

## Caja Los Andes Crime Prevention Model Law under No. 20393

### Introduction

In the framework of Chile's admission as a member of the Organization for Economic Cooperation and Development (OECD), in December 2009 Law No. 20393 was published, which establishes the criminal liability of legal entities for certain offenses committed in their interest or benefit, these offenses, to date are:

- Money laundering
- Financing of Terrorism
- Bribery of national or foreign public officials
- Dealing in stolen goods
- Corruption between private individuals
- Incompatible Negotiation
- Mismanagement
- Misappropriation
- Offences under the General Law on Fisheries and Aquaculture
- Endangering public health due to infringement of the instructions issued by the authority.
- Trafficking in persons
- Offenses under the Firearms Control Law
- Crimes under the Computer Crimes Law

Notwithstanding that more offenses may be added in the future.

Thus, legal entities may be criminally liable if their directors, managers, chief executives and those who perform management and

supervisory activities, or those under the direct management or supervision of any of them, commit any of the offenses incorporated into Law No. 20393 as a consequence of the organization's failure to comply with its management and supervisory duties.

The Law establishes that these duties will be considered to have been fulfilled if the entity had implemented a Crime Prevention Model ("MPD" for its acronym in Spanish) prior to the commission of the crime.

In this context, the Agency has implemented a mandatory Corporate MPD for Caja Los Andes and its subsidiaries, as well as policies and procedures that contribute to the prevention of the commission of crimes.

### Crime Prevention System and Model under Law No. 20393 (MPD)

The Agency has adopted various measures to prevent the commission of crimes, all of which are part of a crime prevention system. This system is composed of different elements, being the Crime Prevention Model of Law No. 20393 (MPD) the central document of this comprehensive prevention system.

In turn, the following are part of this system:

- Code of Good Practices and Conduct;
- Internal Rules of Order, Hygiene and Safety;
- Policies, procedures and controls implemented to mitigate risks of committing crimes;

- Crime Prevention Officer (EPD for its acronym in Spanish) in charge of the MPD;
- Monitoring and supervision systems; and independent evaluations of the MPD.

The MPD, as the core document of the crime prevention system, establishes the guidelines to be followed in terms of prevention and contains, among others, an explanation of each of the crimes that are incorporated into Law No. 20393, establishes duties and obligations, prevention measures, a reporting system, sanctions and a risk matrix that is updated periodically in which those activities or processes in which there is greater risk of committing crimes and the controls implemented to mitigate such risks are identified.

## Elements of the Crime Prevention Model

Below is a summary of the main aspects addressed by the MPD of Caja Los Andes for your information:

### I. Crimes included in Law No. 20393

The MPD includes a detailed explanation of each of the crimes included in Law No. 20393, its applicable regulation, particular considerations of each crime and examples for a better understanding. It should be noted that, notwithstanding the provisions of this document, this section of the MPD is updated whenever there is a change in the legislation.

The following is a brief explanation of each of the offenses incorporated to date into the MPD for a better understanding:

#### 1. Money Laundering:

Any act intended to conceal or disguise the unlawful origin of certain assets, or to acquire, possess, hold or use them, for profit, when, at the time of receiving them, their unlawful origin has been known, or should have been known acting diligently that they come directly or indirectly, from the perpetration of certain crimes also known as "base crimes" or "predicate offenses".

#### 2. Bribery

Offering or consenting to give a national or foreign public employee a benefit of any nature, for his own benefit or that of a third party, either by reason of his position, or to engage in improper actions or omissions in the exercise thereof.

#### 3. Financing of Terrorism

Whoever, by any means, solicits, collects or provides funds for the purpose of being used in the commission of terrorist crimes.

#### 4. Dealing in stolen goods

Whoever, knowing its origin or not being able to but knowing it, has in any way stolen or robbed goods or the result of cattle rustling or misappropriation, transports, buys, sells, transforms or commercializes them in any form whatsoever.

#### 5. Corruption Between Private Individuals

Requesting or accepting to receive an economic benefit or any other kind of benefit for oneself or a third party, to favor or for having favored, in the exercise of one's duties, the contracting with one bidder over another. In turn, anyone who offers or accepts to give an economic benefit or any other kind of benefit for himself or a third party, with a view to being preferred over other bidders or for having been preferred over other bidders

without this being based on commercial criteria, is punishable.

#### 6. Incompatible Negotiation

The director or manager of a corporation who is directly or indirectly interested in any negotiation, action, contract, operation or management involving the company in breach of the conditions established by law.

#### 7. Misappropriation

Whoever, to the detriment of another, appropriates money, belongings or any other movable thing that he has received with the obligation to return it, in deposit, commission or administration or by any other means that produces the obligation to deliver or return it.

#### 8. Mismanagement

Whoever, being in charge of safeguarding or managing the estate of a third party, causes prejudice to the latter by abusively exercising his powers of representation, or by executing or failing to execute any other action in a manner manifestly contrary to the interest of the owner of the affected estate.

#### 9. Offenses contemplated in the Law on Fisheries and Aquaculture

##### a) Water Pollution

Introducing or ordering the introduction of chemical, biological or physical pollutants that cause damage to hydrobiological resources into bodies of water without authorization, or in contravention of their conditions or in violation of the regulations, is punishable, regardless of whether it is intentional or due to mere negligence.

##### b) Commercialization, Processing and Storage of Hydrobiological Resources

The processing, pooling, transformation, transportation, commercialization and storage of forbidden hydrobiological resources is sanctioned. The processing, commercialization and storage of products derived from closed-season hydrobiological resources is also sanctioned. Likewise, it also penalizes those who process, elaborate or store hydrobiological resources or products derived from them, for which their legal origin is not accredited, and which correspond to resources in a state of collapse or overexploitation.

##### c) Illegal Fishing

Whoever carries out fishing activities in areas of management and exploitation of seabed resources (benthic), without being the holder of the corresponding rights.

#### 10. Non-observance of Isolation or Other Preventive Measures Ordered by the Sanitary Authority

The employer or those who, having authority to decide the work of a subordinate, order the employee who is in quarantine or compulsory sanitary isolation decreed by the sanitary authority to go to the workplace when it is different from his residence, shall be sanctioned.

#### 11. Firearms Control Law Offenses

This law criminalizes different conducts related to the control of the use of firearms. Thus, the following conducts, among others, are sanctioned as crimes:

#### a) Private Militias

Those who organize, belong to, finance, instruct, incite or induce the creation and operation of private militias, combat groups or militarily organized parties, armed with the firearms, artifacts or ammunition established in the law or who knowingly assist in the creation and operation of these groups.

#### b) Illegal Manufacture and Bearing of Firearms

Whoever manufactures, assembles, adapts, transforms, carries, possesses, has, commercializes, imports and brings into the country banned or controlled firearms, artifacts and ammunition.

#### c) Illegal Sale of Ammunition

Whoever, being authorized to do so, sells ammunition or cartridges to a person who is not the owner, holder or bearer of a registered firearm, or the sale involves ammunition or cartridges of a caliber different from the authorized caliber, or delivers any of such elements to a minor.

#### d) Detonation of Explosive Devices

Whoever sends, activates, detonates, throws, shoots, explodes or places bombs or explosive, incendiary or corrosive devices in, from or to public roads, public buildings or buildings of free access to the public, or inside or against means of public transportation, sanitary, fuel storage or transportation, electricity distribution or generation, port, aeronautical or railway facilities, including subway trains.

#### e) Violation of Confidentiality of Firearms Control Records

Whoever violates the confidentiality of the corresponding authorities in relation to the records, background information, and investigations related to arms control.

#### f) Abandonment of Firearms

Whoever abandons, neglects or is negligent in the care of firearms on the part of the person who is registered and who triggers an illicit act.

### 12. Human trafficking

Whoever by means of violence, coercion, deception, abuse of power, taking advantage of a situation of vulnerability or dependence of the victim, or the receipt of payments or other benefits to obtain the consent of a person having authority over another, recruits, transfers, or receives persons to be subjected to sexual exploitation, forced labor, servitude, or extraction of organs.

### 13. Computer Crimes Law Offenses

This law criminalizes computer crimes in accordance with the provisions of the Budapest Convention. Thus, the following conducts are punishable as crimes:

#### a) Attack on the Integrity of a Computer System.

Anyone who hinders or prevents the normal operation of a computer system, by means of alteration, damage, or transmission of computer data.

#### b) Unlawful Access to a Computer System

Whoever without authorization or exceeding the authorization and overcoming technical barriers or technological security measures unlawfully accesses a computer system.

#### c) Unlawful Interception of Information

Whoever intercepts, interrupts or interferes, by technical means, the transmission of information in a computer system between two or more systems. Or the unauthorized capture of

data contained in computer systems through electromagnetic emissions shall also be considered unlawful interception.

#### d) Attack on the Integrity of Computer Data

Whoever alters, damages or deletes computer data.

#### e) Spoofing

Whoever improperly introduces, alters, damages or suppresses computer data with the intention of being taken as authentic or to generate authentic documents.

#### f) Dealing in stolen computer data

Whoever, knowing its origin or being unable to know it, trades, transfers or stores illicitly acquired computer data.

#### g) Cyber fraud

Whoever, with the purpose of obtaining an economic benefit for himself or a third party and causing damage, manipulates a computer system by introducing, altering, damaging or suppressing computer data or by interfering with a computer system.

#### h) Misuse of devices for the perpetration of cybercrimes.

Whoever for the commission of cybercrimes delivers, imports, disseminates or makes available one or more devices, computer programs, passwords, security or access codes or other similar data created or adapted principally for the perpetration of such crimes.

## II. Prevention System Governance

While compliance with the DPM is the responsibility of everyone in the organization,

the governance of the system is entrusted to the following areas with their ensuing responsibilities:

### 1. Board of Directors

In charge of defining the guidelines and policies corresponding to the Compliance Department, especially those related to Law No. 20393. To this end, it must be informed of the prevention activities and control mechanisms in the area of crime prevention.

### 2. Compliance Department

The Compliance Department will be responsible for supervising and updating the prevention system. The Director of Compliance, who leads the Compliance Department, reports functionally to the Board of Directors and administratively to the General Counsel of Caja Los Andes.

The Compliance Director, in turn, is the Crime Prevention Officer (**EPD** for its acronym in Spanish). The Compliance Department, in relation to the prevention of crimes under Law 20393 will have, among others, the following functions:

- Coordinate prevention efforts and activities, in accordance with the guidelines and policies indicated by the Board of Directors.
- Ensure compliance with the provisions of Law 20393.
- Establish and/or keep updated the regulations and guidelines necessary to regulate, control and safeguard the operations and processes susceptible of being used as vehicles for the commission of the crimes incorporated into Law 20393.
- Supervise the continuous identification, analysis and

management of the risks to which the organization is exposed in relation to the crimes covered by Law 20393 and supervise the implementation of the corresponding controls.

- Develop an awareness and training program on the criminal liability of the Agency and its subsidiaries for the crimes incorporated into Law 20393 and coordinate its implementation with the Corporate Management of People and Corporate Affairs.
- Report semiannually to the Board of Directors the steps taken in relation to the implementation of the MPD, complaints received and results of investigation processes.
- Establish methods for the effective application of the Model and its supervision in order to detect and correct its flaws, as well as update it according to changes in internal or external circumstances that so require.

### 3. Prevention Officer (EPD for its acronym in Spanish)

As mentioned above, the MPD includes a person responsible for implementing, applying, supervising and monitoring the MPD. This person, who is appointed by the Board of Directors and is autonomous in the performance of his/her duties, is the Crime Prevention Officer (EPD), which in Caja Los Andes is a role assumed by the Compliance Director. The EPD has direct access to the Board of Directors to report to them on the fulfillment of his/her duties and to account for his/her performance.

The Board of Directors shall ensure that the EPD has sufficient autonomy and the

necessary means and powers to perform its function.

### 4. Ethics and Corporate Governance Committee

This Committee shall be in charge of applying measures in cases of violation of the MPD and shall keep a record of the measures imposed, including at least the date, non-compliance and identification of those involved.

### 5. Corporate Management of People and Corporate Affairs

It shall ensure that the Fund's employees are trained at least annually in the crime prevention system of Law No. 20393.

### 6. Comptroller's Office

Responsible for incorporating into its annual audit programs periodic reviews of the MPD, to verify, among other aspects, the proper functioning of preventive policies and procedures.

## III. Preventive measures

The organization has identified those processes and activities exposed to risks of committing crimes that could compromise its criminal liability. In turn, it has implemented preventive measures to mitigate such risks, which are described in the respective risk matrix.

Notwithstanding the foregoing, by way of example, the following controls and preventive measures that the Agency has implemented to contribute to the prevention of crimes and mitigate the risks of their occurrence stand out:

- Implementation of clauses in the contracts of employment, with suppliers and third parties with which the Agency is related;

- Policy on Relationships with Public Officials;
- Per Diem and Expense Reimbursement Policy;
- Sponsorship and Patronage Contracting Policy;
- Ethical standard reflected in the Code of Good Practices and Conduct;
- Supplier Due Diligence

#### IV. Financial resource management and auditing procedures

The organization also has procedures for the administration and audit of financial resources to prevent the use of Caja Los Andes for the commission of crimes. These procedures have been duly identified in the DMP.

Additionally, it is noted that in accordance with the provisions of Law No. 18833, the Family Benefits Agencies may invest the resources of the Social Fund only in certain financial instruments. This legal obligation also contributes to crime prevention, since it establishes a minimum standard to be taken into consideration for investment purposes.

#### V. Obligations, prohibitions and sanctions

In order to prevent the commission of crimes included in Law No. 20393, the organization has established obligations, prohibitions and penalties for non-compliance with the MPD. These can be found in the RIOHS, in the contracts with employees, in the contracts that the organization enters into with third parties and in the policies and procedures that have been implemented to prevent the commission of crimes. By way of example, we can point out the following obligations and prohibitions:

- To know and comply with the MPD.
- It is prohibited to incur in any of the criminal offenses regulated by Law 20393.
- It is prohibited to engage in conduct that is contrary to the MPD.
- Obligation of all collaborators to report facts that they believe constitute a crime.
- Act with professionalism, honesty, truthfulness and transparency.

As a consequence of the above, the organization has stipulated that failure to comply with such obligations and prohibitions will be considered a serious breach. In this way and with respect to the employees, they may be sanctioned with a verbal reprimand; written reprimand; fine of up to 25% of their daily remuneration; and dismissal. In the event of non-compliance by a third party with whom the Agency has a contractual relationship, the Agency shall have the right to terminate the contract, without any right to compensation, and the Fund may initiate any legal action it deems appropriate, especially that of requesting compensation for damages.

#### VI. Whistleblower channel

The organization has implemented a whistleblower channel known as the Ethics Line, which allows employees and third parties to report, among others, possible violations of Law No. 20393 or the MPD.

Employees will have the obligation to report through this channel any situation or suspicion of the commission of offenses included in Law No. 20393 and non-compliance with the provisions of the MPD that they detect, so that the necessary measures can be taken to prevent these violations from occurring.



Reports can be made anonymously and will always be treated with due confidentiality. To do so, please access the following link:

<https://www.cajalosandes.cl/quienessomos-transparencia-linea-etica>

To better manage these reports, it is suggested that the report includes as much background information as possible, and especially:

- Detailed account of the facts, if possible, indicating date, place and circumstances.
- Identification of the individual or legal entity reported.
- Irregularities or actions that could be considered irregular.

#### VII. Investigation of complaints

The MPD establishes a procedure for the investigation of complaints, the guiding principles of which are speed, confidentiality and, if the individual so prefers, anonymity.

The Ethics and Corporate Governance Committee will decide on the measures to be applied in cases of violation of the MPD.

The Board of Directors will be informed every six months of the complaints received and the course of action taken.

#### VIII. Dissemination and Training

The organization has incorporated aspects related to the MPD and the prevention of crimes under Law No. 20393 in its dissemination and training plan.

Training on the MPD is provided to the entire organization and is mandatory.

These trainings, mainly cover the following contents:

- Origin and main provisions of Law No. 20393; and.
- Elements of the MPD: obligations and prohibitions, sanctions, EPD, Ethics Line and explanation of each of the offenses incorporated in Article 1 of Law No. 20393, in addition to examples and practical cases.
- Ethical standards established by the Code of Good Practices and Conduct.

#### IX. Supervision and Certification

As noted above, the EPD is responsible for the supervision of the MPD, who shall make a permanent review of the MPD to introduce adjustments or updates as required when relevant changes occur.

The EPD will rely on the Comptroller's Office to carry out audits of the MPD, which should include periodic reviews of the MPD in its annual audit programs. The results of the audits shall be communicated to the Board of Directors.

Finally, the certification of the DMP is a voluntary tool that can be used by the organization to corroborate, through an external and independent entity, the adequate adoption and implementation of the DMP. The Agency has periodically certified its MPD from 2012 onwards. Currently the MPD is certified by MC Compliance until December 2022.

#### Validity

This document was issued by the Compliance Department on September 21, 2022.

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