



**Solutions for
Human
Progress**

SQM Code of Ethics

Letter from our Chief Executive Officer

To all of our workers, executives, and Board members:

SQM is a global company integrated by people committed to delivering a well-done job. Our activities are mainly focused on the production of those minerals that are key to human progress while our goal aims at being renowned by our competitiveness, excellence, and innovation within a high-standard context where integrity stands as a beacon guiding every business decision.

Our Code of Ethics plays a key role in accomplishing this goal, as it establishes the standards to be met in the pursuit of our activities and, by so doing, we get the certainty we are doing the right work, with the right people, and in a way that makes us proud of ourselves for the value we are creating for our people, communities, business partners, shareholders, and the environment.

On the other hand, our Code of Ethics is underpinned by related statutory elements that, as a whole, constitute an integral part of our Ethics and Compliance Program. More than a priority, this program lies at the very foundations of our company and, therefore, complying with it is not a negotiable option.

Integrity is one of the four corporate values we should help consolidate every single day. This is why our Code of Ethics and Program are equally applied to all of us: chief executives, Board members, managers, and full-time or part-time workers. Regardless of whether we are in Santiago, a plant, a mine site, or abroad, if we have been with the company many years or it is our first day, we are invariably governed by the same rules.

I would like to thank everybody for the support provided during the implementation of our global Ethics and Compliance Program. I recognize the strong commitment and collaboration as the main drivers that enabled the putting in place of a high-level program, specifically tailored for our company, our risks, and business. I want to ask everybody to continue to support this program as it has become part of our culture. As CEO, I have always given the program my whole support and I will continue to do so.

Remember that, in case you are not completely certain if a decision you are about to make is fully compliant with the Code and the law, you should look for advice before taking any action. We can talk to our executives, the Ethics and Compliance Management Office, visit the web site or use the hot line to seek advice. If, moreover, we become aware of a situation that may infringe our Code, it is our obligation to report it.

We should never forget our main corporate values as building a solid culture based on safety, integrity, and excellence is our common duty.

Take the time to read our Code, understand it, and act on it while you perform your daily work activities.

Sincerely
Ricardo Ramos
Chief Executive Officer

2. Table of Contents

Letter from our CEO

Table of Contents

3. SQM Commitment to our Mission, Vision, and Values

3.1. Our Mission and Vision

3.2. Our Values

- a. Excellence
- b. Safety
- c. Integrity
- d. Sustainability
- e. What We Expect from our Leaders

3.3. About the Code

- a. Code Enforcement
- b. Consequences of Infringing the Code
- c. Speak-Up: How to Raise Your Concerns
- d. No Retaliations

4. Our Commitments to Stakeholders

4.1. Our People

- a. Safe, Healthy, and Productive Workplace
- b. No Bullying or Discrimination
- c. Human Rights
- d. Avoid Conflicts of Interest
- e. Data Privacy and Security

4.2. Our Local Communities

- a. Respect for the Environment
- b. Donations and Contributions
- c. Interactions with Public Officers

4.3. Our Business Partners Around the World

- a. Business Courtesies
- b. Free Competition
- c. Fight Against Bribery and Corruption

4.4. Our Shareholders

- a. Operations using Privileged Information
- b. Respect for SQM Assets and Intellectual Property Rights
- c. Interaction with the Media
- d. Accuracy in Financial Accounts and Record Keeping

Contact the Ethics and Compliance Management Office

3.

SQM Commitment to our Mission, Vision, and Values





3. SQM Commitment to our Mission, Vision, and Values

3.1. Our Mission and Vision

We are a global company committed to excellence. Our activities are mainly focused on producing minerals in a manner that is sustainable and selectively integrated in the processing and commercialization of products destined to industries of paramount importance for human development.

SQM is renowned for its high levels of competitiveness, excellence, and innovation across its business areas in a context of high-standard integrity.

3.2. Our Values



Excellence

- We are permanently challenging ourselves to obtain increasingly better results.
- We promote agility, creativity, and innovation.
- We execute our tasks in a way that is sustainable and respectful of the environment.
- We have embraced a culture of excellence based on the Lean Methodology (M1) principles.
- We foster and value meritocracy as a means of professional development.
- We create growth opportunities that enable people to reach their maximum potential.

Safety

- People's safety is a top priority to perform our activities in a workplace that is safe and free of accidents.
- We are responsible for promoting safety and protection within all our work teams.
- We have built a preventive culture based on safe behaviors, self-care, and care for other team members.

Integrity

- People's safety is a top priority to perform our activities in a workplace that is safe and free of accidents.
- We are responsible for promoting safety and protection within all our work teams.
- We have built a preventive culture based on safe behaviors, self-care, and care for other team members.

Sustainability

- We make a responsible and efficient use of the natural resources involved in our processes.
- We execute our tasks in a way that is sustainable and respectful of the environment, promoting initiatives to reduce and mitigate the impact from our operations.
- We encourage permanent dialogue with neighboring communities and support their development.
- We create the necessary conditions for all collaborators to boost their skills, thus enhancing equal opportunities and diversity, and no discrimination whatsoever.

Ethical behavior has, as starting point, the basic commitment that all of us and anyone working with SQM should abide by the law. SQM offers zero tolerance for corrupt activities to anyone working on its behalf, including improper payments or benefits directly or indirectly granted to public officers.

What we Expect from our Leaders

Our leaders are responsible for teaching by example to those they supervise, for building a respectful work atmosphere, and providing guidance to workers when at a crossroad of ethical dilemmas. We count on our leaders to enforce the Code and set an example through their actions. If you are in a leadership position, bear in mind your team is observing your actions as an example.

Our leaders must be able to discuss queries or dilemmas with their workers and be available to help others. All Code-related questions and noncompliance reports that reach their attention must be considered with the utmost seriousness.



CONTACT THE ETHICS AND COMPLIANCE MANAGEMENT OFFICE:

You do not necessarily have to know which steps to take in a given situation, but you do have to know when to ask for help. The Ethics and Compliance Management office is ready to assist in more difficult and complex situations. You can reach them at compliance@sqm.com

3.3. About the Code

a. Code Enforcement

Never will our Code of Ethics be capable of covering all the situations you may be faced to. However, it can certainly serve as the basis for good decision-making. Our Codes contains plenty of references to policies and procedures you can follow to find further information. It is our duty to comply with all current laws as well as with our Code, policies and procedures.

All workers, executives, and Board members from all companies, affiliates and subsidiaries owned and controlled by SQM, irrespective of job tenure, salary, location, or position, must observe our Code. All SQM people are expected to read the Code and be trained on it. We also expect that non-controlled joint ventures adhere to our Code or implement their own codes with the same values and principles.

Consequences of Infringing the Code

Failure to meet our Code can bring serious consequences for SQM and people involved. Code violations are taken very seriously by SQM senior management to the point they can lead to internal disciplinary actions, like reprimands, sanctions, or even terminations. On their part, public authorities will be able to impose their own sanctions, like fines or even time in prison of people involved.





RESPONSIBILITIES OF ETHICS AND COMPLIANCE MANAGEMENT OFFICE:

The Ethics and Compliance Management Office is responsible for implementing and keeping our Code updated. If, at some point, you have some doubts about the Code and how to do things right, please contact the Ethics and Compliance Management Office. It is their job to respond those questions and allocate the resources for you to make the right decision and comply with the Code and the law.

c. **Speak-Up: How to Raise your Concerns**

If someone becomes aware of a situation that may violate our Code, it is our obligation to report it. SQM and its leaders commit themselves to taking very seriously all reports submitted in good faith and to protect all parties engaged in an investigation process from any sort of retaliation.

Raising concerns or reporting a suspicion of Code or policy infringements takes courage. We can feel the pressure to keep quiet or keep away from trouble. However, we admire those who report when they think that something is going wrong or even when a worker may think his/her boss may be a party involved.

Remember it is our duty to report our certainties or suspicions of Code or policy transgressions. To that end, SQM has made available the following channels for formal reporting:



web site
denuncias.sqm.com



email
compliance@sqm.com

Hotline assistance:

Location	Toll-free number	Location	Toll-free number
Chile	Entel: 800-360-312	Spain	900-99-0011
	Movistar: 800-800-288	South Africa	0-800-99-0123
Belgium	0-800-100-10	Ecuador	1-999-119
USA	844-330-7095	China (Shanghai)	10-811
Mexico	001-800-658-5454	China (Beijing)	108-888
The operator will request a code. Please, provide this number: 844-330-7095			

All reports and enquiries will be kept confidential, as mandated by SQM policies and procedures. Reports can also be submitted anonymously, pursuant to local legislation.

The Ethics and Compliance Management Office will be responsible for keeping track of all reports received regarding possible Code violation cases. Our Investigation Procedure will provide further information on the subject.

d. No Retaliations

Any individual who raises its concerns in good faith will be protected against retaliatory actions. Retaliation can occur in many different ways, such as harassment, intimidation, demotion, or the assignation of unwanted tasks as a result of filing a report in good faith. Retaliation against outspoken workers -in itself a very serious breach of this Code- will be investigated and, if proven true, sanctioned pursuant to the Code and our Internal Order, Hygiene and Safety Regulations (hereinafter "IOHSR").

A report in good faith is that where the disclosing party strongly believes or thinks it is highly likely that an improper conduct has occurred or is occurring, and where that report has not been submitted maliciously. A report does not necessarily have to be proven to be filed in good faith, though the disclosing party must believe his/her concern for the likelihood of improper conduct is genuine.



4.

Our Commitment to our Stakeholders

SQM stakeholders are the groups most affected by our decisions. Specifically, our people, local communities, business parties, and shareholders. These groups must be borne in mind when we make decisions and supply our goods and services. Our actions trigger consequences in the real world and the impact caused on our stakeholders must be taken into account.

4. SQM Commitment to our Stakeholders

4.1.

Our People

People represent our most valued asset. Those of us who work at SQM are valued and respected members of our organization. To get the job done and build trust through respect we must rely on each other, which has been the key to our long-term success.

a. A Safe, Healthy, and Productive Workplace

We are more productive when the environment around us is safe and healthy. Some guidelines must be followed to ensure we will work in a safe and efficient way. We are of the belief that practically all workplace safety accidents and risks can be averted. A safe workplace will maximize productivity and reduce losses.

SQM employs sophisticated equipment and machinery that frequently demand advanced training. It is our responsibility to make sure we receive the proper training before we can operate equipment associated to our job in a safe and responsible way. Should you realize something is unsafe, report it so that it gets fixed and an accident is prevented.

Question:



Samuel is an engineer. He spends most of the time in front of his computer or in meetings for different projects. To get a better understanding of the project's requirements, he wants to visit the plant. While there, he sees a crane and makes some questions about it. The plant supervisor suggests Samuel to operate the crane, as he seems to be interested in how it works. Samuel thinks this practical experience might be a valuable additional insight into the job. Would it be right if he operates the crane for a short while under the supervision of others?

Answer:



No. Samuel is not properly trained on how to operate the crane or any other specialized machine used at SQM. Never should we use machinery we have not been trained on. If we operate equipment we have no experience with, we will be exposing ourselves and our co-workers to unnecessary risks.

Part of creating a safe work environment means being free of the effects of illegal drugs and alcohol at the workplace. SQM workers are prohibited from consuming or being under the influence of illegal drugs or alcohol during working hours, as in such circumstances people are more likely to sustain accidents that will affect their own and others' lives. For further information on this topic, refer to our IOHSR.

Question:



While working at the production plant, Raul realizes one of his workmates is acting weird. He seems to be taking too long to complete a simple task. Things keep slipping out of his hands and he has tripped and fell on the floor twice. Raul approaches his workmate to check he is okay and immediately smells alcohol. Raul asks his colleague if he has been drinking but the answer is that, because of his flu, he has just taken a medicine but that he is feeling better now. What should Raul do?

Answer:



Raul's mate seems to be under the influence of alcohol or drugs. Raul should notify this episode to his supervisor and the Safety Department immediately to prevent this worker from exposing himself or others to any danger. Even if Raul is not sure what is wrong with his colleague, he should report it.

b.

No Bullying or Discrimination

We give our best when there are no distractions pulling our attention away from our job. We hire, promote, recruit, and make work decisions based on individual skills for a certain position. We make no discrimination based on age, race, religion, gender, nationality, sexual orientation or other personal characteristics under the Non-Discrimination Law. Everyone is treated with the same level of respect.

Not only bullying, mobbing, and sexual harassment but all forms of harassment are prohibited. Instances of improper actions may include obscene language, physical contact, intimidation intended to humiliate a person or group of people or generate a hostile atmosphere. Among others, it may include obscene gestures, jokes, lewd insinuations, graphic material, threatening or hostile acts, insults, or similar acts.

If you are a witness to or suspicious of harassment, discrimination, or bullying actions, report them.



Question:

In a conversation over lunch, outside the office, Eduardo, one of my workmates, starts telling jokes and funny stories. Everyone was laughing and having fun until he moved his attention to Jose, the latest to join the group. Eduardo tells a few jokes based on Jose's home country. Then he teases about how Jose is the oldest in the group. Jose seems to be uncomfortable and he leaves the place. Considering all this happened outside the office premises and outside working hours, has Eduardo breached our Code?

Answer:



Yes, Eduardo has breached the Code of Ethics. We must respect colleagues wherever we are. Even if this took place outside the workplace and not during regular working hours, mocking and bullying workmates is not only disrespectful but also an infringement of our Code.

c. Human Rights



Promoting respectful work relationships to create the conditions necessary for every individual to actively develop its skills is part of what we do while we do our job. We comply with all applicable legal regulations regarding fair working conditions, salaries, maximum working hours, child and forced labor. We foster integration all across our operations and uphold positive practices on human rights. Among such actions we find the total prohibition of recruiting child labor, forced labor, or any similar practice. The number of hours people should work must be in line with the applicable legislation and a fair payment must be made in return.

If you are suspicious that human rights violations are being committed, report it now so that the appropriate measures can be taken.

d. Avoid Conflicts of Interest

At SQM, company's interests always come first. Conflicts of interests arise when our own activities or personal relationships interfere -or are perceived as interfering- with our ability to serve the primary interests of SQM. Acting in favor of one's own interests when this decision interferes with those of SQM's can affect the company and can even lead other people to question our impartiality. It is important to avoid and disclose real or potential conflicts of interests.

In general terms, people are prohibited from working at SQM while simultaneously working for a competitor company, supplier, customer, or similar party, as our personal interests will be torn between companies.

On the other hand, we must be certain that the workers, suppliers and contractors we select have been recruited for their own worth, value, price, quality, and the best benefit for SQM and not for what is best for us as individuals. For this reason, we must be very careful and properly notify whether we have in mind hiring a relative or close friend or if you are actually working with any of them in the same area and office. For further information on the subject, please refer to our Conflicts of Interests Policy.

Question:



Cristian is picking out a vendor to purchase office equipment, such as printers, monitors, and keyboards. While in the search, he recalls his sister-in-law has just joined a company that could provide SQM with those items. She sends a formal quote with better prices and quality than the current vendor supplying SQM. This seems to be a win-win situation for both of them -SQM saves money while Cristian helps his sister-in-law in her new job. Would that be a problem?

Answer:



Hiring a relative might look like a conflict of interests. In this case, Cristian should have communicated the existence of this relationship with his sister-in-law and excused himself from the decision-making process so that someone else could take over the responsibility of deciding whether or not to work with her company. She may represent the best offer for SQM, but it cannot appear like it was chosen because of her connection with the person in charge of the decision. Communication is key to avoid conflicts of interests. If you know of a potential conflict of interests, let us know as soon as possible to find a solution.

Conflicts of interests do not necessarily mean a Code violation. However, failure to disclose an actual conflict, does constitute a Code violation. If you know of, or think you might know of, a conflict talk to your supervisor or contact the Ethics and Compliance Management Office for proper handling.

e.

Data Privacy and Security

At SQM we respect the rights to privacy of personal data. For this reason, we ensure that all private personal data will be kept safe and used properly. People with access to private information must actively safeguard their privacy pursuant to applicable laws. Personal data include personal and other identification numbers, dates of birth, financial, medical, and salary information, and contact information, such as phone number, emails, and addresses.

In using company systems, such as email and instant messaging, workers should be careful and apply high ethical standards in their communications. Inappropriate or careless communications can end up in embarrassing or harmful situations for SQM. Pursuant to local legislation, the company reserves the right to monitor the use of systems and access data contained in computers, networks, and other company-owned devices.

SQM will abide by all applicable data privacy laws, like the EU General Data Privacy Regulation (GDPR) and similar local regulations.





4.2.

Our Local Communities

We seek to create shared social value with the communities existing in the areas where our operations are based. To that end, we promote local sustainable development and respect for the autonomy of communities by keeping open a permanent engagement and dialogue process conceived to reach mutually beneficial agreements. We create bonds based on transparency, respect, and mutual trust.

a.

Respect for the Environment



We are committed to sustainable development and to strictly abiding by the current environmental regulations in place in each country where our operations are based, ensuring the possible impacts our processes may have on the environment, the responsible management of natural resources, the implementation of protective and preventive measures against contamination, the integration of climate change, and the continuous environmental monitoring will be rigorously assessed while caring for people's, well-being, biodiversity, and the environment.

We take every effort to ensure our job is done in a safe and environmentally responsible way and take good care to verify that all materials and waste are properly managed, according to our procedures and applicable legislation. It is everyone's responsibility to properly report and correct any environmental violation that may occur within our operations.

Question:



While project works were underway, a machine breaks down and spills some oil, fuel, coolant, and other liquids. The work team cleaned the area the best they could but a complete clean-up as mandated by protocols might delay the project and would translate into more pay and extra working hours. Most of the spill has been cleaned and the project is reaching completion. Could the cleaning wait until tomorrow?

Answer:



Appropriate procedures must be followed when accidents or spills occur. Ignoring the problem and continue to work in possibly unsafe conditions might make matters worse. Though not always the easiest or most economical way out, the proper procedures must be followed when accidents occur.



b.

Donations and Contributions



We develop initiatives to support our communities in the areas of education, social inclusion, entrepreneurship, rescue of historical heritage, and sustainable development. As a sign of this commitment, SQM allocated funds and resources to those communities existing around the sites where our operations are located, schools, museums, foundations, institutions, events, and initiatives that will help us reach those goals.

Before any donation or contribution is made, the proper procedures must be followed, as bribery can take the shape of "donations" to organizations that seem to be worthwhile. We must also make sure that SQM time and money are only allocated to legitimate entities and initiatives.

SQM does not make contributions whatsoever to political parties, political party officers or candidates to public offices. Though workers are free to express their own opinions nobody is allowed to use SQM time, resources or money for political causes. For further information on the topic, refer to our Procedure for Donations and Contributions.

Question:



Cristina is an SQM sales employee and right now she is negotiating a sale for a local government. In the course of conversations, an officer from the local government states that things would be much easier if SQM consents to making donations to a local public school. Cristina visits the local school and they seem to be doing a great job for many local children. Cristina is planning on approving the donation to improve the relationships with the client. Is that correct?

Answer:



No. Cristina should not make the donations under these conditions. While SQM supports educational improvements in local communities, this "donation" might well be perceived as a bribe being paid to the local government officer and that is not ethical. Cristina must notify the request and inform the potential client such donation cannot be made.

c.

Interacting with Public Officers



Special rules and considerations must be kept in mind when interacting with public entities and public officers. SQM keeps honest relationships with public officers and their respective public entities across the world. Interactions with public officers must be held under a framework of respect and transparency and always under the guidance of our internal procedures and relevant applicable laws.

SQM is subject to different types of regulatory enforcements. If a public officer is visiting the premises for inspection purposes, we must follow the provisions contained in the Protocol for Interactions with Public Officers.

Lobbying is a legitimate activity and an integral part of the democratic process. We must always comply rules governing the meetings or interviews with public officers. Before requesting a meeting with a public officer, we must first know and carefully follow all internal policies applicable to the case.

Question:



Sofia and the marketing team are getting ready for one of the largest conferences of the year. In order to draw more visitors to SQM booth, Sofia has decided to give out SQM-branded promotional items, like hats, coffee cups, pens, and calendars. However, she knows that many public officers are attending the event and that there are special provisions ruling the giving of gifts to public officers. It would be uncomfortable asking people if they are public officers before they are allowed to pick an article. What should Sofia do?

Answer:



Sofia is right in that there are special provisions ruling the giving of gifts to public officers. However, these are small promotional items of low commercial value that are generally accepted to be given out in conferences. She does not need to ask if someone is a public officer; anyone who visits the stand can take a gift.

If you are not sure you are interacting with a public officer or about the right procedure to apply, contact SQM Ethics and Compliance Management Office.

For further information on the topic, refer to our SQM Protocol for Relationships with Public Officers.

4.3.

Our Business Partners Around the World

Our business partners must observe high ethical standards pursuant to the Code of Conduct for SQM Business Partners. Among these business partners we can find vendors, distributors, agents, contractors, subcontractors, consultants, representatives, intermediaries, joint-venture partners, clients, and other third parties associated to SQM, or any of its subsidiaries or whoever does business on its behalf anywhere in the world.

a. Business Courtesies

Extending business courtesies, spending time or sharing a meal of reasonable price with our business partners can strengthen our bonds and offer a unique opportunity to get to know people more deeply.

Before giving or accepting business courtesies we must be well aware of the difference between what is acceptable and what is not. The meals and courtesies we offer must be acceptable and not luxurious, frequent, or given with the intention of receiving something in return. Giving or receiving cash money or its equivalent, such as gift cards or vouchers, is strictly forbidden. For further details on amounts and conditions regarding business courtesies, refer to our Procedure for Business Courtesies.



Question:



We are looking for a new IT equipment and service supplier. One of them looks promising. After some meeting, the supplier invites three members of our team to his main office to learn more about his capabilities. Since this is a major contract, we think this is an excellent idea. On our arrival, a luxurious car waits for us and takes us to an elegant hotel with suites and a generous basket with wines and chocolates. After meeting for two hours, the supplier suggests we should take the rest of the day to relax and enjoy the tourist visit they have prepared for us. After the tour, we are taken to a restaurant where the supplier insists on paying the bill. This kind of entertaining extends for three days. The trip had an original genuine business purpose, but did these extra activities cross a reasonable line?

Answer:



Yes. While we can share some reasonable meals and activities, this three-day trip with lavish meals did cross the line. And, to make matters worse, daily meetings took only a couple of hours and most of the time of this "business" trip was spent in entertainment activities. Accepting inappropriate gifts and hospitality may look like the possible supplier is being allowed to unduly influence our decisions. Our decisions are based on what is best for SQM.

What to Do / What Not to Do:



It is not allowed to accept or give expensive objects, like presents, entertainment, trips, or meals that can unduly influence our decisions, third parties' decisions, or violate the law or our policies. This means we do not try to get a business advantage through improper influences. Instead, we choose the products and services that best meet our needs and those of our clients. If a business partner, like a vendor, tries to exchange inappropriate elements for an undue commercial advantage, we must report the situation immediately. For more details, refer to our Procedure for Business Courtesies.

If you are not sure if something can be accepted or given, contact the Ethics and Compliance Management Office. Further information can be found in our Procedure for Business Courtesies.

b.

Free Competition

We are active market competitors, but never turn to unethical or unlawful practices to win. That is, we never engage in anticompetitive behavior to obtain a dubious advantage. We always follow two golden rules to guarantee free competition:

- **Never enter into anticompetitive agreements or understandings. This includes written formal and informal, verbal or “handshake-type” agreements.**
- **Never abuse of a dominant or market-leading position.**

If these two rules are followed, we will be avoiding many of the potentially complex activities that could derive into legal troubles for SQM and people involved.

Anticompetitive practices are unlawful and harmful for our clients who must pay extra costs for products and services. We do not need to engage in these conducts as SQM gains will depend mainly on the merits and benefits of its products and services. If we are ever suspicious of an unfair competitive behavior, we must report the case.

In our data collection from competitors and other business partners, we apply legal and ethical tactics only. We respect confidential information from third parties, patents, trademarks, copyrights, trade secrets, and other types of information.

Question:



In a trade show, Elena, an SQM employee, is talking to an old friend who works for the competition. Her friend mentions there is an "optimum price" for our services and that Elena "should think in how to make everybody earn more money". He never asks Elena to accept anything, nothing is signed, emailed, or left on record. It was just a conversation. Should this be reported?

Answer:



Yes. This should be reported. We must keep away from actions that may be perceived as anticompetitive conduct. We have to put on record that this competitor tried to involve us in unlawful activities so that, if something happens, we are very clear about what was said and what our reaction was. In this case, Elena should have firmly stated that she and SQM refuse to engage in this type of practices, as her silence might have been understood as a sign of consent.

For further information, refer to our Policy of Free Competition.

c.

Fight Against Bribery and Corruption

Building a solid reputation may take years but a single bad decision can ruin it. Never more so, when bribery and corruption acts are involved. Bribery, or the act of giving, offering, or receiving - directly or indirectly- something valuable to obtain or retain improper business advantages is a global concern. Corrupt acts generate money and resources for immoral people who damage communities and people. As a company and individuals, we must make our own efforts to root out corruption.

Zero Tolerance for Corruption: We do not pay, offer, or accept bribes to/from public officers or other third parties or tolerate engaging in corrupt acts in any of our business activities.

We also afford zero tolerance to corrupt actions (where public or other types of officers are involved) from business partners or third parties doing business on our behalf. In other words, others are not allowed to give or offer something valuable on SQM behalf.

There are legal bodies, like the US Foreign Corrupt Practices Act (FCPA) that impose severe penalties on companies and individuals caught bribing public officers anywhere in the world. In Chile, Law N° 20.393 can levy criminal penalties on Chilean companies making unlawful payments, both to public officers as well as to private parties.

Bribes are generally paid to public officers with the purpose of gaining improper advantages. The definition of public officer, contained in our Policy Against Bribery and Corruption, can be a very broad definition (and even different depending on the applicable laws). Basically, it can include a person serving a governmental position, an elected officer, or even a candidate for public office. Payments made to people closely related to public officers can likewise increase the risks of corruption, just as described in our Policy Against Bribery and Corruption. Sometimes it may be difficult to tell whether we are working with a public officer or with someone closely related to one. Therefore, if in doubt, contact the Ethics and Compliance Management Office.



REMEMBER:

Examples of improper advantages are wide-ranging and can include secure businesses, obtain information, secure new projects, do favors, or other commercial benefits. Bribes do not necessarily take the shape of money or cash; they can also translate into employment offers, gifts, entertaining, investment opportunities, or any other valuable object.

At SQM all types of improper payment, bribery or corruption are strictly prohibited either to public officers or public entities or individuals.

Question:



We are in the process of hiring a new accountant and during the routine background check, we find out the candidate is the son of a high-ranking public officer who occupies a position of power and might have an influence in the awarding of future projects to SQM. This information was not disclosed during the hiring process. However, the candidate seems to fit the job requirements and the decision to hire him was made while completely unaware of his relationship with the public officer. What should we do?

Answer:



We must keep away from any action that may be perceived as bribery or corruption. Bribes can take the shape of employment offers for public officers' relatives. Hiring this person could be okay, but we must be sure we are hiring him for the right reasons, such as his experience, skills, and merit and not just because he is the son of a high-ranking public officer. If in this situation, contact the Ethics and Compliance Management Office to examine the case in further detail.

While working with business partners like vendors, contractors, agents, or distributors any act of corruption committed by any of the parties can be extremely harmful for the company. For instance, if a distributor bribed someone to secure a business for SQM, we might well be liable for those actions as he was acting on our behalf. We must be very clear about the work our partners are doing for us and let them know about our commitment against bribery and corruption.

We do not make facilitation payments. Generally, facilitation payments, also known as commissions or tips, consist of small payments made to public officers to expedite routine functions, such as establishing certain services, processing documents, or issuing visas.

If you are ever asked to pay or to offer a bribe (directly or indirectly through any other person or entity), refuse it and contact the Ethics and Compliance Management Office immediately. If we learn of a situation that involves or might involve a bribe, we should report it. For more information on bribery and corruption refer to our SQM Policy against Bribery and Corruption and other policies, procedures, guidelines, and relevant financial controls.



4.4.

Our Shareholders

Investment groups and people with an equity ownership in SQM who provide financial support are specially entitled to receive accurate and timely information. We are also responsible for providing value to our shareholders in a way that satisfies our short and long-term goals.

a.

Operations with Privileged Information



All information, irrespective of whether it belongs to SQM, to our clients, business partners, or other third parties is treated as confidential. We make sure that all trade secrets and SQM proprietary information be protected against illegal, unauthorized, or irresponsible use. This includes information about SQM operations not publicly available and important for our success and profitability.

We do not use privileged information maliciously. That is, we do not make investments, purchase or sale shares of any company based on privileged information. Neither can we recommend others to purchase or sale shares based on privileged information we may have. That is illegal.

For further details on this topic, refer to the Manual for Handling Information of Interest for the Market of Sociedad Química y Minera de Chile S.A.

Question:



María, an employee from SQM Finance area, has heard rumors that SQM might be acquiring another company with a possible high impact on its share prices. María knows she cannot buy shares from the other company. But could she subtly suggest her friend and relatives about buying shares that may be quite profitable before the acquisition is publicly announced?

Answer:



No. Employees are strictly forbidden from alerting others to buy SQM shares or even from other companies. Information that is confidential, and not public, from our and other companies must be protected.

b.

Respect for SQM Assets and Intellectual Property Rights

We protect all information and documents containing material on our patents, trademarks, copyrights, trade secrets, and any other intellectual property. We protect our intellectual property against unauthorized use or improper disclosure. Confidential and proprietary information must be shared only with those explicitly authorized to access it and can be shared on a need-to-know basis.

All SQM assets must be protected. This includes both tangible (computers, earth moving equipment, drills, vehicles, and office equipment) and intangible (patents, trademarks, trade secrets, and copyrights) assets. The use of company assets must be limited to the resources needed to complete our work.

What to Do / What No to Do:



Check bank account or make a personal phone call can be allowed if done reasonably.

Not to Do: Take home some company equipment at night to use them in personal projects without authorization.

Question:



When the office moved out, employees get new desks and chairs. Someone from the team notices the old furniture sitting in the corridor. A couple of days later, the furniture remains in the corridor and he asks a colleague what is going to happen with all that. The work mate answers: "I believe everything will be trashed or donated ". At the end of the day, this person picks a desk and a chair and takes them home. Since all the furniture will be disposed of anyway, what's wrong with taking something home? Is that correct?

Answer:



No. It is not okay to take those articles home without proper authorization. In that case, the destination of the office furniture is not clear but, before we take any of them, we should have the proper permits.

All resources must be spent in a responsible and transparent manner, according to our internal procedures. Personal expenses or others not associated to SQM business will not be reimbursed without proper approval.

c.

Interaction with the Media

Information disclosed to the media, such as papers, journalists, blogs, reporters, and other similar means of communication must be first approved by the CEO and disclosed by the person he appoints. This will ensure the information disclosed is clear and consistent.

You must abstain from using the media or social media in company systems and have always in mind our rules about disclosing and protecting confidential information. In brief, the same provisions ruling the protection of our confidential information apply to the use of social media.

Even when we are not at work we are perceived as ambassadors to SQM. This means that, while our actions or words cannot be seen as a reflection of SQM, others might well see them as coming directly from SQM. Most of the time, social media posts remain in the cyberspace as a permanent record for everyone to see. Remember this next time you use social media.

Question:



Juana works as a receptionist at SQM Santiago. She receives a call from a journalist from one of the leading papers in the country. He wants to know how many people are working on a project recently launched by SQM, the progress level, and other details. Juana has a general view of the project but can find out part of the information being requested. She answers the questions the best she can – she wants SQM to look transparent and communicative. Was that correct?

Answer:



Juana may have been well-intentioned but it was not correct. Instead of answering the questions on her own, she should have taken the name and contact information from the caller and sent the request to the person responsible for external communications.

d.

Accuracy in Financial Accounts and Record Keeping

Our capacity to make intelligent and profitable decisions is mainly based on timely, accurate, and useful information. All the information we disclose about our company must be precise and truthful, in line with SQM legal requirements in order to keep accurate financial records and ledgers.

The above includes information provided to government regulators, investors, Board members, our managers, finance team, and others. Each time we include financial statements in annual reports, balance sheets, expense reports, or other documents we must be certain this information is accurate and complete.

Using deceiving information to represent the financial soundness of our company can undermine our long-term success and, many times, violate the pertinent laws. Accounts such as sales figures, expenses, earnings, and invoices must be accurately recorded pursuant to applicable accounting procedures.

SQM has put in place a number of internal accounting controls with the purpose of guaranteeing that the transactions and other provisions regarding company assets be properly reviewed and then duly authorized by Administration. Meeting these important requirements will, in turn, allow us to meet our legal obligations and avoid taking risks.

Question:



Tomas has just returned from a business trip and has submitted an expense report. Two weeks after the report was approved, he noticed that a US\$ 250 expense for office supplies appeared as a US\$ 250 air ticket expense. The amount refunded was correct but one expense has been misclassified. Considering the amount is correct, though not so the classification, should Tomas mention it? Doing so might mean an unnecessary work for him and others.

Answer:



Yes. Tomas should approach his supervisor and point out the inexact classification. He committed an honest mistake and though the amount reimbursed is correct, it might generate other problems.

Question:



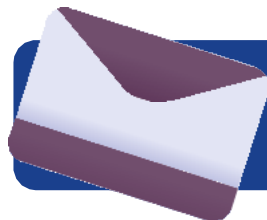
Martín attends a sales meeting and is expected to make a presentation about his performance. When sorting out what agreements to include in the presentation, he comes across a contract not yet signed by the client who verbally promised to do so in three months. Martín wants to include this agreement as a secured business. Is that correct?

Answer:



No. Martín should not present this agreement as a secured business as it has not been properly signed. Though it is highly likely the client will sign it, it is not 100% certain. Martín should mention this as a possible contract and explain the team that most probably this will become a contract because of the client's verbal commitment.

All documentary records, including printed material and electronic documents, must be properly preserved according to document retention policies. No document under the legal retention period shall be destroyed but must be adequately maintained. Documents can be needed within months or even years after their creation. Therefore, they must be kept all the necessary time. For further information, contact the Legal Department.



Contact the Ethics and Compliance Management Office: The Ethics and Compliance Management Office is always available to help you out with challenging or complex situations. You can contact them at compliance@sqm.com





**Solutions for
Human
Progress**