



**LATAM**

**Political Contributions  
of LATAM Airlines  
Group  
Policy**

## **Political Contributions Policy of LATAM Airlines Group**

Version  
**1.0**

Code  
**PO.00.01.0013-V1.0**

Created on  
**13/12/2016**

Revised on  
**Not applicable**

Type of document  
**Policy**

## Contents

1. Purpose .....	4
2. Scope .....	4
3. References .....	4
4. Responsibilities .....	4
5. Provisions .....	5
6. Consequences of Non-Compliance.....	5
7. Definitions .....	5
8. History .....	6
9. Records .....	6
10. Annexes .....	6
11. Validity .....	6

## 1. Purpose

LATAM Airlines Group S.A., its subsidiaries and affiliates (hereinafter designated LATAM Group) conduct their internal and external activities with the conviction that their success depends on high standards of professional ethics in the performance and development of their activities, which they promote and encourage on a permanent basis. To those ends and in order to comply with the various legislations inherent to anti-corruption, LATAM Group has decided to establish the policy subject matter hereof to regulate the political contributions made by the Company on occasion of election campaigns at national, regional or local level in the countries in which LATAM Group operates.

## 2. Scope

This policy applies to all Employees and Collaborators of LATAM Group.

Under no circumstances shall Third-Party Intermediaries be allowed to make any of the political contributions provided hereunder in the name or on behalf of LATAM Group.

## 3. References

- *Foreign Corrupt Practices Act (FCPA)*, 1977, United States of America;
- *Bribery Act*, United Kingdom;
- Law 20,393 on Corporate Criminal Liability for the Crimes of Money Laundering, Financing of Terrorism and Bribery, Chile;
- Law 12,846 on Corporate Administrative and Civil Liability for Acts against the Public Administration, National or Foreign, and related matters, Chile;
- Code of Conduct of LATAM Group;
- LATAM Group's Global Anti-Corruption Compliance Policy;
- Donations Policy;
- LATAM Group's Gifts, Travel, and Entertainment Policy regarding Public Officials and Third-Party Intermediaries;
- Gifts, Travel, and Entertainment Policy for Customers and Suppliers of LATAM Group;
- Any other Policy or Standard implemented by LATAM Group, as well as any law currently in force.

## 4. Responsibilities

### 4.1. LATAM Group Board of Directors

The Board of Directors is responsible for adopting the Policy subject matter hereof and establishing the criteria and levels of approval for political contributions made by LATAM Group companies. Likewise, the Board of Director's express prior approval shall be required for all political contributions made within the framework of the applicable legislation.

### 4.2. LATAM Group's Compliance Department

The Compliance Department is responsible for providing ongoing counsel and support regarding matters of ethics, corporate policies, and applicable laws, including appropriate implementation of the Political Contributions Policy.

### 4.3. LATAM Group's Legal Department

The Legal Department is responsible for counseling the Board of Directors on the legality of political contributions and on the laws applicable thereto within the framework of election campaigns at national, regional or local level, in any country in which LATAM Group operates.

#### 4.4. LATAM Group's Vice Presidency of Finance

The Vice Presidency of Finance is responsible for ensuring that any funds released by LATAM Group for political contributions shall abide by the Policy subject matter hereof, shall be duly adopted by the Board of Directors and documented for the record in the relevant Minutes of the Board Meeting.

## 5. Provisions

### 5.1. General Provisions

The following provisions must be taken into account when making contributions to fund election campaigns:

- a. LATAM Groups deems that a political contribution is appropriate only if the former is fully compliant with the applicable law currently in force.
- b. Decisions to make a political contribution are not aimed to reflect personal political ideologies or the Senior Management's own interests, but are based on an evaluation of the candidates representing the community in which LATAM Group operates, who sit in committees and are involved in matters related to the aviation industry and the scope of LATAM Group's operations.
- c. No political contributions shall be made as a compensation for a commercial service provided to LATAM Group or for any other compensation that does not directly benefit the recipient of the said contribution and his/her own ends.
- d. Political contributions with unlawful or improper purposes or aimed to secure an improper commercial advantage, as defined under the [LATAM Group's Global Anti-Corruption Compliance Policy](#), are strictly forbidden.
- e. All political contributions must observe [LATAM Group's Code of Conduct](#), which must be known to and observed by the recipient of the said contributions.
- f. All political contributions must be previously and expressly authorized by the Board of Directors, represented by the LATAM Group's Executive Board.
- g. All employees and collaborators are free to make personal contributions and to participate in the political process as individuals and in their own time outside LATAM Group.

## 6. Consequences of Non-Compliance

LATAM Group's employees and collaborators who fail to comply with this Policy shall be subject to disciplinary action, as provided under the Code of Conduct and the applicable local regulations in force.

## 7. Definitions

**Board of Directors:** The governing body elected by the shareholders of LATAM Airlines Group S.A. to oversee the affairs of LATAM Group.

**LATAM Group:** Designating LATAM Airlines Group S.A. (dba LAN Airlines) and all affiliates and subsidiaries of LATAM Airlines Group S.A. around the world, as well as any other Company of the LATAM Group at present or in the future.

**Employee:** Designating any employee working for LATAM Group's companies, its affiliates and subsidiaries around the world, under an employment contract.

**Collaborator:** Designating interns, that is, a student or a recent graduate undergoing supervised practical training at LATAM Group or Third Parties according to the applicable local law.

**Compliance:** Designating the act of conforming, acquiescing, or yielding. In general terms, compliance designates the corporate commitment to abide by and observe ethical precepts, laws (both local and international), and the Compliance Program, which encompasses the policies and standards in general (internal and external) along the entire business chain of the Company and vis-à-vis its customers.

**Third-Party Intermediary or Third Party:** Individuals or corporations different from LATAM, its affiliates and subsidiaries, providing services to LATAM Group, and acting on its behalf before local or foreign public officials or private officers, including TAM Viagens Franchisees, Service Providers, Agents, Consultants and Commercial Representatives (if applicable).

## 8. History

Not applicable.

## 9. Records

Not applicable.

## 10. Annexes

Not applicable.

## 11. Validity

This policy shall be applicable for an indefinite period from its publication. Notwithstanding the foregoing, the Compliance Department shall review the Policy on an annual basis from the date of initial publication on the LATAM Portal, upon which it may make any revisions it may deem necessary.