

BHP

Crime Prevention Manual

Law 20,393

August 2022

1. Introduction

Law 20,393, on Criminal Liability of Corporate Entities, was the first Chilean law to establish an avenue for legal entities to answer for criminal acts when certain individuals linked to them commit any of a number of crimes for the benefit of the entity. The law came into force on December 2, 2009.

Under this legislation, legal entities are held directly criminally liable when their owners, directors, principal executives, representatives, or whosoever is tasked with their management and supervision, or those under the direct management or supervision of said persons, commit any of the following crimes:

1. Money laundering.
2. Financing terrorism.
3. Bribery or corruption of a domestic or foreign public official.
4. Possession of stolen goods.
5. Bribery between private individuals.
6. Incompatible negotiation.
7. Misappropriation.
8. Disloyal administration.
9. Water pollution.

In order for a legal entity to be held criminally liable, the crime in question must have resulted from a breach of management and supervision duties on the part of the entity.

The Law also establishes that legal entities shall only be held criminally liable if the crimes in question were committed directly and immediately by one or more individuals in the aforementioned categories, in the interests or to the benefit of the legal entity.

The regulation stipulates that management and supervision duties are deemed to have been met when, prior to the time at which the crime is committed, the legal entity has adopted and implemented organizational, management, and supervision models for crime prevention. This law provides the Company with protection against any crimes that may be committed by the aforementioned individuals, given that criminal liability is only applicable to a legal entity when it has failed in its management and supervision duties.

It is therefore in compliance with their management and supervision duties that the Senior Management of BHP Minerals Americas (hereinafter referred to with identical meaning as “**BHP in Chile**” or the “**Company in Chile**”) authorized the implementation of a **Crime Prevention Model**, (hereinafter “**CPM**”). This Crime Prevention Manual, (hereinafter “**Manual**”) sets forth the guidelines and operations applicable to the various activities established by BHP in Chile for crime prevention.

The CPM comprises the following elements:

1. Business Code of Conduct.
2. Internal Regulations on Order, Health, and Safety.
3. Crime Prevention Risk Matrix.
4. Policies and Procedures set forth to support initiatives implemented to mitigate the risks identified in the Crime Prevention Risk Matrix.
5. Contractual Clauses.
6. Monitoring and Oversight.
7. Training Plan for workers and collaborators of BHP in Chile.
8. EthicsPoint or Reporting Channel.
9. Other.

2. Objective

The principal objectives of this document can be summarized as:

- Providing an overview of the elements comprising the CPM under the provisions of the Law for **BHP in Chile**.
- Instituting a mitigation and prevention model for the crime risks to which **BHP in Chile** is exposed.
- Stipulating the CPM activities tasked to the Crime Prevention Officer in compliance with their oversight functions under the Model and in full compliance with the requirements established under Law 20,393 and amendments thereto, as well as any other applicable regulations.

3. Scope

This Manual is applicable to all persons who directly and indirectly provide services to BHP¹ in Chile. The scope includes owners, controllers, senior management, managers, executives, employees, temporary personnel, contractors, subcontractors, and advisors of BHP in Chile, as well as anyone who performs functions for the same, regardless of the labor or contractual mode, form, or capacity whereby they provide services (hereinafter, the “Manual Recipients” or the “Recipients”).

For these purposes, the following companies are construed to form part of BHP in Chile:

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

¹ Law 20,393 establishes and regulates criminal liability for legal entities. As such, a undertaking to implement the Crime Prevention Model and all actions arising thereunder must be adopted and be held directly applicable by all areas of BHP in Chile.

4. Crimes covered under Law 20,393

The following crimes are included:

1. Bribery or corruption of a domestic or foreign public official: Defined as offering, giving, or agreeing to give any benefit (economic or otherwise) to a foreign or domestic public official, to encourage them to act against the duties of their office or to unduly hinder an action.

2. Financing terrorism: Financing terrorism (FT) is that activity carried out by a natural or legal person who, by any means, direct or indirect, requests, collects, and/or delivers contributions of any kind, with the purpose to facilitate any act of terrorism, either with a contribution in kind, money or collaborating in any other way with activities classified as terrorist”.

3. Money laundering: Money laundering (ML) sets out to conceal or camouflage the nature, origin, location, ownership, or control of illegally obtained money and/or goods. This means bringing assets of unlawful origin into the economy, giving them an appearance of legality by passing them off as the products of lawful activities, allowing criminals and criminal organizations to disguise the illegal origins of their output without endangering the source.

Drug trafficking is generally identified as the main crime linked to money laundering, but it is not the only one: laundered assets can also derive from illegal weapons sales, human trafficking, organ trafficking, misappropriation of public funds, malicious use of confidential information, bribery, submission of false information to the market, and terrorism, as well as other such crimes as described in Law 19,913, Article 27. These activities all give rise to ill-gotten gains and earnings, creating an incentive to disguise the origins of the wealth as legitimate.

It is important to note that, even when the perpetrator is unaware of the unlawful origin of the assets, they are guilty of money laundering when they should have been aware and were unaware as a result of a breach of their duty of care.

4. Bribery between private individuals: This crime takes two different forms:

a. When an employee or legal representative requests or accepts an economic or other benefit, for themselves or a third party, in exchange for favoring or having favored one bidder over another in the course of their working activities; or

b. When a person gives, offers, or agrees to give an economic or other benefit to an employee or legal representative, for themselves or a third party, in exchange for favoring or having favored one bidder over another.

In either case, the “**unlawful payment**” or “**bribe**” is paid in an effort to favor the selection of one bidder or offeror over another.

5. Incompatible negotiation: This provision sanctions those who directly or indirectly seek to benefit, or have a vested interest, relating to any negotiation, action, contract, operation, or activity involving the company.

6. Misappropriation: Misappropriation occurs when goods that a person received under a form of title that obliges them to return them at a given moment (goods received on deposit, commission, or administration, under the commodatum system, rental, leasing, etc.) are not returned, to the detriment of the other party.

7. Disloyal administration: This crime serves to sanction those who, tasked with safeguarding or managing the property of another person or entity, cause harm to the same through abusive use of their powers, or through actions that are manifestly contrary to the interests of the owner of the property in question.

The punishment applies to the breach of the duty of care and loyalty applicable to a person placed in charge of the property of another.

8. Possession of stolen goods: This crime is committed by whosoever knowingly or negligently possesses or holds stolen, embezzled, or unlawfully held property, or transports, purchases, transforms, or trades such items in any way, even when such items have already been sold.

9. Water pollution: This charge applies to anyone who, without authorization, or in breach of applicable conditions or in contravention of applicable law, discharges or causes to be discharged chemical, biological, or physical pollutants into the sea, rivers, lakes, or any other body of water, causing harm to hydro-biological resources.

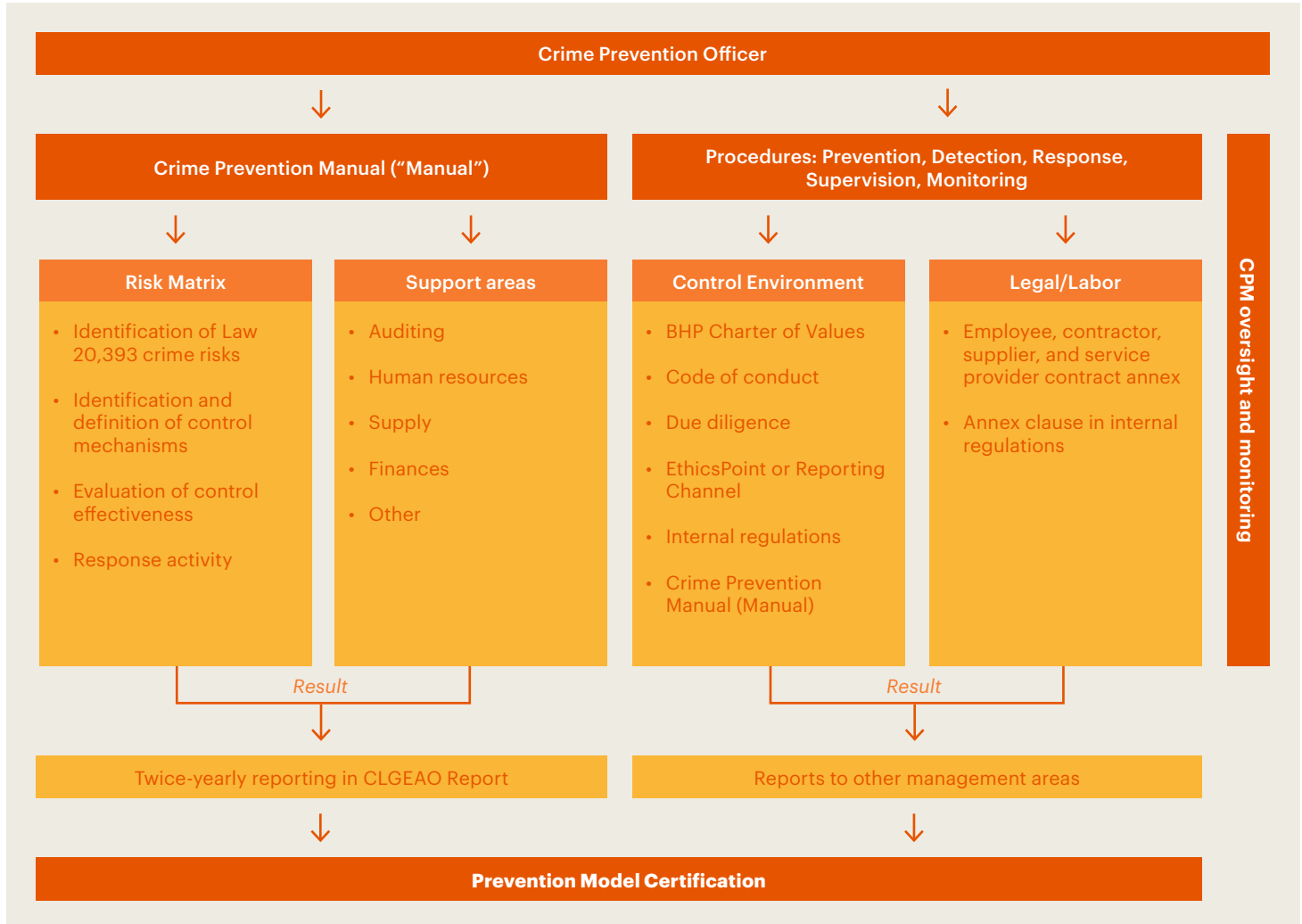
5. Elements of the Crime Prevention Model

As stipulated in **Article 4 of Law 20,393**, on criminal liability for legal entities, BHP in Chile has voluntarily decided to implement a Crime Prevention Model, covering the following elements:

1. Appointment of a Crime Prevention Officer (hereinafter “CPO”);
2. Assignment of resources and powers to the CPO;
3. Establishment of a prevention system for the crimes specified in the Law; and
4. Oversight and certification for the prevention system for the crimes specified in the Law.

The CPM (Crime Prevention Model) applied by BHP in Chile comprises a preventive and supervisory system that applies a number of control mechanisms to business activities and processes in a bid to prevent the crimes specified in Law 20,393 (Criminal Liability for Legal Entities), and any further crimes incorporated under an amendment to said law, from being committed.

A graphical representation of the CPM is shown below:



5.1. Crime Prevention Officer

Article 4 of the regulation describes the minimum elements that a Crime Prevention Model must include, one of which is a person appointed to take responsibility for the administration of the model, or a Crime Prevention Officer (CPO), who is a person specially appointed by the **Senior Management of BHP in Chile** to design, implement, and supervise the model, working in conjunction with the company's management. The CPO is to be appointed for a term of three years, and this appointment may be renewed for further three-years terms.

The role of Crime Prevention Officer is assigned to the **Compliance Manager, Minerals Americas**.

5.2. Function of the Crime Prevention Officer

The Crime Prevention Officer shall be provided with sufficient resources and faculties to undertake their tasks, translating into:

- i. **Autonomy** from the Management of BHP in Chile for the purposes of accessing and directly reporting to the Senior Management of BHP in Chile, and to other executive levels, with the purpose of informing them of their findings and accounting for their actions and decisions.
- ii. **Annual budgetary resources**, as well as sufficient personnel to undertake the implementation, operation, and review of the CPM in accordance with the Law.
- iii. **Absolute access to all information necessary** for the suitable performance of their functions, to which they may be granted access in accordance with the Law.
- iv. **Suitable and basic infrastructure** for appropriate performance of their role and responsibilities: physical infrastructure and technological tools.

Responsibilities of the Crime Prevention Officer:

- i. Designing, developing, and implementing the CPM.
- ii. Overseeing the updating of the Crime Prevention Model and Manual, in accordance with regulatory changes, circumstances, or the Company's business environment.
- iii. Reporting on their actions at least every six months, and/or when the circumstances merit, to the Senior Management, regarding the status of the CPM and matters falling within their remit.
- iv. Proposing, developing, and implementing any control mechanisms, procedures, and/or policies necessary to complement the CPM with applicable process owners or management departments.
- v. Validating the design and scope of training programs relating to the Crime Prevention Model under Law 20,393, for employees and collaborators of BHP in Chile.
- vi. Ensuring that employees and collaborator are aware of information relating to the CPM contained in protocols, policies, and procedures and apply this information in their regular activities.
- vii. Requesting applicable areas and divisions to submit records or evidence of compliance and implementation of the control mechanisms falling within their responsibility.
- viii. Identifying shortfalls and developing action plans to rectify them.
- ix. Receiving information from the Investigations team regarding all reports received regarding breaches of the CPM or any unlawful acts.
- x. In coordination with the persons responsible at each management division and the Investigations team, proposing measures timely and suitable, including reporting matters to the police, prosecutors, or courts, with assistance from the Legal division.
- xi. Establishing auditing and monitoring processes when appropriate to confirm compliance with the activities specified in the CPM.
- xii. Recording and keeping evidence on their crime prevention activities.
- xiii. Providing broad-ranging collaboration in the process of certifying the Crime Prevention Model.

5.3 Establishment of a Crime Prevention System

The Crime Prevention Officer, working alongside the Company's Management, must develop a Crime Prevention System covering at least the following areas:

- i. Identification of the entity's habitual or sporadic activities or processes that may generate or increase the risk that a crime specified in the Law may be committed.
- ii. Establishment of specific procedures, rules, and protocols that allow those persons involved in the activities or processes identified as high-risk to plan and undertake their tasks in a manner that prevents the crimes specified in Law 20,393 from occurring.
- iii. Identification of auditing and administration procedures for financial resources that allow the Company to prevent them from being used in the crimes specified in Law 20,393.
- iv. The existence of internal sanctions, together with mechanisms for reporting and/or prosecuting persons who breach the Crime Prevention System.
- v. Incorporation of all applicable obligations, sanctions, and prohibitions in the internal regulations imposed by the company for such purposes, together with clauses requiring compliance with Law 20,393 in employment, supply, service, and partnership contracts.

5.4 Oversight and Certification

The CPO must establish effective oversight methods for the Crime Prevention Model, with the goal of identifying and correcting any failings and modifying it in accordance with any changes that may arise in the conditions facing the Company.

The Crime Prevention Officer may commission audits to cover a range of aspects of the functioning of the Crime Prevention Model, to remain up to date regarding any changes arising in the Company's internal and/or external environment, in order to update or modify the model as required.

The Company may undertake CPM Certification in order to confirm that the model is correctly designed and implemented. The certification process will allow the Management of the Company to represent the strength of the CPM and its capacity to prevent the occurrence of any of the crimes specified in Law 20,393. For these purposes, certification must be undertaken by a body that is registered and authorized by the Commission for the Financial Market.

6. Crime Prevention System

The Crime Prevention System of BHP in Chile comprises the following aspects:

6.1. Control Environment

This is the suite of documents and culture, including the organization's ethical values, that comprise the foundations on which the Crime Prevention System is built, facilitating its structure and functioning.

In this regard, the actions of the Directors, Executives, Managers, Collaborators, and Recipients of the Manual must always uphold the values, policies, standards, and procedures established in documents including but not limited to the following:

- Crime Prevention Manual of BHP in Chile.
- [Our Charter](#).
- [Business Conduct Policy](#).
- Business Conduct Policy.
- BHP in Chile Internal Regulations on Order, Health, and Safety.

All Directors, Executives, Managers, Collaborators, and Recipients of the Manual are absolutely forbidden from directly or indirectly, individually or jointly planning, undertaking, or practicing any kind of initiative or activity that sets out to obtain any benefit or advantage in favor of the Company that is listed as a criminal act established in Law 20,393. Management divisions shall oversee continuous dissemination regarding the provisions indicated in this manual, and compliance herewith, to their collaborators.

6.2. Prevention Activities

The objective of prevention activities is to avoid breaches and violations of the CPM and to prevent the crimes specified in Law 20,393. Effective prevention will allow any improper actions or omissions to be avoided.

These activities include:

6.2.1. Crime Prevention Model Dissemination and Training

The CPO will implement **annual training programs** with the purpose of:

- Training employees and collaborators in the functioning of the CPM at the Company.
- Induction of new employees and collaborators, teaching them the content and scope of the CPM and Law 20,393.

6.2.2. Prevention Model Dissemination

With the goal of disseminating the concepts included in the Company CPM amongst all employees and collaborators, the CPO is to:

- Inform all Directors, Executives, Managers, and Collaborators regarding the launch of the Model, as well as any amendments and/or updates to it.
- Manage the publication and dissemination of the CPM on the corporate website and Company intranet, as well as over any other suitable channels, as applicable.

6.2.3. Risk Matrix

The Minerals Americas Compliance Department, working alongside support areas, will identify the highest risk or highest exposure processes or activities for the crimes specified in Law 20,393, and this information shall be used to compile a Risk Matrix. The purpose of the Risk Matrix will be to evaluate the risks that exist in the different processes undertaken at the Company, with the goal of estimating their impact and probability of occurrence, evaluating existing control mechanisms, and determining the processes that need improvement and any applicable remedial actions.

Once the control mechanisms have been identified and evaluated, the Compliance Department and other support areas will structure the application, amendment, or improvement of specific procedures, protocols, and/or policies such as to prevent and/or detect any crimes.

6.3. Detection Activities

Detection activities serve to allow investigations to be conducted that identify breaches of the CPM or possible scenarios in which the crimes specified in Law 20,393 may be committed. All employees and collaborators of **BHP in Chile** have a duty to support the detection process, providing all relevant information about any irregularities that they witness or become aware of, in a timely manner.

- a) **Reporting mechanisms:** the Company operates reporting channels that are available to all of its employees, collaborators, clients, suppliers, service providers, and third parties who wish to make reports regarding possible breaches of the CPM and Law 20,393, and to report breaches of the Business Code of Conduct.

The mechanisms available for these reports are:

Ethics Point

- **Online:** <https://secure.ethicspoint.com/domain/media/es/gui/23435/index.html>
- **Phone:** 123 0020 1359
- **E-mail:** Ethics.Team@bhp.com

Investigations will be conducted by the Ethics and Investigations team, and the CPO will be kept aware of the same inasmuch as their intervention may be necessary, particularly with regard to matters linked to any of the actions specified under Law 20,393.

Investigations will always adhere to legal requirements and will always respect the rights of those who are involved. Applicable principles include transparency, confidentiality, anonymity, prohibition of any form of retaliation against those who make reports in good faith, and objectivity in the usage and analysis of the information received.

- b) **Monitoring and Auditing Process:** The monitoring and auditing process comprises verification of compliance and effectiveness for CPM control mechanisms.
- c) **Litigation Review:** the CPO and the Legal division will work together to review all lawsuits, court cases, fines, infractions, and/or any legal or regulatory actions that involve BHP in any crime scenario linked to the matters covered under Law 20,393, in order to detect breaches of the CPM and analyze the measures necessary to resolve them.

6.4. Response Activities

Response activities serve to establish resolutions, corrective actions, disciplinary measures, or sanctions for those who breach the CPM, or when breaches that constitute the crimes specified under Law 20,393 are detected.

Response activities include but are not limited to the following:

- a) **Reviewing control mechanisms and implementing improvements:** The CPO will evaluate risks and control mechanisms breached in each case that leads to sanctions, with the goal of establishing new control mechanisms or improvements in cases where a control mechanism fails to operate effectively, or is poorly designed. The applicable area is responsible for the implementation of the corrective actions.

The CPO will evaluate the results of internal or external audits, as well as the actions taken by the Investigations team, in order to identify any relevant issues relating to the CPM control system.

- b) **Disciplinary sanctions:** The Company will apply disciplinary measures in the event of breaches of crime prevention procedures and policies, and if any of the crimes stipulated in Law 20,393 are detected, taking the following matters into consideration:
- i. Sanctions must be consistent with the Company's internal procedures.
 - ii. Sanctions must be applicable to all individuals implicated, that is, they must be universal and uniform.
 - iii. Sanctions must be proportional to the breach committed.

- c) **Reporting to the Justice System:** In the event that any action is detected that may constitute a crime stipulated under Law 20,393, the CPO will work with the Legal division to evaluate the possibility of reporting the situation to the Police or the Public Ministry, in order to undertake legal actions against those who are found responsible, with the criminal and civil penalties established by the Courts in conformity with applicable legislation.

6.5. Lead and Support Areas

Support areas play a significant role in the CPM, as they support the CPO in tasks linked to prevention, detection, response, oversight, and monitoring.

In line with the operating principles of the CPM, the activities to be performed by each support area shall include but not be limited to the following.

Ethics and Compliance Department

- Performing detection and prevention activities linked to the effective operation of the CPM.
- Periodically evaluating and analyzing risks of crimes specified under Law 20,393.
- Proposing control mechanisms that can prevent and allow for timely detection of situations linked to crimes stipulated under Law 20,393.
- Working alongside business units in the implementation of control mechanisms that allow the risks of crimes stipulated under Law 20,393 to be mitigated.
- Forming recommendations for the process of including compliance clauses (Law 20,393) in the various contracts formed with third parties.
- Reporting on their actions at least every six months, and/or when the circumstances merit, to the Senior Management of the Company, regarding the status of the CPM and matters falling within their remit.
- Forming recommendations for the process of including compliance clauses (Law 20,393) in employment contracts and in the Company's Internal Regulations on Order, Health, and Safety.
- Providing advisory input in decision making regarding sanctions and corrective actions to be implemented as a result of investigations undertaken and completed.
- Providing training to personnel in positions with higher levels of exposure to matters linked to the crimes stipulated in Law 20,393.

HR and Supply Department

- Ensuring the inclusion of Law 20,393 compliance clauses in contracts between BHP in Chile and its workers and/or third parties.
- Providing information as required by the Crime Prevention Officer for the tasks assigned to them, relating to implementation and execution of the CPM.

- Supporting the implementation of control mechanisms for breaches identified through investigations and/or audits linked to the CPM or any other newly identified risks.
- Supporting coordination of activities conducted by the CPO to disseminate the Crime Prevention Model.

Risk Management Department

- Facilitating the application of BHP's risk methodology to support risk assessment processes linked to the crimes stipulated in Law 20,393 and related laws.
- Facilitating risk workshops with the involvement of subject matter experts, control mechanism owners, and risk owners.

Legal Department

- Providing information as required by the Crime Prevention Officer for the tasks assigned to them, relating to implementation and execution of the CPM.
- Providing advisory support for the process of including compliance clauses (Law 20,393) in the various contracts formed with third parties.
- Providing advisory input in decision making regarding sanctions and actions to be implemented as a result of investigations undertaken.

All Collaborators and Third Parties

- Fully understanding the content of this Crime Prevention Model, particularly the courses of conduct that are prohibited and may be classed as crimes covered under the Law.
- Immediately reporting any situation or action of which they become aware that may constitute a crime.
- Adhering to the provisions of the company's Crime Prevention Model.
- Providing information as required by the Crime Prevention Officer for the tasks assigned to them, relating to implementation, operability, and execution of the CPM.
- Consulting the Compliance Department if they are in any doubt or require any advice.

7. Administrative Sanctions

All BHP employees are responsible for maintaining awareness of the contents of the Model, and must adhere to its provisions at all times. The CPO will oversee compliance with this Manual and shall put verification standards into practice.

Breach of the provisions of this Manual by employees may be classed as grounds for sanctions ranging from a verbal warning through to termination. Said breach shall be noted in the employee's personal file. Breach of the terms of this Manual by advisors, contractors, suppliers, or service providers shall similarly constitute grounds for immediate termination of any current contracts.

Employees must report any breaches of the Crime Prevention Model that they observe to their supervisors or to the CPO, using the reporting mechanism established and explained in this Manual.

BHP employees must stay aware that they may be subject to internal investigations if any evidence exists or any reports are received that could suggest that they are in breach of any law or BHP internal regulation. Employees must fully collaborate with internal investigation procedures that are conducted within the framework of the CPM. The policies and procedures indicated in this Manual, in the Business Code of Conduct, and the other documents that support the CPM are mandatory and included in the workplace duties assigned to all persons. Any breach may therefore result in the sanctions specified in the Internal Regulations on Order, Health, and Safety, without prejudice to the applicability of other civil and criminal penalties.

Advisors, suppliers, service providers, and contractors of BHP in Chile shall be held to the same requirement for collaboration, as required under the applicable contracts or agreements that they sign.

This Manual is not a replacement for the good judgment and common sense that the Company's employees and collaborator must take into account at all times when engaged in their tasks.

Any doubts regarding the interpretation and application of this Manual, or the manner in which any situations that are not specifically described may be resolved, are to be brought to the attention of the Crime Prevention Officer.

8. Applicability and Amendments

This Crime Prevention Manual shall come into force as soon as it is officially published by BHP in Chile.

It must also be subject to ongoing oversight and reviewed each year from the date of its entry into force, by the Crime Prevention Officer, who shall propose any textual or content changes that may be necessary in view of the circumstances and needs affecting the Company or regulatory changes that may affect Law 20,393.

BHP