



# FUNDAMENTAL RIGHTS SUMMARY OF PROGRESS 2024

# COMMITMENT AND GOVERNANCE

Empresas Copec carries out its activities in a business environment that seeks to encourage active cooperation with all stakeholders in order to relate responsibly to the social and human development of the country.

The Company has been part of the Global Compact since 2021, an initiative created by the United Nations to encourage organizations to incorporate sustainability into their business activities through a commitment to implement specific plans and programs based on the principles of Human Rights, labor relations, the environment and anti-corruption methods, in line with the 2030 Agenda and its 17 Sustainable Development Goals (SDGs).

Empresas Copec seeks to reflect its commitment to the respect for Human Rights, in compliance with the Guiding Principles on Business and Human Rights of the United Nations. The Company also recognizes the ten principles of the Global Compact.

In this regard, Empresas Copec is a member of the Group of Leading Companies in Human Rights and Business of the Global Compact Network Chile, who have worked to raise awareness and promote human rights management within organizations.

In addition, through its membership in Acción Empresas (representing in Chile the World Business Council for Sustainable Development-WBCSD), the Company shares with the business world knowledge, experiences and best practices related to human rights and sustainable development.

It should be noted that Empresas Copec is part of the pioneering group of companies in Acción, which is committed to accelerating progress on five key sustainability criteria: carbon neutrality; human rights - due diligence; inclusion - diversity; biodiversity; and transparency - reportability.



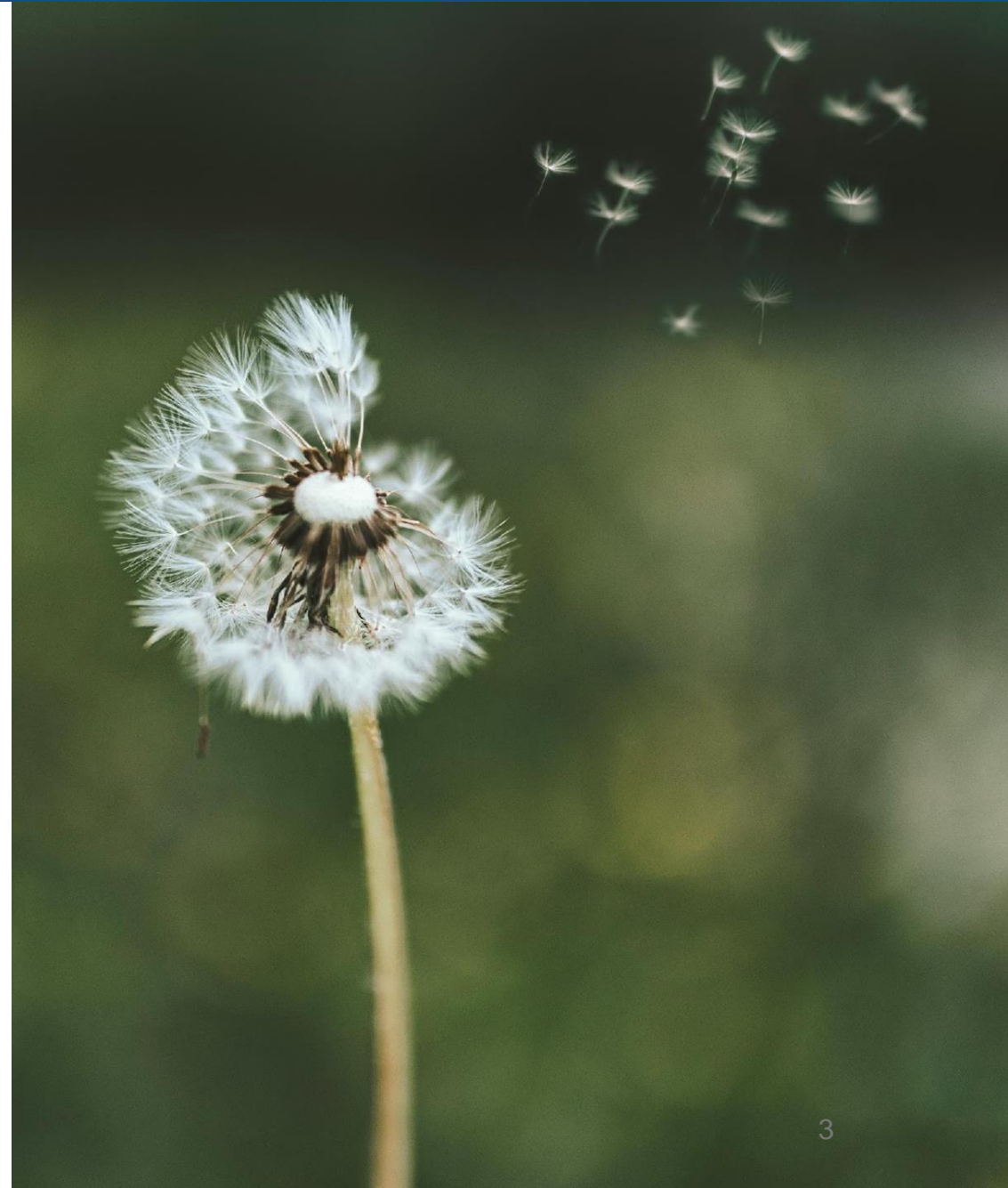
## HUMAN RIGHTS POLICY

Empresas Copec has a Human Rights Policy, which gathers the principles that have guided the Company's actions in this matter throughout its business history, where strict adherence to ethical principles, personal integrity and full respect for the established rules have prevailed.

These principles guide the conduct of each member of the Company, so that the activities are carried out in accordance with high standards of corporate social responsibility, transparency and respect among people.

It should be noted that this policy was developed taking into consideration current national legislation and international instruments in this matter.

This document is publicly available in Spanish and English on Empresas Copec's website so that anyone interested can consult it, and it is shared with internal collaborators through the corporate intranet.



## CONTROL BODIES IN HUMAN RIGHTS MATTERS

Empresas Copec is aware of the importance of respecting and promoting human rights, and therefore monitors, follows up and controls the Company's management and the potential risks that may arise in this area.

In this regard, the following internal bodies and control mechanisms have been defined:

### Ethics and Compliance Committee

Advises on ethics and compliance matters; defines and promotes the values and behaviors that are encouraged in the Code of Ethics; proposes updates and modifications to the Board of Directors; and supports the Offense Prevention Officer in the different control activities carried out by the latter.

### Sustainability Executive Committee

Among other roles, it is responsible for defining policies aimed at the protection and promotion of human rights within the Company, supervising their impact and establishing monitoring mechanisms. In addition, it must promote employee training and awareness, facilitate dialogue with stakeholders and ensure transparency in its reports, complying with regulations and collaborating with other players to promote and protect human rights.

### Whistleblower Channel

Receives complaints and inquiries, establishing a procedure for the analysis of possible cases, situations or questionable practices in which the provisions of the Offense Prevention Model (OPD), laws, regulations, policies, procedures and internal rules of the Company are not being complied with.

### Offense Prevention Officer

Promotes that the Company's internal processes and activities have effective offense risk prevention controls and keeps a record of evidence of compliance and execution of these controls. It also reports, at least every six months and/or when circumstances require it, to Empresas Copec's Board of Directors.

### People Committee

Among other roles, it supervises compliance with current labor regulations and the Company's internal policies and programs, including the Diversity, Inclusion and Respect for the Individual Policy and the program to prevent harassment and violence in the workplace, as well as providing training on human rights in the workplace. It also oversees hiring and firing practices to ensure that the processes are objective and justified, establishes communication channels for employees to express concerns, and fosters an organizational culture that values and respects human rights.

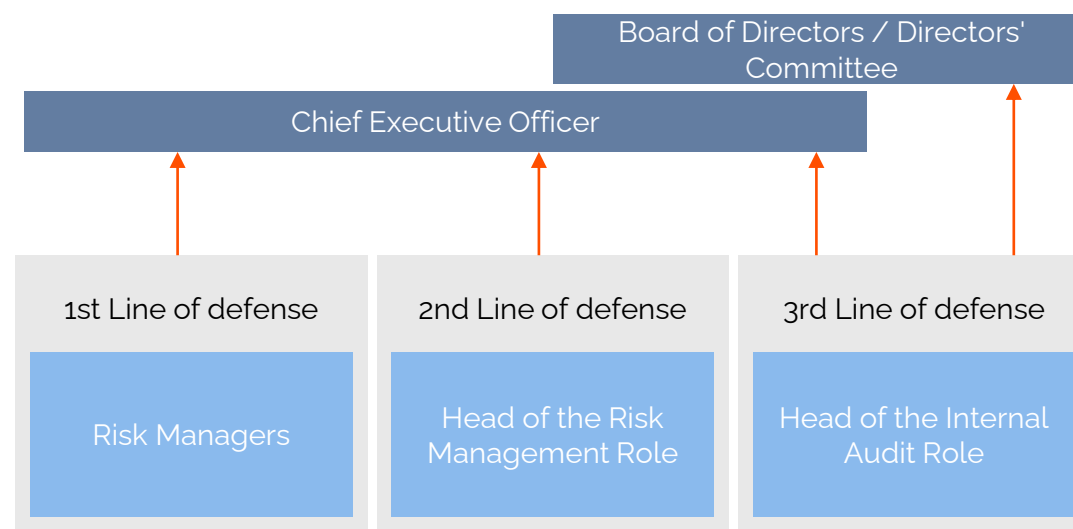


# INTEGRATING HUMAN RIGHTS AND DUE DILIGENCE

## IDENTIFICATION OF RISKS AND IMPACTS

The comprehensive risk management model is based on the COSO ERM and ISO 31000 international standards, current legal regulations and good practices.

Risk management is carried out in a comprehensive manner in Empresas Copec, including the Board of Directors, Directors' Committee, Chief Executive Officer and the different units that comprise the Company, and is linked to the Audit and Risk Management roles as follows:



The methods used for risk identification are aligned with those presented in ISO 31010 and correspond to structured interviews, *brainstorming*, materialized risk base, analysis of the environment, among others.

This process is carried out through work meetings with the participation of the Company's Management, together with experts in matters related to the business from which some risks could arise.

Annually, the Head of the Risk Management Role coordinates a meeting with the members of the Directors' Committee, and those who consider it necessary to incorporate, to review the inventory of risks from the previous year and apply changes if appropriate.

Once these activities have been carried out, the list of risks will be defined and uploaded to the computer system managed by Empresas Copec.

## EXTENDED RISK MANAGEMENT SYSTEM

According to the United Nations Guiding Principles on Business and Human Rights (UNGPs), a human rights due diligence system is an ongoing process aimed at identifying and managing the risks and impacts associated with the development of its operations at all stages, taking into account the geographical and social context and the characteristics of its supply chain.

The broad definition of modern human rights leads to great heterogeneity in the issues and potential impacts. In this regard, the Company has a risk management approach supported by different subsystems and their procedures (e.g. Compliance, Health and Safety, Environment, Procurement, Cybersecurity, among others), which manage the issues for which they are responsible.

Annually, these subsystems are evaluated to ensure that they adequately cover the risk management model with their corresponding controls. The final goal is to facilitate an autonomous and efficient management of each area, consistent with a comprehensive and cross-cutting vision, which allows to integrate the potential risks associated with some of the most priority fundamental rights in risk management.

## INTEGRATION OF MANAGEMENT SUBSYSTEMS

- [Integral Risk Management Policy](#)
- [Human Rights Policy](#)
- [Diversity, Inclusion and Respect for the Individual Policy](#)
- [Financing Policy](#)
- [Community Contribution Policy](#)
- [Sustainability Policy](#)
- [Safety and Health at Work Policy](#)
- [General Information Security Policy](#)
- [Conflict of Interest Policy](#)
- [Antitrust Manual](#)
- [Offense Prevention Policy](#)
- [Code of Ethics](#)
- [Supplier Code of Conduct](#)
- [Public Officers Relations Policy](#)



# INTEGRATING AND ACTING ON RISKS AND IMPACTS

## IDENTIFICATION OF POTENTIAL IMPACTS

As part of the literature review, reference frameworks such as the Use and Application Guide developed by the Global Compact Network Management Team, and the Guide to Human Rights and Business in Chile by the Danish Institute for Human Rights and the National Institute for Human Rights were consulted.

The issues with potential human rights impact are those that could take place due to the nature of the business itself, the locations where the company operates and other additional factors. From this initial list, the UNGP framework establishes a series of criteria to determine which are priority or *salient issues*. The framework considers the likelihood of the impact occurring, as well as the magnitude of the significance of an issue, which is defined by a number of factors, the three main ones being severity, scope and remediability. The framework also distinguishes the degree of connection or role of the company: it causes it, contributes to cause it or is directly linked to it.

Considering these general guidelines, Empresas Copec classifies stakeholders as direct and indirect, according to their dependence on the Company and its subsidiaries. The former are those who, through their work, have a direct impact on the management of Empresas Copec, as the parent company of an investment group, while the indirect stakeholders are related through their impact on the activity of the operating subsidiaries.

Stakeholder	Relationship	
	Direct	Indirect
Shareholders and Investors	✓	✓
Employees <sup>1</sup>	✓	✓
Suppliers and Contractors <sup>1</sup>	✓	✓
Civil society	✓	✓
Community <sup>1</sup>		✓
Customers and consumers		✓

<sup>1</sup> Examples of specific actions with which these stakeholders are addressed are provided on pages 9 to 14 of this document.



According to the UNGPs, once potential impacts and *salient issues* have been identified, measures to prevent and mitigate them must be activated. The following are some examples of how Empresas Copec integrates the management of respect for fundamental rights in relation to three priority stakeholders:

Stakeholder	Guidelines	Potential impacts
<b>Workers</b>  Direct and indirect relationship	<p>Maintaining a good relationship with employees is essential for long-term success. We seek fluid communication and proper management that allows to promote work environments based on respect, honesty, professional quality and teamwork.</p> <p>We also seek to prevent occupational accidents and potential occupational diseases.</p> <p>The Company ensures the human development of all its members, encouraging diversity, collaboration and continuous training in sustainability and compliance with legal regulations on freedom of association.</p>	<ul style="list-style-type: none"> <li>• Working conditions</li> <li>• Occupational health and safety</li> <li>• Equality and non-discrimination</li> </ul>
<b>Community</b>  Indirect relationships. Each subsidiary relates according to its business model.	<p>The companies seek to carry out their activities in harmony with the social and environmental surroundings, taking care of preventing and mitigating possible negative impacts generated by their activities.</p>	<ul style="list-style-type: none"> <li>• Relations with indigenous peoples</li> <li>• Environmental impacts</li> </ul>
<b>Suppliers and contractors</b>  Direct and indirect relationship	<p>A part of the activities of the Company and its subsidiaries depends on a correct management and good relationship with its suppliers and contractors. In the selection process, the most favorable criteria of usefulness, quality, timeliness and budget must always be privileged. Meanwhile, payment for contracted services must be fair and timely.</p>	<ul style="list-style-type: none"> <li>• Timely payment</li> <li>• Respect of contractual conditions</li> <li>• Fair treatment</li> <li>• Development of joint projects</li> <li>• Health and safety</li> </ul>

## WORKERS:

### PREVENTION OF WORKPLACE HARASSMENT, SEXUAL HARASSMENT AND WORKPLACE VIOLENCE IN EMPRESAS COPEC AND ITS SUBSIDIARIES

The Company and its subsidiaries have implemented a prevention program to avoid incidents of workplace harassment, sexual harassment and violence in the workplace, in compliance with the obligation to protect workers.

Empresas Copec S.A. acknowledges that harassment and violence can result from insufficient management of psychosocial risks at work and is committed to managing these risks to maintain a safe and healthy work environment. Furthermore, it is aware that violence and harassment can also be the result of uncivil and sexist behavior, and is committed to developing actions to address them.

Empresas Copec S.A. will not tolerate conducts that may generate or constitute situations of sexual harassment, workplace harassment and violence in the workplace and will promote interpersonal relationships that are always based on fair treatment and mutual respect among all members of the Company.

This commitment is shared by both the Company's management and its employees, who are united in a collaborative and participative effort to

to prevent and eradicate these behaviors. Through social dialogue and continuous training, the Company will promote a culture of respect, safety and health at work.

Good practice with workers Empresas Copec	
Process	People management at Empresas Copec
Human Right	Right to work in a work environment free of harassment and violence. The right to report harassment and violence to the designated area or personnel.
Right holder	Workers
Control activity	To establish a Prevention Program to avoid the occurrence of labor harassment, sexual harassment and violence in the workplace, in compliance with the obligation to protect workers.
Responsible/area	Empresas Copec People Committee



At Empresas Copec, the implementation process was led by the People Committee, with the support of experts in labor law and risk management, and the participation of workers' representatives. The Program seeks to strengthen safe and violence-free work environments, in which fair treatment is encouraged, equality with a gender perspective is promoted and behaviors against people's dignity are prevented in the work environment.

Both the Company and the employees are committed, on a participatory basis, to identify and manage psychosocial risks at work related to sexual harassment, workplace harassment and workplace violence. In the case of the Company, it is committed to identify them, evaluate them, take preventive and corrective/mitigative measures and monitor them according to the results obtained, all of which are set out in a risk matrix. In the case of the collaborators, they commit to support the Company in identifying those risks detected in their activity and in preventive management, through the Joint Health and Safety Committee ("CPHS" for its acronym in Spanish).

The Program considers:

1. Identification of risk factors. The Company developed a risk matrix to identify the probability and impact of these behaviors and how to prevent them. The risk matrix was prepared by experts, based on surveys to each of the employees.
2. To manage priority risks, a prevention protocol with mitigation/correction actions was developed. Examples of actions:

- Training and awareness-raising on specific behaviors to avoid. All employees, including chief officers and members of the Board of Directors, have received training in this area. In addition, there is a dissemination and awareness campaign that will be carried out twice a year.
- Referral of cases to the managing body for early psychological care;
- Management of complaints and consequences, applying the investigation procedure, safeguard and sanction measures contained in the Internal Regulations on Order, Hygiene and Safety (RIOHS for its acronym in Spanish).

2. Empresas Copec implemented an investigation procedure with complaint channels, safeguards measures, official reports to the Labor Authority and sanctions. This process considers a comprehensive management of complaints. The risk matrix and protocol will be reviewed periodically.

### Supply chain

It is established that Empresas Copec's contractors and subcontractors must have a Sexual Harassment, Workplace Harassment and Workplace Violence Prevention Protocol, as well as a Procedure for Investigation, Protection and Sanction Measures, both included in their Internal Regulations on Order, Hygiene and Safety. In addition, contractors and subcontractors shall implement additional prevention measures that the Company may provide for the prevention of risks related to sexual harassment, workplace harassment and workplace violence and shall coordinate in the investigation procedures of complaints involving personnel of the Company and contractors and subcontractors.



The Company is committed to comply with the following principles established in the National Occupational Health and Safety Policy (approved through the Supreme Decree No. 2 of 2024 of the Ministry of Labor and Social Welfare on May 7, 2024), in the prevention of sexual harassment, workplace harassment and workplace violence:

- a) Respect for the life and physical and psychological integrity of workers as a fundamental right.
- b) Development of a preventive approach to occupational health and safety.
- c) Gender equity and diversity.
- d) Universality and inclusion.
- e) Participation and social dialogue.
- f) Continuous improvement.
- g) Responsibility in risk management.

Likewise, the Company is committed to the following principles for a preventive management of psychosocial risks in the workplace:

- a) Zero tolerance to acts of sexual harassment, workplace harassment and workplace violence, fostering a culture of mutual respect,

where each employee feels valued and acknowledged regardless of their position, gender, age, sexual orientation, disability, nationality, ethnicity or religious beliefs or other aspects.

- b) Fundamental value of providing a safe working environment where all employees can perform their duties without fear of violence or harassment.
- c) Participation and social dialogue, committing to promote an open dialogue with employees, ensuring that the protocols that address prevention are developed with the participation and input of all stakeholders. Trade union organizations, in accordance with the provisions of Article 220 N°8 of the Labor Code, may formulate proposals and requests related to the improvement of occupational risk prevention systems and demand a decision.
- d) Control of risks at their origin, eliminating or controlling them, enhancing protective psychosocial factors and promoting empathetic and constructive behaviors in work environments, including the prevention of those uncivil behaviors and sexism that may be the preamble for the subsequent manifestation or potential development of harassment or violence at work.
- e) Gender perspective, considering in preventive management the existence of an impact of gender on people's opportunities, roles or social interactions.



## WORKERS:

### OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT

The safety and health of employees is a priority goal of Empresas Copec. The management of Empresas Copec together with the Joint Health and Safety Committee, with the support of experts from Asociación Chilena de Seguridad (ACHS), are responsible for continuously identifying all accident and occupational disease hazards that could rise as a result of the work performed by employees, generating a Hazard Identification and Risk Assessment Matrix (MIPER for its acronym in Spanish).

Additionally, it describes which control or preventive measures should be applied, whether they are engineering (protection systems/sensors), administrative (work procedures) or personal protection equipment. All this is recorded in a document defined as Obligation to Inform (OTI), which is disseminated to all employees.

Regarding preventive measures, the Company conducts several annual training courses for employees in order to reduce occupational accidents, including courses on first aid, defensive driving, and the use of fire extinguishers, among others.

It should be noted that, as a result of occupational health and safety management, at the individual level, Empresas Copec maintained its statistics of zero accidents and fatalities.

#### Good practice with workers

Empresas Copec

Process	People management
Human Right	Right to mental and physical health.
Right holder	Workers
Control activity	To establish training programs that stimulate the training of its employees with special emphasis on the knowledge of the risks to which they are exposed.
Responsible/area	Management and Joint Health and Safety Committee



 **COMMUNITY:****AIR QUALITY MONITORING**

ARAUCO obtained a favorable rating in the Environmental Impact Study of the "Arauco Plant Expansion Modernization" Project (MAPA), which considered the execution of different monitoring studies, including aspects related to air quality, marine and fluvial environments, effluents, among others.

Linked to its operations and communities, the subsidiary carried out a campaign to measure air quality and meteorological parameters in two populated areas adjacent to the company's facilities, one in Carampangue and the other in Laraquete, in Arauco, Biobío Region, in order to comply with the requirements of Exempt Resolutions N°170/2006 and N°125/2008.

It should be noted that the work team responsible for the sampling, control, data analysis and report preparation activities is comprised of professionals from SERPRAM S.A., a company with expertise in environmental services and certified as a Entity for Technical Environmental Auditing (ETFA), specialized in the areas of air quality monitoring, measurement of stationary sources and certification of CEMS systems.

The results were positive, given that when comparing the data obtained with the Air Quality Standards, in the last three years of continuous monitoring (2020-2022), it complies with Chilean legislation for the measurement of atmospheric pollutants; Supreme Decrees N°12/2021 (MP-10), N°104/2019 and N°22/2009 (SO<sub>2</sub>) Secondary South Zone, N°112/2002 (O<sub>3</sub>), N°115/2002 (CO) and N°114/2002 (NO<sub>2</sub>).

It should be noted that this monitoring practice is carried out at all of ARAUCO's plants.

Good practice with community ARAUCO Subsidiary	
Process	Environment
Human Right	Right to a healthy environment
Right holder	Community and workers
Control activity	To establish procedures that regulate and control the environmental conditions of the industrial operations it carries out. Likewise, prevention programs must be developed to favor environmental care and the community in general.
Responsible/área	People and Sustainability Corporate Management



 **SUPPLIERS:****SUPPLIER PERFORMANCE GUARANTEE**

In 2023 Empresas Copec published the [Supplier Code of Conduct](#) with the aim of defining the business practices and minimum sustainability requirements that this stakeholder group must comply with, in order to achieve a balance between economic growth, environmental care and social welfare.

This document sets out the guidelines for suppliers regarding the respect for the human rights of their workers, supporting and respecting the protection of internationally proclaimed human rights. It also considers an explicit commitment to freedom of association and the right to collective bargaining, the right not to be subjected to forced labor, child labor or discrimination in employment and occupation, among other matters.

This document is public and is mandatory knowledge for all suppliers of the Company. In addition, its reference is included as a clause in contracts and purchase orders.

**Good practice with suppliers**

Empresas Copec

<b>Process</b>	Procurement
<b>Human Right</b>	Labor rights
<b>Right holder</b>	Suppliers
<b>Control activity</b>	In order to guarantee compliance with a supplier's labor rights, it is important to implement control activities that ensure fair and legal conditions, such as: labor audits, training and awareness-raising, complaint channels, supply contracts with associated clauses, among others.
<b>Responsible/area</b>	Finance and Administration Office

# MONITORING SYSTEM

## REPORTING MECHANISMS

Empresas Copec has a confidential and anonymous communication channel for anyone who has information about an act or fact that constitutes a violation of Law No. 20,393 and its amending laws, or a conduct that deviates from the principles established in the Code of Ethics - Principles and Values of the Company, the Human Rights Policy or the Diversity and Inclusion Policy, by its personnel, or by entities that maintain relations with it, to report it directly to the Offense Prevention Officer.

The reporting channel is called "Whistleblower Channel" and is available in Spanish and English. It is important to note that the link is available on the corporate website, investors' page and the Company's intranet, and that training is provided to employees to inform and promote the use of the line.

## TREATMENT OF THE COMPLAINT

Complaints are received - either by e-mail or by physical mail - by the Offense Prevention Officer.

Upon receipt of a report, the Offense Prevention Officer shall provide

a review of the background information contained therein. Based on the merit of this background, the text of the complaint must be sent to the Ethics and Compliance Committee, together with a proposal for investigative actions to be carried out to verify the facts reported. Subsequently, the aforementioned committee must determine the course of action to be followed to carry out the investigation, which generally includes the following steps:

- Gathering information on the reported event.
- Interviewing the personnel involved in the complaint.
- Analyzing the information obtained through collection and interviews.
- Documentation of the investigation carried out together with the results obtained.
- If appropriate, propose the implementation of corrective measures.



## MONITORING SYSTEM ANALYSIS <sup>2</sup>

EMPRESAS COPEC AND SUBSIDIARIES 2023

	Empresas Copec	Subsidiaries
Inquiries received and complaints investigated	0	342
Layoffs due to complaints under investigation	0	47

22.2% Sexual and non-sexual discrimination and harassment	13.2% Corruption and bribery	0.3% Privacy of customer data
4.1% Conflict of interest	0.3% Asset laundering	59.9% Other inquiries and complaints

On a consolidated basis, 342 queries and complaints were received through the reporting channels of Empresas Copec and its subsidiaries in 2023.

<sup>2</sup> Indicator verified by KPMG. For more information, see p.229-230 of the [2023 Integrated Report](#).



## CASE STUDY

### IDENTIFICATION OF SOCIO-POLITICAL AND HUMAN RIGHTS RISKS IN THE OPERATING ENVIRONMENTS OF ORGANIZACIÓN TERPEL S.A.

The subsidiary Terpel published a [document](#) that seeks to inform about potential socio-political risks (SPR) and human rights risks in Terpel's operating environments and to provide tools to support their corresponding management and protocolization.

In this regard, the subsidiary analyzed, identified and prioritized the SPR in the different regions of Colombia and countries where it operates.

#### Criteria for developing an Action Plan

Transcendent	Managing this risk is a matter of the highest priority. The arrangements for dealing with it must be significantly modified to mitigate it.
Significant	In order to manage this risk, it is necessary to modify the arrangements for dealing with it and additional resources or efforts are required.
Subtle	Management of this risk can be incorporated into existing treatment arrangements. However, it needs to be monitored and tracked to avoid aggravation.

#### Assessment of the likelihood and impact of the SPR

Impact/Consequence	Catastrophic	Its materialization makes operational continuity impossible and damages the company's reputation.	4	4	8	12	16
	Serious	Its materialization compromises the operational continuity and damages the company's reputation.	3	3	6	9	12
	Moderate	Its materialization temporarily disrupts operational continuity and damages the company's reputation	2	2	4	6	8
	Minor	Its materialization generates minimal variations in the operational continuity and damages the company's reputation.	1	1	2	3	4
Score				1	2	3	4
				It is practically impossible for this to happen next year	It is unlikely to happen next year	It could possibly happen next year	It is very likely to happen next year
				It has happened on some occasions	Has happened in the last 2 years	It has happened in the last year	It has happened in the last 6 months
				Remote	Uncertain	Possible	Evident

