



**COMPANY CODE OF CONDUCT REGARDING
CONFLICT OF INTEREST**

AGUAS METROPOLITANAS INVESTMENTS S.A

March 2013

A. BOARD OF DIRECTORS CODE OF CONDUCT. GENERAL ASPECTS.

Regarding the rules and guidelines of good corporate governance, the Aguas Metropolitanas Invenstments S.A. Board of Directors (hereinafter interchangeably, "Aguas Metropolitanas", the "Company", the "Corporation", or the "Association") has approved in its meeting N° 419 on March 27, 2013 the following Code of Conduct, which applies to directors of the Company, in relation to any conflicts of interest that they may encounter.

Through the application of this Code and in the proceedings of its regulatory scope, the current legislation regarding the stock market affecting the specific field of activity of the Company must be respected, in particular Law 18.045 on the stock market and Law 18.046 on Public Corporations, dated on October 22, 1981, the Regulations for Corporations approved by Supreme Decree 702 of the Ministry of Finance in 2011, as well as the current regulations issued by the Superintendency of Insurance and Security (henceforth the "Superintendency").

B. CONFLICT OF INTEREST CONCEPT

It is understood that a conflict of interest, or a potential conflict of interest, exists for a director when, in a decision making situation, at least two competing interests coincide that influence the impartial or objective delivery of a service or operation.

The diverse activities of the Company may create conflict of interest situations for a director with respect to i) clients of the Company; ii) suppliers; iii) businesses related to the Company; and iv) employees of the Company.

C. EXAMPLES OF CONFLICTS OF INTEREST

The following, although not constituting an exhaustive list, are examples of conflicts of interest, which must be taken into consideration when determining the existence of a conflict of interest:

1. Operations with related parties as defined on Public Corporations Law 18.046.
2. Operations of the Company in which a manager has a personal, direct, or indirect interest.
3. Use of privileged or confidential information (Company business or background that could have a "reserved" character) that a director, through the course of his/her duty, may have knowledge of, for the personal interest by a director or related parties.
4. Acts or operations that are illegal or contrary to the interests of Company business.
5. Situations that, despite not being specifically regulated by legislation or rulings, could affect, in any way, social interest.
6. The director, directly or indirectly, may obtain a financial benefit or avoid a financial loss, at the expense of the Company, any of its clients, suppliers, and related companies or workers.
7. Any company in which the manager has an interest or relationship, for example because they take part in its ownership or management, may obtain an economic benefit or avoid a financial loss at the expense of the Company.
8. The director has an interest in the outcome of a service or operation performed by the Company, other than the interest of the Company.

9. The director has incentives or economic interests, friendship, family or others that promote the interests of third parties contracting or relating with the Company.

D. MECHANISMS TO PREVENT AND SOLVE CONFLICTS OF INTEREST.

The directors should attempt to identify and avoid situations involving conflicts of interest wherever possible.

In case of a conflict that could not have been prevented, because of the inevitability of such due to its circumstances, the director or directors affected must immediately communicate the conflict to the Board of Directors, who will resolve it.

Directors affected by a conflict of interest must abstain from voting within the Company Board, committee, or meeting with which they are involved, except in such cases as permitted by law.

Conflicts of interest emanating from transactions with related parties must be in strict compliance with Law 18.046 of Public Corporations, pertinent to Title XVI

Conflicts of interest must be resolved by the Board of Directors taking into account the following principles:

- a) In case a conflict of interest arises between one or more Directors and Aguas Metropolitanas, the interest of the latter should always be favored.
- b) Directors shall adjust their actions to the provisions of the current legislation regarding the stock market that relate to the specific field of activity of the Company, in particular Law 18.045 of the stock market, Law 18.046 on Public Corporations, the

Regulations for Public Corporations, and the current regulations issued by the Superintendency.

c) Directors must also adjust their actions to the provisions stated on the Manual for Handling Information of Interest to the Market, approved by the Board of Aguas Andinas on March 2010, or whichever is currently in force.

E. MECHANISM OF DISCLOSURE OF INFORMATION ON THE CODE OF CONDUCT.

With the goal that any interested parties can remain informed about Aguas Metropolitanas policy regarding the management of conflicts of interest, from the date of its entry into force this Code will be available to Directors, investors, and the general public on the Company's website.

G. ENTRY INTO FORCE OF THE MANUAL

This Manual shall enter into force on March 27, 2013.