



SUSTAINABILITY POLICY
EMPRESAS COPEC S.A.

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1. INTRODUCTION

Empresas Copec is a world-class company that aims to provide its investors with attractive profit in the long term and contribute to the development of Chile and the countries in which it conducts its activities.

In order to fulfill this, the Company has implemented the best sustainability practices in its activities, ensuring that its operations are carried out with excellence and the highest ethical and transparency standards.

In addition, Empresas Copec aims to ensure that the decision-making process considers and respects the interests of shareholders, employees, partners, suppliers, customers, communities and all parties that it engages with, procuring to be a good citizen and fostering the protection of the environment and the efficient use of natural resources.

Through this Sustainability Policy, the Company reaffirms its permanent commitment and responsibility with the sustainable management of its business activities.

2. OBJECTIVE

The Sustainability Policy's objective is to establish principles and general guidelines that allow the Company to ensure that its activities are developed under the highest sustainability standards. Therefore, this Policy should be applied by all members of the Company.

It should be noted that the following documents, standards and regulations were reviewed for the production of this Policy:

Internal documents:

- Code of Ethics – Principles and Values of Empresas Copec.
- Offense Prevention Policy (Law N° 20.393) of Empresas Copec.
- Environmental Policies of Arauco.

National regulations for Sustainability:

- General Application Regulation N° 385 of Securities and Insurance Superintendence (SVS).
- General Application Regulation N° 386 of Securities and Insurance Superintendence (SVS).

International standards and principles for Sustainability:

- ISO 26000 Guide on Social Responsibility.
- GRI (Global Reporting Initiative) Sustainability Reporting Guidelines.
- United Nations Global Compact Principles.

3. SCOPE

The Sustainability Policy's scope includes the Directors, Chief Executive Officer, Directing Managers, Executives, Administrators and Employees of Empresas Copec.

4. GUIDELINES

The Sustainability Policy is comprised of the following guidelines:

4.1 Integrity

The relationship between Empresas Copec and its stakeholders is founded on sound principles such as integrity, honesty and responsibility. The Company acts according to what is established in current regulations and provides a timely response to its commitments with society, communities, employees, customers, shareholders, investors, regulators, authorities and any other stakeholder.

4.2 Transparency

At Empresas Copec, transparency is essential to reduce information asymmetries and to facilitate the correct functioning of capital markets. The Company has a number of procedures, instruments and channels in place that facilitate the provision of relevant information to stakeholders. Furthermore, the Company periodically provides all of its stakeholders with transparent, reliable, and representative information, making sure that its

investment management and decisions consider the interests of all its shareholders.

4.3 Continuous Improvement

Empresas Copec regularly assesses the performance of all its processes in order to reduce and minimize possible risks caused by its operations on the community, the environment and its stakeholders, and implement any needed corrective measures on time.

The Company permanently promotes the adherence to high national and international standards in this matter, to reduce possible impacts that may be caused by activities, products and/or services. In addition, the Company fosters an innovation culture to respond in a timely and efficient manner to the requirements made by customers, the market and the community.

4.4 Value Creation and Protection

In all its activities, Empresas Copec aims to contribute to Society, by creating the greatest possible value that sustainably benefits the different stakeholders with which the Company engages, through efficient, responsible, innovative and quality management.

4.5 Precaution and Prevention

Empresas Copec has a risk management policy and method in place that allows the Company to identify risks, assess them, weigh their impacts, mitigate and monitor them, in order to improve the decision-making process.

This policy applies to all of the Company's fields of activity: operational, financial, project development, environmental, human resources, employee and contract worker health and safety, legal and regulatory, as well as community, reputational and social issues.

The Company also promotes a risk prevention and work safety culture.

4.6 Protection and Conservation

Empresas Copec is committed to the sustainable growth of its business with a long term vision, and providing proper protection and conservation of the environment.

The Company considers relevant aspects related to the conservation of resources and respect and protection of the environment in its actions, adopting good practices, values and commitments. In addition, the Company's policies include the fulfillment of existing legal and administrative requirements and the application of standards responsible in cases for which there are no laws or regulations.

5. RELATIONSHIP WITH STAKEHOLDERS

Below is a list of actions that the Organization conducts in relation to its direct and indirect stakeholders.

5.1 Shareholders and Investors

- Ensure long term value creation for shareholders.
- Develop sound relationships with current and potential investors, providing a timely and transparent response to their diverse requirements and information needs for their decision-making processes.
- Maintain shareholders and investors informed about the different risks that may affect the Company.

5.2 Employees

- Prevent work accidents and occupational diseases related to Company activities, products and services.
- Foster a work environment based on respect, honesty, professional quality and teamwork.
- Safeguard the personal development of all the Company's members; foster diversity, collaboration and provide ongoing training in sustainability issues.
- Meet legal regulations on trade union freedom.

5.3 Customers

- Contribute to the development of operations that allow customers to attain their own sustainability goals.
- Provide customers with a responsible and sustainable product and/or services offer.
- Ensure the delivery of innovative, quality products and services that meet the needs and expectations of customers.

5.4 Communities

- Develop Company activities in harmony with its social and environmental surroundings.
- Prevent and mitigate possible negative impacts caused by Company activities.
- Implement community engagement programs and projects that create value in the where the Company maintains its activities.

5.5 Suppliers and Contractors

- Safeguard the timely payment of fair prices.
- Maintain a strictly independent relationship, prioritizing criteria such as usefulness, quality, opportunity and budget that are in the Company's best interest.

5.6 Society

- Contribute to the development of society by maintaining responsible, mutually collaborative and ongoing relationships in areas such as education, innovation, housing and sports.

6. RESPONSIBILITIES

The Board of Directors of Empresas Copec is responsible for ensuring that this Sustainability Policy is fulfilled, as well as monitoring any sustainability initiatives established by regulating bodies for the Parent Company.

Regarding subsidiaries, their respective Board of Directors are responsible for ensuring that any policies adhered to on this matter are fulfilled.

Roles and Responsibilities:

6.1 Board of Directors

- Approval of the Sustainability Policy.
- Validation of sustainability procedures related to the corporate management model.
- Ensure the correct implementation of the sustainability requirements established in the different national and international guidelines, such as NCG N° 385.
- Approval of the Sustainability Reports, which are annually developed by the Company.

- Promote an instance to obtain feedback on the Sustainability Report among the organization's relevant stakeholders, and analyze the results.

6.2 Corporate Management

- Contribute to the communication of the Sustainability Policy and practices throughout the organization.
- Attend national and international meetings related to sustainability to create opportunities for dissemination, demonstrate commitment to sustainable management, and update information on global sustainability trends.
- Validate the Sustainability Reports that are annually developed by the Company.

6.3 Staff, Consultants and Contract Workers

- Fulfill what is outlined in this Sustainability Policy.

7. APPROVAL AND MODIFICATIONS

This Policy was approved by the Company's Board of Directors during a meeting held on December 30, 2015. If any modifications are made, the date of the Board meeting during which such modifications were approved must be stated under this sub-heading.

8. VALIDITY

This Policy is valid as of December 30, 2015 and will have an indefinite duration, as long as the Company's Board of Directors does not adopt another resolution on this subject.

9. COMMUNICATION MECHANISMS

The complete and updated content of this Policy will be made available to stakeholders at the Company's website (www.empresascopec.cl).

10. GLOSSARY

- General Application Regulation N° 385 and 386 (NCG N° 385 / 386): Requires publicly traded companies to inform the general public about their practices in corporate governance, social responsibility and sustainable development.
- GRI (Global Reporting Initiative): Guide for the production of sustainability reports whose objective is to enhance the quality, accuracy and usefulness of these reports in order to reach a level that is equivalent to financial reports. They mainly aim to achieve the triple balance: economic, social and environmental.
- United Nations Global Compact: The 10 Principles of the Global Compact are the result of statements made by the United Nations on issues such as human rights, labor, the environment and anti-corruption.
- ISO 26.000: Guidance standard on Social Responsibility established by the International Organization for Standardization (ISO).