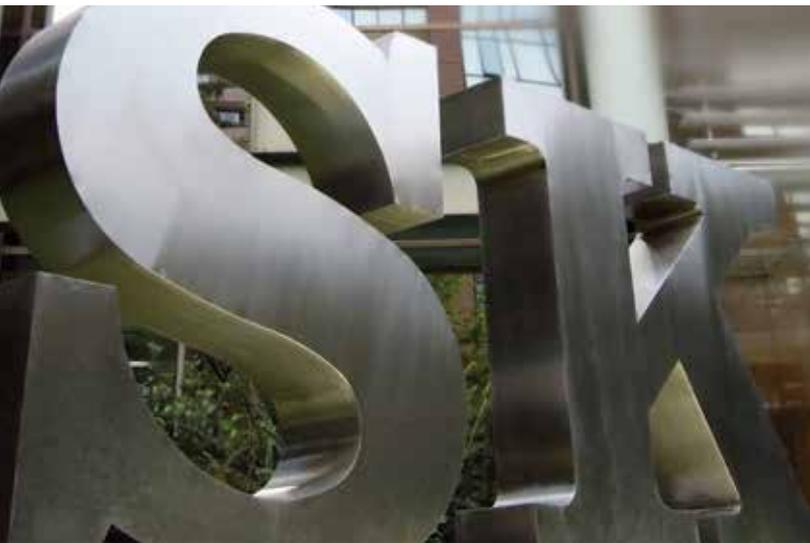


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## SUPPLIER CODE OF ETHICS AND CONDUCT

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**SIGDO KOPPERS S.A.**



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**TABLE OF CONTENTS**

<b>1</b>	<b>Introduction</b>	<b>4</b>
<b>2</b>	<b>Compliance with local laws and regulations</b>	<b>5</b>
<b>3</b>	<b>Corporate criminal liability</b>	<b>5</b>
<b>4</b>	<b>Procurement processes and conflicts of interest</b>	<b>5</b>
<b>5</b>	<b>Gifts or invitations</b>	<b>6</b>
<b>6</b>	<b>Work standards</b>	<b>6</b>
<b>7</b>	<b>Health and safety</b>	<b>6</b>
<b>8</b>	<b>Product quality and safety</b>	<b>7</b>
<b>9</b>	<b>Confidentiality</b>	<b>7</b>
<b>10</b>	<b>Reporting channel</b>	<b>7</b>
<b>11</b>	<b>Compliance with the code of ethics and conduct by suppliers and third parties</b>	<b>7</b>

## I 1. INTRODUCTION

Suppliers and subcontractors are an active part of the chain of value of Sigdo Koppers S.A. and its subsidiaries. That is why we promote an understanding and the adoption of the guidelines on conduct set down in our Corporate Code of Ethics, the Crime Prevention Model and the Principles of the United Nations Global Compact, which govern our activities and the relations with our stakeholders.

In this Code, the company summarizes the ethics and minimum standards of conduct serving as a guide for actions by suppliers, contractors, subcontractors and others who have a relationship with Sigdo Koppers S.A. and its subsidiaries. Please note that these guidelines do not replace or repeal other internal policies and/or procedures but rather supplement them, in combination with governing law.

Compliance with this code of conduct is an important element in the selection and evaluation of suppliers. We also aim for our suppliers and subcontractors to share these guidelines and apply these standards in their chain of supply.

Please note that the choice and contracting of suppliers by Sigdo Koppers S.A. and its subsidiaries must always be based on technical, professional and ethical criteria and on the company's needs. Proposals will be chosen on the basis of objective factors such as competence, timing, price and quality. The selection procedures will be transparent, will be previously established and demonstrable to the senior management of Sigdo Koppers S.A. and its subsidiaries. The Group's companies will avoid negotiating with companies or individuals regarding whom there is a reasonable doubt about their honesty or ethics.

## I 2. COMPLIANCE WITH LOCAL LAWS AND REGULATIONS

Suppliers must comply appropriately, in good faith, with all laws, administrative rules and regulations governing in the country, state, region or province where they operate.

## I 3. CORPORATE CRIMINAL LIABILITY

The suppliers of Sigdo Koppers S.A. and its subsidiaries may not perform any acts that signify committing any of the following crimes specified in Law 20,393:

- a) **Asset Laundering:** Any act to conceal or disguise the unlawful source of certain assets knowing that they come from the commission of crimes involving drug trafficking, terrorism, weapons trafficking, child prostitution, kidnapping, bribery and the like; or knowing that source and concealing or disguising those assets.
- b) **Terrorism Financing:** An act where, by any means, funding is requested, collected or provided for use in the commission of any act of terrorism or unlawful association in the aim of committing terrorist acts.
- c) **Bribery of National or Foreign Public Officials (Payoffs):** An act whereby one offers or consents to give an economic or other benefit to a public employee to the benefit of that employee or someone else so that:
  - the employee or other person takes official action that he is not authorized to take;
  - the employee does not take appropriate official action;
  - the employee performs an act in violation of his duties.
- d) **Concealment:** is when anyone who knows or should know of the source has in his possession, transports, buys, sells, processes or commercializes goods that have been stolen, robbed, concealed, misappropriated and/or rustled (animal theft). Anyone who negligently acquires or possesses such goods is also penalized.

## I 4. PROCUREMENT PROCESSES AND CONFLICTS OF INTEREST

Suppliers will be selected on the basis of merit and competence without any favoritism.

Collaborators of Sigdo Koppers S.A. and its subsidiaries must disclose and avoid any conflict of interest in which personal priorities, friendships or family relations may be put ahead of the company's priorities. Any such relationships must be disclosed in advance to the direct superior and actions must be taken that guarantee that suppliers will be independent.

## I 5. GIFTS OR INVITATIONS

Collaborators and suppliers may exchange gifts, meals, entertainment and other favors only if they are reasonable, occasional, low cost and according to local law, customs and practices.

Collaborators of Sigdo Koppers S.A. and their subsidiaries may never offer or accept gifts if they may influence or seem to influence a decision.

## I 6. WORK STANDARDS

- a) Suppliers may never use or benefit from hard labor under any circumstance. They will only employ individuals of legal age who voluntarily agree to work, in accordance with governing law.
- b) Suppliers must respect the human rights of their employees, agents, contractors and subcontractors. Therefore, no employee may suffer any violation of his physical or mental integrity or any other form of abuse by a supplier.
- c) Work shifts and salary must be at least in accordance with governing laws and regulations in the country where the supplier operates. This includes, in particular, compliance with laws and regulations on minimum wages, the length of the workday, and maximum daily, weekly and monthly overtime work.
- d) Suppliers must acknowledge that their employees are free to create or join an organization of their choice (including unions) and they must respect that right.
- e) Suppliers must acknowledge the right of their employees to decide whether they wish for their working conditions to be established in a collective bargaining process or through individual negotiations of an employment contract in accordance with the pertinent regulations and legal restrictions in each country.
- f) Suppliers may not discriminate, in their hiring and employment practices, on the basis of race, color, religion, sex, age, physical ability, nationality or sexual orientation.

## I 7. HEALTH AND SAFETY

Suppliers must offer their employees a safe work environment where there is no risk to their health or safety. When necessary, they must furnish appropriate protective clothing and equipment in order to prevent the risk of accidents or effects harmful to health.

## **I 8. PRODUCT QUALITY AND SAFETY**

All products and services provided by suppliers must meet the quality and safety requirements and standards in the laws governing in each country, in addition to the quality requirements of Sigdo Koppers S.A. and its subsidiaries.

## **I 9. CONFIDENTIALITY**

Suppliers must respect the principle of confidentiality regarding the information to which they have access because of their relationship and work for any of the companies in the Sigdo Koppers Group.

## **I 10. REPORTING CHANNEL**

Sigdo Koppers S.A. and each of its subsidiaries has a reporting channel or ethics box on their websites where suppliers, subcontractors and others doing business with the companies can report potential violations of this Code of Ethics and Conduct.

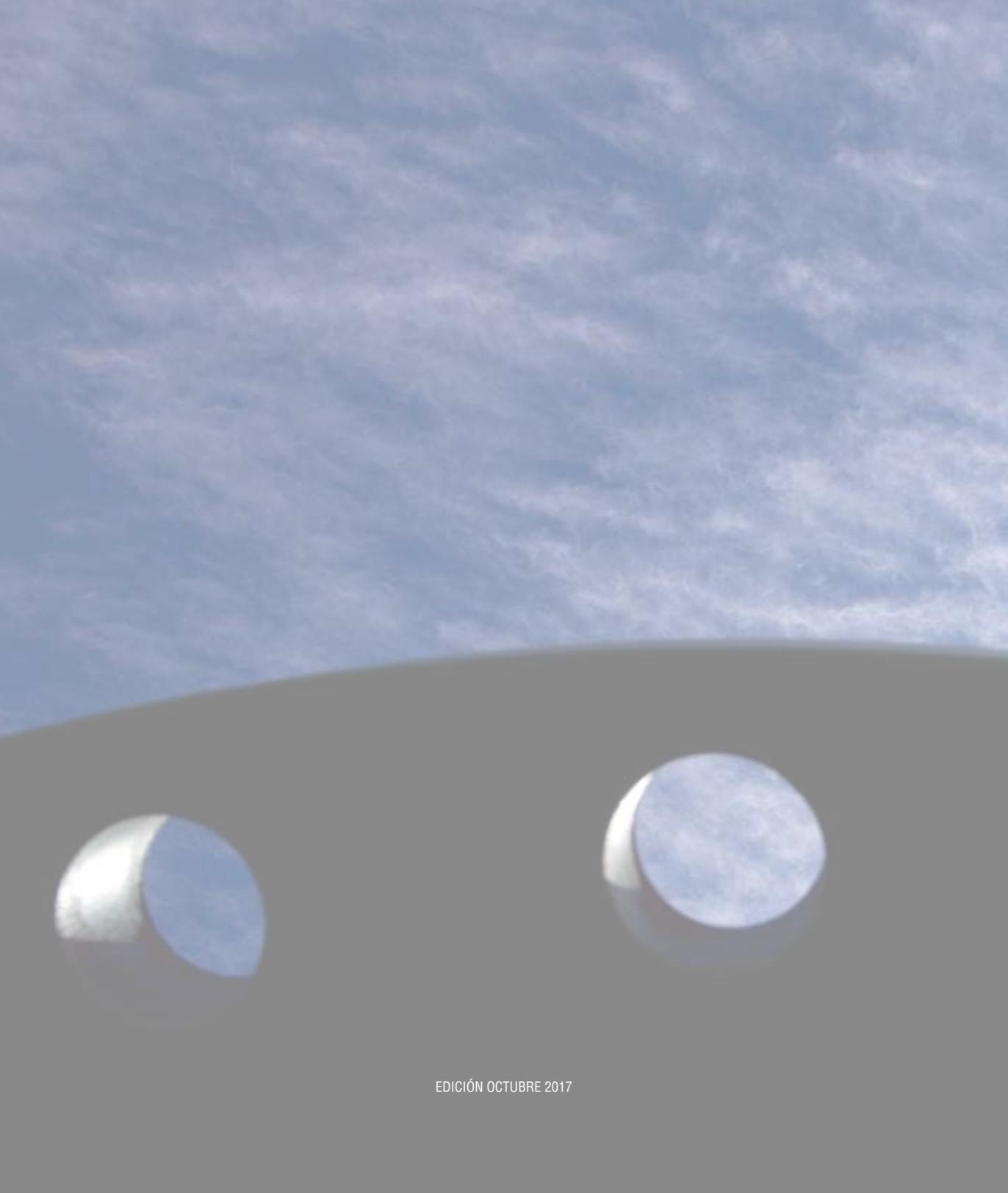
## **I 11. COMPLIANCE WITH THE CODE OF ETHICS AND CONDUCT BY SUPPLIERS AND THIRD PARTIES**

Sigdo Koppers S.A. and its subsidiaries reserve the right to confirm that suppliers are in compliance with the Supplier Code of Ethics and Conduct. Should any action or condition be found that is outside of this code, they shall have the right to require that the supplier adopt the corrective measures needed to ensure strict compliance herewith. The Company reserves the right to terminate the respective contract with any supplier not in compliance with this code.

It shall be presumed that suppliers, contractors, subcontractors and others doing business with the Company or its subsidiaries know this code as from the date of its publication. However, the Company will also furnish or make this code available to each supplier upon contracting therewith, and it shall make reference to this document in its purchase orders.

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**SIGDO KOPPERS S.A.**



EDICIÓN OCTUBRE 2017

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