

POLICY ON

HUMAN RIGHTS AND COMPANIES

Version 1 – April 2018



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The terms referred to in this Policy are defined in the Corporate Glossary.

1. OBJECTIVES

1.1 To compile and synthesize the guiding principles and values that govern Colbun's conduct of management in matters of Human Rights, that are sanctioned in the Code of Ethics, Community Relations Policy, Procurement Policy, Personnel Management Policy, Donations Policy, the Policy for Contracting Goods and Services Supplied by "Politically Exposed Persons" (PEP), the Crime Prevention Model, and the Company's Internal Rules of Order, Hygiene and Safety.

1.2 To ratify our commitment to the promotion of and respect for the United Nations Sustainable Development Goals (UN SDGS) and the United Nations Guiding Principles on Business and Human Rights (UNGPs), understood as guides for business activity within the boundaries of Chile's social objectives and legal system.

2. SCOPE

This Code of Ethics applies to all workers of the Company and to the relationships we establish with our contractors, providers, primary energy suppliers, the communities where we operate, and all of our stakeholders.

3. PRINCIPLES

3.1. FREEDOM OF ASSEMBLY

- We respect the right to freedom of assembly, trade union freedom, and the right to collective bargaining.

3.2. OCCUPATIONAL SAFETY AND HEALTH

- We foster working conditions that enable our workers and contractors to perform their functions in work environments that are healthy, safe and reliable, through risk management and demanding the requisite skills from the people who work with us.

3.3. LABOR RIGHTS

- We promote unrestricted respect for the labor laws, just as we take exception to forced labor, child labor, or any other form of work that violates the principle of human dignity.

- We foster an environment of inclusion within the Company, diversity of people and thought, at the same time that we reject all forms of discrimination based on sex, age, nationality, religion, ethnicity, race, appearance, disability, economic situation, sexual orientation, gender identity, political persuasion, or any other condition.
- We value courtesy and act with respect, responsibility, equity and transparency in our work relationships.
- The Company has opened a hotline for direct, anonymous complaints concerning compliance with Colbún's standards of ethical conduct, or any other situation requiring the attention of Management or of the Board of Directors. This mechanism is freely accessible to our employees and to third parties, with the above mentioned guarantee of confidentiality.

3.4. RESPECT FOR LOCAL COMMUNITIES

- Each time we carry out a project, we interact with the neighboring communities in the interest of generating trust, opportunities and future. This relationship is maintained throughout the facility's operation, and is one of ongoing, sustained dialog with the communities.
- We strive to adopt measures that will preserve the communities' safety, as the outgrowth of our operations.

3.5. LAND RIGHTS

- We respect the property rights of third parties to the lands in the vicinity of our projects, in keeping with the current institutional framework. In the event that our projects require the transfer of persons, this will be done in accordance with the law, making the utmost effort to reach shared consensus among all parties.

3.6. WATER AND THE ENVIRONMENT

- We exercise our water rights within the framework of the laws in force, based on criteria of sustainability.

- We promote a healthy, balanced and safe environment in our operations, through planning for continuity and seeking to sustain and preserve the environment for future generations.

3.7. CORRUPTION

- We recognize that corruption undermines institutions and democracy, ethical values and justice, and society's wellbeing and development. For this reason, we reject all forms of corruption.

4. ROLES AND RESPONSIBILITIES

4.1. MANAGEMENT CONTROL OF ADMINISTRATION AND RISK

- To detect the risks associated with any breach of this Policy and to notify the Committee of Risk and Sustainability and the Board of Directors thereof.

4.2. COMPANY MANAGEMENT

- To ensure that the respect for human rights declared in this Policy is reflected at all times in the conduct of our dealings with our stakeholders.

4.3. MANAGEMENT, DIVISION OF SUSTAINABLE DEVELOPMENT

- To guarantee the promotion of this Policy within the Company.

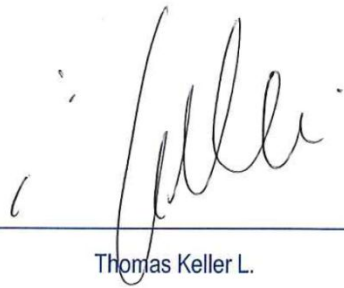
5. EXCEPTIONS

Exceptions must be documented and approved by the General Manager, and reported to the Board of Directors.

6. NON-COMPLIANCE

In the event of any instance of non-compliance with this Policy, the sanctions stipulated in the Internal Regulations of Colbún on Order, Hygiene and Safety may be applied.

This policy was approved by the Board of Directors on April 24, 2018.



Thomas Keller L.

Gerente General Colbún