



SQM 'S FREE COMPETITION POLICY

Document name	SQM's Free Competition Policy		
Responsible Area	Ethics and Compliance Department		
In charge	Compliance Officer		
Reviewed by	Vice President Legal	Creation date	10/30/2024
Approved by	SQM's Iodine – Plant Nutrition CEO	Approval date	
Officialized by	Pablo Altimiras	Entry into force	

Version Control			
Version	Last Update	Approved by	Description
1.0	05.09.2022	Jose Miguel Berguno	Document creation
1.1	28.11.2024		Adaptation of document to new corporate format. Modification of object, scope, and other minor provisions.

1. Purpose

Within the framework established by the Code of Ethics of Sociedad Química y Minera de Chile ("SQM"), which demonstrates the Company's commitment to respect free competition, this Free Competition Policy (the "Policy") aims to establish guidelines and expected behaviors on the part of our collaborators to respect free competition laws throughout the world.

Therefore, all directors, officers, and employees are expected to understand and comply with applicable competition laws and to be aware that failure to comply with competition laws could result in substantial fines for SQM, litigation, and, in some countries, fines or criminal penalties for directors, officers or employees involved in such conduct. Violation of competition laws may also result in unenforceable business agreements and significant damage to the reputation of individuals as well as SQM.

This Antitrust Policy establishes general rules and is not intended to cover all potential cases that directors, executives, and employees may face in exercising their duties. If you have any doubts about a specific circumstance or questions regarding the Antitrust Policy or the applicable antitrust laws, contact SQM's Ethics and Compliance Department at complianceny@sqm.com.

In this Policy, capitalized terms shall have the meaning indicated in Annex No. 1 and, if not defined, shall be understood according to their natural and obvious meaning.

2. Scope

This Policy applies to all SQM employees, its subsidiaries, and companies in which SQM has a stake equal to or greater than 50%, except for those subsidiaries that make up the Lithium-Potassium Division, international lithium, and the companies Soquimich Comercial SA and Ajay-SQM Chile SA, which will be governed by their policies and procedures.

3. Guiding Principles of Policy

Following the golden rules detailed below is essential whenever we interact with competitors and customers. For each case, the Free Competition Policy establishes rules of conduct that must never be followed and other issues that must first be discussed with SQM's Ethics and Compliance Department. Furthermore, this Policy contains best practices in compliance matters, which, if properly applied, will substantially reduce your chances of violating free competition laws.

Preliminary, there are **2 Golden Rules in Free Competition**, which should always be kept in mind:

3.1 **Rule #1: Never enter into anti-competitive contracts or agreements.**

Free competition laws prohibit contracts, practices, or agreements that have the purpose or effect of preventing or restricting competition or that tend to produce such effects.

You can enter into a collusive agreement even in the absence of a binding, written, or formal contract. A mere understanding, or even a failure to react to a unilateral statement issued by you or a competitor's employee, can be considered an agreement. Similarly, an informal agreement or a "gentlemen's agreement" can qualify as an illegal agreement. Even agreements or understandings never implemented in the marketplace can be illegal. The fact that you intend to breach the agreement or do not expect the agreement to have any impact is not a valid defense.

The main topics you should not mention, agree on, or discuss with competitors are:

- Prices - including future prices, margins, discounts;
- Allocating markets through customer or market allocation (whether by territory, customer type, or manipulating the outcome of tenders);
- Limit capacity/production or sales;
- Denying the purchase or sale to suppliers or customers; and
- Exclude other current or potential competitors.

You should never exchange competitively sensitive information with competitors, including through third parties (e.g., suppliers, customers, trade associations). The mere fact of receiving unsolicited sensitive information offered by a competitor can be problematic.

Additionally, you must not set the price at which customers (or distributors) can resell SQM products.

3.2 Rule #2: Never abuse a dominant position/market power.

Companies with strong market power (sometimes referred to as a "dominant position") are prohibited from exploiting their position in a way that could be harmful to competitors or customers. In practice, this means that companies with strong market power cannot engage in certain business behaviors that would be considered legal by most market players.

Assessing whether a company has strong market power depends on several factors. One of the most important is the Company's market share in a particular market.

There is a risk that SQM may be considered a company with strong market power in several product markets worldwide. As a general rule, employees should consider SQM to have strong market power if its market share exceeds 33%.

If you believe that SQM may be dominant in a market, you need to be especially careful with exclusivity contracts or any incentives that imply exclusivity, discriminating against customers or denying a purchase or sale without an objective and legitimate justification, tied or packaged sales, and offering discounts. In such cases, always consult with SQM's Ethics and Compliance Department.

4. Specific Rules of Conduct

4.1 Relationship with competitors

It is important to note that the risk of violating competition laws is greater when interacting with current or potential Competitors. Current competitors are those who already compete with SQM, and potential competitors are companies that are likely to enter the market.

4.1.1 The Rules of "Never"

Never mention, discuss, or agree on the following topics with competitors:

4.1.1.1 Exchange of competitively sensitive information

Never share or exchange Competitively Sensitive Information ("CSI"). CSI applies to information relating to some of the topics presented in the following bullet points.

4.1.1.2 Discuss or mention prices.

Never discuss or mention prices, price changes, markups, discounts, rebates, or allowances. For example, never contact a competitor to ask if they would do the same if SQM were to raise prices. Likewise, if you receive information from a customer about prices offered by competitors, never contact a competitor to verify this information, even if you believe the information is false.

Never discuss or mention market conditions with the perspective of knowing price levels in a market.

4.1.1.3 Discuss or mention market shares

Never discuss or mention the market shares of SQM or competitors.

4.1.1.4 Discuss or mention production/sales levels or capacity

Never discuss or mention SQM's production/sales level or capacity.

Never agree to limit SQM's production/sales or capacity.

4.1.1.5 Discuss or mention costs.

Never discuss or mention the cost of raw materials or the impact of potential cost increases on SQM's or its competitors' prices. For example, never discuss passing on a price increase to customers.

4.1.1.6 Discuss market or customer allocation.

Never mention, discuss, or agree to allocate sales, territories, customers, or products between SQM and a competitor.

Never mention or discuss the allocation of clients/contracts or tenders, for example, agreeing who will or will not bid for a particular contract.

4.1.1.7 Coordinate the introduction of products.

Never agree when you will introduce a new product or delay the introduction of a new product.

4.1.1.8 Boycott/Retaliation

Never discuss or agree to deny purchases or sales to particular customers or suppliers. Even if the customer or supplier has allegedly broken the law, agreeing not to contract with them is illegal. Therefore, never stop buying or selling in response to a complaint from a competitor or some other market player; if you happen to intend to stop buying or selling anyway, consult with SQM's Ethics and Compliance Department before proceeding.

Never mention or agree to plans to drive a new entrant out of the market or exclude a current competitor.

Never warn a new entrant not to enter a market.

4.1.1.9 Discuss or mention investments, research and development, product plans, etc.

Never discuss or mention specific potential investments that SQM or a competitor is considering.

Never discuss or mention confidential information about research and development, marketing initiatives, or product plans.

If the topics of any of these "Never" rules are mentioned or discussed in a meeting or a conversation with a competitor, you must leave the meeting or end the conversation immediately and inform SQM's Ethics and Compliance Department about the incident. Even if a competitor simply offers information about any of these rules, the above must be reported.

4.1.2 Always consult with SQM's Ethics and Compliance Department before:

4.1.2.1 Agreeing to legitimately cooperate with a competitor. For example, before agreeing to jointly purchase, distribute, or develop a product or making a joint investment.

4.1.2.2 Enter into a licensing agreement with a competitor.

- 4.1.2.3 Establish or agree on an industry-standard/specification.
- 4.1.2.4 Buy (or sell) shares/assets of a competing company.
- 4.1.2.5 Participate as a director or senior executive in a competing company.
- 4.1.2.6 Joining a trade association. See below for specific guidelines on trade associations.

4.2 Trade or commercial associations

Specific rules must be followed when participating in trade or commercial associations to avoid violating the Free Competition regulations. In this regard, always keep in mind the following guidelines:

4.2.1 The Rules of "Never"

Concerning participation in trade or commercial associations, never:

- 4.2.1.1 Discuss or mention any of the topics covered by the rules listed above at a trade association meeting or in an incidental manner to a trade association meeting (for example, over coffee, at dinner, or in a taxi).
- 4.2.1.2 Attend a trade association meeting that does not have a clear written agenda or where meeting minutes will not be circulated afterward.
- 4.2.1.3 This applies to all meetings, including audio or video conferences.

4.2.2 Always consult with SQM's Ethics and Compliance Department before:

- 4.2.2.1 Join a trade association.
- 4.2.2.2 Provide SQM data for creating industry statistics prepared by a trade association or third parties.

4.2.3 At a trade association meeting, always:

- 4.2.3.1 Object to discussing/disclosing ICS, as well as debating or mentioning any of the topics covered by the "Never" rules mentioned above.
- 4.2.3.2 If the discussions continue or do not stop, leave the meeting and immediately report the situation to SQM's Ethics and Compliance Department.
- 4.2.3.3 You should object or leave the meeting even if this makes you uncomfortable. Silence is not enough.
- 4.2.3.4 Make sure your objection is reflected in the minutes.

4.3 Customer relations

When dealing with customers, there is a lower risk of violating competition laws than dealing with competitors. However, care must be taken, in particular, not to fix resale prices or impose burdensome conditions on customers. There are specific rules regarding the resale of products in Europe [these rules do not cover all European countries; please contact SQM's Ethics and Compliance Department for more information] and rules that apply if SQM has strong market power and/or a dominant position.

4.3.1 The Rules of "Never"

4.3.1.1 Never ask customers (or distributors) to resell at a particular price. Recommending resale or maximum resale prices to a customer (or distributor) is permissible, provided no pressure is exerted to encourage adherence to such a recommendation.

4.3.1.2 Never seek to discipline or threaten a customer who does not adhere to a recommended resale price. On the other hand, never give a customer a financial or commercial incentive to apply your suggested price.

4.3.1.3 Never offer discounts to customers on the condition that they purchase exclusively (or almost exclusively) from SQM.

4.3.1.4 Never ask a European customer/distributor not to resell a product to another European country.

4.3.2 Always consult with the Ethics and Compliance Department before

4.3.2.1 Sharing ICS with clients (since a client could pass this information on to a competitor).

4.3.2.2 Announce proposed price changes before their effective date.

4.3.2.3 Offer discounts if there is a possibility that SQM has a market share of 33% or more.

4.3.2.4 Make sales below cost (total cost, variable cost, etc.).

4.3.2.5 Sign exclusive supply or distribution contracts.

4.3.2.6 Refusing to supply a customer without a legitimate and objective justification (for example, doubts regarding solvency or credit capacity).

4.3.2.7 Inform customers that you will only supply product A if they also purchase product B from you or offer a discount that applies only if products A and B are purchased together.

4.3.2.8 Specify a price to a customer/distributor selling a product in one European country and a higher price if the customer/distributor intends to export the product to another European country.

4.3.2.9 Request a European distributor not to actively attempt to sell to customers outside of an assigned territory in Europe.

4.3.2.10 Attempting to restrict what a customer can do with a product purchased from SQM.

4.4 Compliance Best Practices

4.4.1 Best practices allow for better compliance with the principles and rules set out in this Policy. For this reason, it is important to always keep them in mind.

4.4.1.1 When sharing information: what is necessary to know versus what would be nice to know.

Sometimes, sharing information about SQM with people who do not belong to SQM may be legitimate. But always be careful. Never share Sensitive Business Information. Consult SQM's Ethics and Compliance Department beforehand if asked to do so.

It is important to note that you should only share information when it is absolutely necessary. A good rule of thumb is to ask yourself if the information is something the other person "needs to know." If the answer is yes, the information can potentially be shared. Conversely, if the information would be nice for the other person to know, it should not be shared.

4.4.1.2 Communications tips.

Be careful with the language you use in all business communications, whether in telephone conversations, meetings, or writing. Careless language can be very damaging if SQM is ever the subject of an investigation by the antitrust authorities or becomes involved in antitrust litigation with another company. **A poor choice of words can make a perfectly legitimate activity seem suspicious.**

Many internal documents, even those you might think are confidential, such as diaries, phone records, or personal notebooks, will likely be reviewed during an investigation or in court proceedings. "Records" in this context are not limited to paper but include any format in which information is recorded, including computer databases and records, emails, virtual and "cloud" files, microfilms, tape recordings, films, videos, etc.

Please note the following observations:

4.4.1.2.1 First, consider whether you really need to write anything.

- 4.4.1.2.2 If you think this could be a sensitive area, please consult SQM's Ethics and Compliance Department first.
 - 4.4.1.2.3 When you write or type something, keep in mind that it might become public someday. Would you be comfortable with it becoming public?
 - 4.4.1.2.4 Do not use vocabulary that might suggest illegal or guilty behavior (e.g., "Please destroy/delete after reading").
 - 4.4.1.2.5 Avoid aggressive language, such as "This will allow us to dominate the market" or "We will eliminate the competition." Similarly, avoid using language that suggests you/SQM have a strategy to drive a competitor out of business.
 - 4.4.1.2.6 Do not speculate on whether an activity is illegal or legal.
 - 4.4.1.2.7 Do not write anything that implies that SQM's prices are based on anything other than your/SQM's independent business judgment.
 - 4.4.1.2.8 Avoid any suggestion that the industry has reached a consensus on a particular issue, such as price levels. For example, avoid writing that you are taking a certain action because of an industry "agreement," "consensus," or "practice."
 - 4.4.1.2.9 Clearly indicate the legitimate source of any pricing or other potentially sensitive information from a competitor (otherwise, it may appear to have come from the competitor).
 - 4.4.1.2.10 Do not refer to SQM as a dominant player or having high market shares. In that case, prefer to refer to SQM as a market leader.
 - 4.4.1.2.11 Avoid giving the impression that any customer is receiving special treatment ("This is a special treatment that is just for you.").
 - 4.4.1.2.12 **Do not keep** papers/records for longer than the period specified in SQM's document retention and destruction policy. But **always** keep them for the period defined in the Policy.
 - 4.4.1.2.13 Don't keep a large number of different versions of the same document. **Only keep the document's final version**; sometimes drafts can, unfortunately, take on a life of their own.
 - 4.4.1.2.14 Apply the same rules when dealing with documents received from third parties.
- 4.4.1.3 Email, voicemail, instant messaging, social media chat groups (or other means of electronic communication), and phone calls.

Email and voicemail can contain more damaging statements than letters or memos, as they are sometimes sent or left more casually. Both email and voicemail messages may be accessed in the context of investigations by competition authorities or in court proceedings. Such messages are considered a good source of information, as they are stored by time and date and can provide a clear overview of what was done and said.

Accordingly, when sending emails or leaving voicemail messages, you should take the **same care** as you would when sending a letter or memo. Assume that third parties can read or listen to all email and voicemail messages.

Instant messaging and social media chat groups are even more risky, as people often assume that conversations are not recorded. In reality, your systems or the recipient's systems could very well be recording the contents of such discussions.

In certain countries and under specific conditions, authorities may even intercept and record telephone conversations; therefore, the same rules mentioned above apply to such communications.

4.4.1.4 Communications with internal and external lawyers.

In certain circumstances, SQM may prevent the disclosure of communications with external or internal lawyers, arguing that the communications are protected by "professional secrecy" and, therefore, must be kept confidential. To allow SQM to enforce professional secrecy, always follow these rules:

4.4.1.4.1 Whenever you communicate with attorneys regarding legal advice or counsel, mark the document as **"Privileged and Confidential"** and do the same **in the subject line of emails** (if applicable).

4.4.1.4.2 Do the same if you forward legal advice or tips received from a lawyer.

4.4.1.4.3 If you are responding to a request for information from in-house or outside counsel, make sure the words **"Privileged and Confidential. Prepared at the request of [outside] counsel"** appear at the beginning of your response and in the subject line of the email (if applicable).

4.4.1.4.4 Clearly mark and separate document sections containing legal advice or counsel.

4.4.1.4.5 Do not send copies of communications with internal or external lawyers outside of SQM.

4.4.1.4.6 **Separate** email files/folders on servers that you must mark as
" **Privileged and Confidential.** "

4.4.1.5 Retention and destruction of documents.

Please refer to SQM's document retention and destruction policy for general guidelines on how long particular documents or records should be retained. However:

4.4.1.5.1 You must not delete or destroy documents or records (which would not otherwise be destroyed in accordance with SQM's standard Policy) that you believe contain damaging information. Destroying or deleting documents or records will damage SQM's reputation with competition authorities if it becomes known in an investigation and may even lead to criminal penalties.

4.4.1.5.2 If you are notified that SQM is under investigation by antitrust authorities, all document destruction (even routine destruction) in the areas identified by legal counsel must **stop immediately** until further notice.

4.4.1.6 Handling queries.

If you receive a query from a lawyer outside of SQM, immediately contact a member of SQM's Legal Vice Presidency and/or SQM's Ethics and Compliance Department. Do not answer any questions.

If you receive a query from an inspector, prosecutor, or other government official, immediately contact a member of SQM's Legal Vice-Presidency and/or SQM's Ethics and Compliance Department. If neither of the two options is available, do not contact another person, but take note of the name and telephone number of the caller and the purpose of the call. Write down any other information you receive, such as the date and time of a potential visit or inspection. Transmit all of this information to a member of SQM's Legal Vice-Presidency and/or SQM's Ethics and Compliance Department as soon as possible. Do not answer any questions from the official, prosecutor, or inspector.

Never provide false or misleading information when responding to queries from competition authorities.

4.4.1.7 Inspection by a competition authority.

If someone presenting himself as an inspector, prosecutor, or official of a competition authority contacts you or arrives at SQM's offices or facilities, it is essential that you immediately contact a member of SQM's Legal Vice-Presidency, the SQM Ethics and Compliance Department, or your manager. If an inspector, prosecutor, or official of a competition authority arrives at SQM's offices or facilities, you should not obstruct his entry but ask for his identification and a copy of the court order or other applicable

authorization, which you must deliver to SQM's Legal Vice-Presidency or SQM's Ethics and Compliance Department as soon as you contact them. If a member of SQM's Legal Vice-Presidency or the SQM Ethics and Compliance Department team is not at the offices or facilities, try to ask the inspector, prosecutor, or official to wait until one of these people arrives (if possible).

5. Whistleblower Channel

All collaborators must use the Complaints Channel to channel any information or complaints regarding any activity prohibited by this Policy.

The communication channels of the Whistleblowing Channel are: (i) through the website <http://denuncias.sqm.com/>; (ii) through the other means established in the SQM Code of Ethics available at the link <https://mi.sqm.com/etica>.

6. Compliance with the Policy.

Every employee is responsible for ensuring compliance with this Policy and other associated internal regulations. Any violation of the regulations indicated above may give rise to disciplinary measures against the employee involved, following the Code of Ethics, current legislation, and the SQM RIOHS provisions, and may even result in dismissal in cases of seriousness or recurrence.

Employees who doubt whether a particular conduct could violate the provisions of this Policy or other related regulations must consult the Ethics and Compliance Department and refrain from acting until they receive a response to said query.

7. References

- 7.1 SQM Code of Ethics.
- 7.2 Information transfer protocol.
- 7.3 Anti-Bribery and Corruption Policy.
- 7.4 Protocol for Relations with Public Officials.
- 7.5 SQM Internal Regulations on Hygiene and Safety Order.
- 7.6 Protocol for Participation of Trade Associations.
- 7.7 Price Negotiation Protocol.
- 7.8 Negotiation Protocol in Non-Mediated Instances with Competitors.
- 7.9 Rebates Instructions.

Annex 1

Definitions

"SQM Code of Ethics" is a normative body that contains the principles and values on which the Company is based.

"Ethics and Compliance Department" Department of the same name, dependent on the Vice Presidency of Corporate Services of SQM

"Competitor company" Is a legal entity other than SQM and its subsidiaries that operate in the same market or sector where SQM carries out its commercial activities.

"Client" Is a legal or natural person who acquires SQM products for personal use or subsequent distribution or sale.

"Trade or Commercial Association" is an Organization of natural or legal persons formed to promote the rationalization, development, and protection of common activities due to their profession, trades, or branch of production or services, and those related to said common activities.

"Competitively Sensitive Information" Includes all strategic commercial information of the Company that, if in the hands of competitors, would be likely to affect their market behavior decisions and which, for such reasons, is generally not given to competitors.