CORPORATE TAX POLICY

Version	Description of changes	Approval	Validity
1.0	Initial version	Board of Directors	July 2017

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1. Objective

This policy aims to define the internal procedures related to tax aspects for the companies that make up the Andina group.

2. Scope

This Policy applies to Coca-Cola Andina and its subsidiaries, hereinafter interchangeably referred to as the Company or the Operations.

The policies, rules and procedures of the Operations must be framed in the guidelines set out in this document.

3. Background

a. Guidelines of the Organization for Economic Cooperation and Development (OECD)

b. The OECD guidelines on tax issues point out, among other things, that companies should consider fiscal government and tax discipline as important elements of their control mechanisms and their risk management systems in a broad sense. In particular, the boards of directors should adopt tax risk management strategies to identify and fully evaluate the financial, regulatory and reputational risks associated with taxation.

c. Tax code

Article 100 bis of Chile's Tax Code establishes fines for any natural or legal person with respect to whom it proves to have designed or planned the acts, contracts or businesses that constitute abuse or simulation.

It also stipulates that in the event that the infringement has been committed by a legal person, the sanction indicated shall be applied to its directors or legal representatives if they have violated their management and supervision duties.

4. Tax Policies

The office of the Chief Financial Officer, as well as the Administration and Finance Management areas of each Operation, must ensure that the following guidelines are complied with:

a. Compliance with current tax legislation in the different countries where we operate, paying required taxes in accordance with the legal system of each country.
b. Cooperate with the authorities on tax matters based on trust, good faith, professionalism and collaboration, notwithstanding the legitimate differences which, in accordance with the preceding principles and in defense of the Company's interest, can be generated with these authorities regarding the interpretation of applicable rules.
c. Provide the information that is pertinent to the fulfillment of fiscal standards or tax regulations, requested by the competent tax authorities of each country.

d. Establish internal controls to ensure that the information used in tax management is comprehensive, accurate, up-to-date and verifiable.
e. The adoption of the main tax criteria in the countries where we operate must be reviewed and approved by the Directors' Committee. For this purpose, the Administration and Finance Managers must inform the Chief Financial Officer of the main criteria used.
f. Ensure that the collaborators involved in the planning, management and execution of tax issues, act according to the law.
g. The Administration and Finance Management areas of each operation must inform the office of the Chief Financial Officer of any and all tax audits required by Local Tax Authorities.
h. Facilitate the existence of internal tax control systems, guaranteeing that the actions carried out are coherent with the tax risk.

5. Dissemination and verification of compliance with the tax policy

The Administration and Finance Management areas of each operation must take all necessary measures to disseminate and verify the proper fulfillment of this Corporate Tax Policy.

6. Duty to Report

a. Compliance with certain rules

For the purpose of complying with the provisions of article 3 bis of the Organic Law of Chile's Superintendence of Securities and insurance, the Company's Chief Financial Officer shall inform the Board, through the Directors' Committee, of the following:

i. Any reorganization of assets or functions, including the merger, division, transformation, liquidation, creation or total contribution of assets and liabilities of one or more companies.

ii. Report also if the company has been audited by Chile's Internal Revenue Service or by any other tax authority of any country and record this fact in the minutes as well the resolution or report provided in writing by those entities. This information to be provided to the Board of Directors will be delivered to the Chief Financial Officer by the Finance Management areas of the Operations.

In addition, the office of the Chief Financial Officer will be responsible for giving detailed evidence in the notes to the financial statements, of tax disputes that could affect reasonably and materially some of the items reported in the consolidated financial statements.

b. Significant transactions or eventual relevant tax contingencies

The office of the Chief Financial Officer shall report to the Directors' Committee, which in turn shall inform the Board of Directors, on the following matters:

i. Interpretations or tax criteria adopted by the Company and its subsidiaries, of significant materiality, for which there is a significant risk that the tax authority and the courts of justice may have a different interpretation.

ii. Significant tax contingencies affecting the Company and its subsidiaries, for which there is a significant risk that they conclude in a loss of significant materiality for the Company and its subsidiaries.

iii. Losses for amounts exceeding US $200,000 resulting from the final resolution of tax contingencies.

7. Validity

This policy will have an indefinite validity and may be amended, altered or left without effect by the Board of Directors as deemed appropriate.