note. Before any wrongdoing warned in this process the CPO has to be notified.
Mergers, Acquisitions, and Other Commercial Agreements

During mergers, acquisitions and Commercial agreements, is usual that the parties of such operations carry out a due diligence process, which comprises those procedures allowing to identify, assess, and monitor the risk on the reputation of a counterparty.

Due diligence refers to the measures taken by a company in order to:

- Understand the nature of the counterparty activities (e.g. For financial institutions ratify the justified nature of the funds origin);
- Establish the counterparty identity;
- Assess financial crimes risks (LA, FT, Corruption, etc.) as well as reputation risks related to such counterparty.
Relationship with Clients

The principle “know your client” is an essential measure to avoid money laundering and financing of terrorism, which has as its main purpose the identification, analysis of client’s activities thus having enough information to investigate alarms and/or segment the portfolio by risk.

To know the client allows BHP to be able to know the origin of funds managed by clients, with the aim of avoiding that services are eventually used to disguise funds arising from illegal activities.

Before entering into transactions with a client, the following aspects shall be considered:

- If the entity or client is a politically exposed person.
- If the entity or client is in any of the international restriction lists.
- If transactions may be suspicious in any way.
The purpose of monitoring and supervision of the CPM is to verify that the control activities are functioning properly and to anticipate the need for improvements or modifications to the CPM.

The CPO may require audits to be conducted on various aspects of the CPM’s operation, being informed of any change occurring in the internal and/or external environment of the Company, aiming to update or modify the CPM, as required.
All BHP employees have the responsibility of being aware of the contents of the CPM and abide by its guidelines at all times. The CPO shall supervise compliance with the latter and also put into practice verification standards.

Breach by employees to this Manual may be considered as cause for the application of sanctions going from verbal admonishment to dismissal. Any such breach will form part of each employee’s personal file. In the event of advisors, contractors or suppliers, breach of terms of this Manual shall give BHP the right to immediately terminate any contract in force and effect between such collaborators and BHP.

Employees have to communicate infringements of the CPM they are aware of to their supervisors or to the CPO through the whistleblowing channels established in this Manual.

BHP’s employees must be aware that they could be subject to internal investigation if there is some indication or a claim was received in connection to breach of any law or internal regulation of BHP. Employees must provide all their collaboration in the internal investigation processes lead within the CPM scope. Policies and procedures indicated in this Manual, in the Code of Business Conduct, and in the other documents in which the CPM is supported must be observed mandatorily and are incorporated to the tasks assigned to everyone. Thus, breaching the Manual rules carries the sanctions provided in the Employee Manual on Order, Health, and Safety, notwithstanding relevant civil and criminal sanctions.

The same obligation of collaboration shall be required from BHP Chile advisors, suppliers and contractors which shall be evidenced in the relevant contracts or agreements that may be executed. This Manual does not replace prudence and good criteria that the Company’s employees must take into consideration at all times when carrying out their functions.

Any doubt on the interpretation and application of this Manual or how some situations not specifically described in it shall be resolved, shall be subject to the opinion of the Crime Prevention Officer.
10. PERIOD OF VALIDITY AND UPDATES

This Crime Prevention Manual shall be placed immediately in force and effect as of its official publication by BHP Chile.

Also, this Manual has to be permanently controlled and revised on an annual basis, as of its effective date by the Crime Prevention Officer, proposing necessary formal and substantial changes relating to the circumstances and needs faced by the Company or the changes in legal standards that may affect Law No. 20,393.

Santiago, 2018