**CORPORATE SOCIAL RESPONSIBILITY POLICY**

**Derivados del Colágeno S.A.**

**(DERCOSA)**

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**1.Policy objectives**

The Corporate Social Responsibility (CSR) policy has the objective to create and promote behavior that generates value to all interest groups (customers, employees, suppliers, environment and shareholders) in the context of a socially responsible culture that is reflected in the development of a sustainable Tannery.

**2.Principles and commitments with interest groups**

The base of the CSR is the continuous communication and transparency with the interest groups.

Through dialogue, DERCOSA can establish stable relationship and active listening mechanisms, identifying the most relevant subjects, which can constitute a greater value for the Company.

In order to meet these principles, DERCOSA has put in effect the following commitments:

**2.1. Customers**

* Place the customers in the center of our activities with the objective of establishing long term and lasting relationships of trust, as well as developing sustainable and innovative products and services to meets their daily needs.
* Implement responsible and transparent communication to facilitate a better knowledge and understanding of our products and services.
* Promote the development of products and services that protect the environment and are as sustainable as possible.

**2.2. Employees**

* Respect the employee and comply with International Labor Organization Conventions and other international standards, particularly focusing on complying with Human Rights principles established by the United Nations Office of the High Commissioner.
* Promote equal opportunity, respect diversity and ban discrimination based on gender, age, disability or any other circumstance. Support inclusive leadership from management.
  + - Obtain the maximum commitment and loyalty from the employees in DERCOSA. Support employee training, promote Group work, open communication and work environment that stimulates employees emotionally and materially to allow them to reach their full capacity and maximum level of self-demand.

* + Take measures to guarantee employee safety and general health, through DERCOSA’s established Emergency and Evacuation Plan.
* Promote the conciliation of employee’s personal and professional lives.
* Ensure compliance with the industry’s General Wages Agreement, especially in regards to salaries, work hours and overtime.

**2.3. Suppliers**

* Compliance with work legislation in countries where the product is manufactured, as well as with International Labor Organization Conventions and other international standards, particularly focusing on complying with Human Rights principles established by the United Nations Office of the High Commissioner.
* Take into account social and environmental criteria in purchasing decisions to contribute to the creation of a socially responsible supply and value chain.
  + Provide complete and transparent information related to procurement processes in regards to complying with human and labor rights in the supply chain, as well as stimulating the demand of socially responsible products and services.
* Systematically promote communication with suppliers to generate open innovation, development and improvement of DERCOSA’s products, services and processes.
* Applying technological advances proposed by suppliers to create a productive work environment that is sustainable and respectful with the surrounding environment.

**2.4. Environment**

* Promote and respect human rights according to international references.
* Promote practices boosting quality, competitiveness, sustainable development and responsible communication. DERCOSA will participate and collaborate with industry organizations and forums to ensure this objective.
* Define and apply an environmental system by creating an objective based Environmental Policy to reduce and minimize the environmental impact by developing more ecofriendly products and supporting circular economy.
* Comply with applicable environmental legislation, preventing the contamination or minimizing its possible impact on natural resources and people.

**2.5. Shareholders**

DERCOSA operates according to its shareholder’s interests, maximizing the company’s value through:

* Ensuring a transparent and sustainable business by supplying knowledge of all necessary aspects for the adequate assurance of the shareholder’s rights.

* Adequately complying with its legal and fiscal obligations, avoiding all practices that compose an illicit evasion of taxes or damage to public treasury. DERCOSA therefore has implemented a fiscal strategy in accordance with the principles of integrity, transparency and prudence.

**3. Communication of the Corporate Social Responsibility practices**

Transparency and communication are some of DERCOSA’s main pillars, which is why DERCOSA maintains a close relationship with its interest group. Furthermore, DERCOSA’s website ([www.dercosa.com](http://www.dercosa.com)) serves as telematic support to consult the CSR and any revisions or updates.

**4. Supervision and follow-up systems**

To ensure compliance with its CSR policy, DERCOSA has an Ethics Committee that guarantees the principles and norms of conduct.

The Ethics Committee is comprised of the General Manager, the HR Manager, the Safety and Environmental Manager.

This committee will ensure that the CSR strategies and practices are followed, reached and evaluated.

**5. Approval and effective date**

The CSR Policy has been approved on September 1, 2019.