

In 2020 we experienced the greatest health crisis of the last 100 years, in a context of accelerated, unexpected, and constant change, which generated new habits, behaviors, and challenges.

How we faced it

True to our Bci culture and values, we put people at the center of all our decisions.

**WE RESOLUTELY
SUPPORTED OUR
CUSTOMERS AND
SUPPLIERS.**



**WE MADE CHARITABLE
CONTRIBUTIONS TO A
RANGE OF INSTITUTIONS.**



**THE HEALTH OF OUR
EMPLOYEES AND THEIR
FAMILIES WAS OUR
TOP PRIORITY.**



**WE CONTINUED TO TRANSFORM
THE WAY WE CREATE VALUE FOR
ALL OUR STAKEHOLDERS, UNITED
UNDER A SINGLE PURPOSE:**

Dare to make a difference

Content



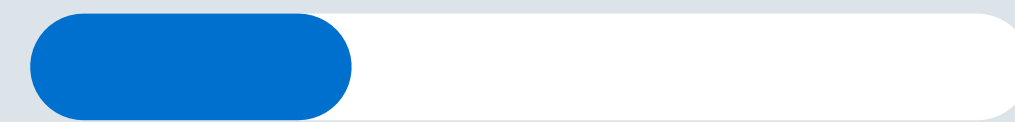
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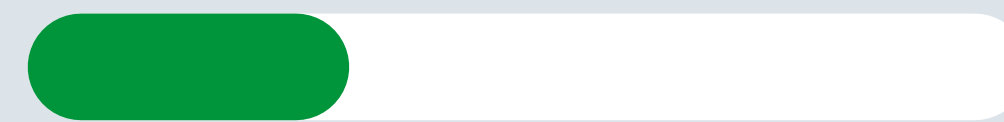
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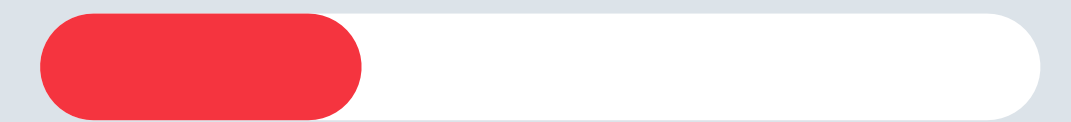
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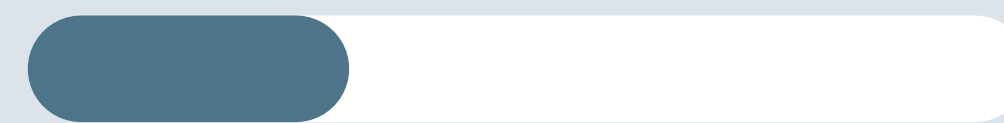
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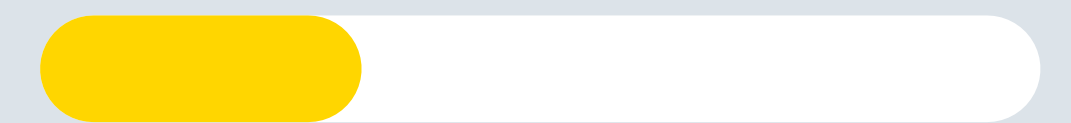
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CHAPTER 01

Letter from the Chairman

"We have made a determined effort, throughout the pandemic, to be an active part of solving the difficulties faced by those who, for decades, have been the pillars of our business mission: our customers, employees, suppliers, shareholders, and communities."

Dear shareholders:

I would like to begin this report by sincerely thanking our more than 11,600 employees for their resolute support and deep commitment during the pandemic, which made possible the operational continuity of Bci and its subsidiaries both in Chile and abroad. Thanks to them, we were able to provide excellent service throughout 2020, despite having to implement major changes in the way we do business. Although the COVID-19 pandemic forced us to face a changing labor scenario, which pushed us all beyond what we thought possible, we managed to exceed our objectives and meet our stakeholders' expectations, through an impeccable execution of our responsibilities. Our strong internal culture and deep-rooted professional values were key to overcoming the enormous complexity of the past year. Notably, Bci's significant investments in the digital transformation over the past several years were decisive in allowing us to be 100% operational from the very beginning of the health crisis.

At Bci, we firmly believe that our performance has a significant impact on the communities in which we operate, and it is our responsibility not only to create economic value, but also to contribute to the construction of more just and developed communities. Consequently, we have made a determined effort, throughout both the pandemic and the social crisis of October 2019, to be an active part of solving the difficulties faced by those who, for decades, have been the pillars of our business mission: our customers, employees, suppliers, shareholders, and the communities of which we are a part.

In Retail Banking, which serves individuals, entrepreneurs, and small businesses, we were especially committed to our purpose as a company, namely, to "dare to make a difference." Right from the start, we established a wide range of extensive support measures, such as the deferral

of up to six mortgage payments with a zero interest rate, the implementation of formulas for rescheduling consumer loans, and, for customers with credit card debt, the option of foregoing principal payments for a few months. All these measures were implemented through our remote channels, simply and safely.

For our SME customers, our first commitment was to provide the necessary support so that they could continue operating. Thus, we helped them defer their financial commitments, through the provision of new lines of financing under special term conditions and access to working capital and debt reorganization with flexible systems. We participated actively in the government-supported COVID-19 credit program with state guarantees (FOGAPE and FOGAIN), providing credit to more than 21,000 companies remotely. We also promoted *Evoluciona*, a program to help SMEs transform their traditional business models into digital ones, in conjunction with the entrepreneurial ecosystem. To date, we have trained more than 9,000 SMEs, and over 200 are already selling through digital channels.

With regard to our employees, given the uncertainty surrounding the economic future of the country, in March we decided to make every effort to ensure that no employee who was correctly fulfilling their responsibilities lost their job. In addition, thanks to our experience of more than seven years incorporating job flexibility, we were able to successfully implement waves of remote work, with 70% of the Bank under this modality. The transition was accompanied by timely communication to promote digital disconnection and telecommuting best practices. We also established strict health and safety protocols in our branches, along with support measures and ethical shifts, to protect the health of our employees and customers. As a consequence of these and many other support measures, employee engagement reached 90%.

To support our suppliers, we focused on actions that would solve their most urgent needs, such as the handling of lockdown travel permits, payment by electronic transfer within seven days of receiving an invoice, and the digital signature of contracts and other documents. Where feasible, services that could not be executed due to the

pandemic were replaced with others from the same suppliers.

In relation to community support measures, we launched several fundraising campaigns in 2020 to help protect the elderly, in conjunction with the Las Rosas Foundation (FLR) and Hogar de Cristo. We invited our employees, customers, and community to participate in various initiatives, including "1+1," "Vamos Chilenos," a Christmas collection, and the Las Rosas Foundation's annual fundraiser. We also made a special additional donation to Las Rosas, to help both seniors and their caregivers in residences, and contributed to the business solidarity fund, promoted by the Confederation of Production and Commerce (CPC).

In 2020, the strength of Bci was once again on display, reinforcing our long-term strategy based on customer experience, sustainable growth, and a solid corporate culture.

In terms of our business strategy, we met our planned objectives for 2020, despite the difficult and challenging year. We continue to transform our customer experience, with a focus on developing digital channels, using data to offer solutions that go beyond

traditional financial services, and collaborating with the ecosystem to provide advice and information that supports better decisionmaking with limited risk. One example was the implementation of the Salesforce platform, which allowed us to enable telework for more than 5,000 employees, who were able to remotely serve and respond to the needs of our customers, both commercially and in the services and risk management areas.

As a result, our Retail Banking Division successfully faced the multiple operational challenges of 2020, including the smooth provision of special loans and benefits to support the bank's personal and business customers, the correct implementation of the Financial Portability Law, and the two voluntary pension fund withdrawals, for which 419,630 new accounts were digitally created to receive the funds. I would also like to highlight the important advances in the development of our digital channels, which were used by 86% of the Bank's customers, a record for Bci. Fully 97% of time deposits were generated through digital channels, 54% of mutual funds, and 86% of credit card increases, reaching 99% in the case of SMEs. Additionally, 74% of our FOGAPE COVID-19 loans were originated digitally through our website. The Bci App has been

positioned as a new customer relations center, and 44% of our customers are intensive users. We have also continued to develop advisory products based on artificial intelligence, to promote the financial success of our customers.

In relation to our service model for entrepreneurs and SMEs, the "Evoluciona" website provided a vehicle for small and medium-sized business owners to access the Bank's initiatives, developed in conjunction with allies in the entrepreneurship ecosystem.

With the surge of e-commerce and the need for contactless payment during the pandemic, MACH continued its exponential growth trend. At year-end, the system had more than 2.7 million users, 2 million cards, 78,000 merchants with MACH Pay, and a Net Promoter Score (NPS) of over 70%. This Bci innovation consolidated its position as the most successful fintech development in the country, and it continued to move toward the goal of becoming the leading fully digital personal bank in Chile, which will offer investment and financing products in addition to payment solutions. Today, MACH is a Bci business unit that expands

"Given the uncertainty surrounding the economic future of the country, in March we decided to make every effort to ensure that no employee who was correctly fulfilling their responsibilities lost their job."



86%
of our customers
are digital users

74%
of FOGAPE COVID-19
loans were processed
online

21%
of all FOGAPE COVI-19
loans were granted
by Bci

the bank's capacity to serve new customer segments, with financial inclusion as its main objective.

The Wholesale Banking Division, in turn, focused on assisting its customers in the migration from physical payments to electronic payments, mainly in mass supplier payments, which drove the growth of cash management agreements and the growth associated with the new payment volumes originating from the Bank.

In a joint effort by different areas of the Bank, we actively participated in the provision of FOGAPE COVID-19 loans to customers. We were one of the leaders in this program, with a share of 20.9%, well above our 14% share of total loans in Chile. Bci thus delivered a total of UF 65.4 million (CLP1.9 trillion) in these loans.

The Finance Division participated in various measures to support the Bank's customers, as well as the transfer of facilities provided by the government and the Central Bank of Chile. This involved the intensive use of the Central Bank's Conditional Lending Facility to Increase Loans (FCIC), which required a major operational effort and a strategy to successfully finance these loans.

Regarding our internationalization strategy, Bci continued its international expansion in 2020 after finalizing the acquisition of a third bank in the United States, Executive National Bank, through City National Bank of Florida (CNB). This acquisition, which involved an investment of US\$ 62 million, was financed from CNB's own funds and resulted in asset growth of US\$ 537 million. Thus, as of December 2020, 27.3% of our total loans and 27.4% of our assets are abroad.

City National Bank of Florida ended the year as the second-largest local bank based in the state of Florida and one of the 100 largest in the United States, with assets of more than \$18.0 billion. Like Bci, CNB ensured business continuity during the pandemic, along with the safety and financial needs of its employees, customers, suppliers, and communities, and participated decisively in the support programs introduced by the government and the Federal Reserve (Fed). The bank was a leader in the state of Florida, accounting for 5.8% of total Paycheck Protection Program (PPP) loans to Florida businesses, which is three times its share of deposits in this market. CNB also financed 20% of all Main Street Lending Program (MSLP) loans in the United States.

Throughout 2020, Bci continued working on the details of its banking subsidiary in Peru, which will start operations once the corresponding authorizations are received.

With respect to the environment, Bci adheres to and supports the importance of climate change. In 2020 we expressed our commitment through three channels: Bci Asset Management endorsed the Principles of Responsible Investment (PRI) and used the framework to develop a policy to ensure that social and environmental criteria are incorporated in its assessments; Bci Corredor de Bolsa created a recommended environmental, social, and corporate governance (ESG) portfolio; and, at the corporate level, we adopted the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). We also set a goal of being a carbon-neutral bank by 2028.

Bci's good performance in the various areas outlined above allowed us to end the 2020 financial year with a better-than-expected performance, given the severe recession that affected the country and the world as a whole. In particular, revenue generation grew strongly. The company's gross operating margin increased 5.3%, due to the higher volume of commercial loans, associated with our customer support plans and

positive performance of the business areas. These results, combined with adequate cost management, improved the efficiency ratio by 58 bp, to 47.2%.

In the year, Bci posted a profit of CLP317.533 billion. This figure is 21.2% lower than in 2019, mainly due to greater risk expense deriving from the constitution of voluntary provisions. This was mitigated, in part, by the appreciation of the local currency against the dollar, which resulted in a lower valuation of the CNB investment, due to the restatement of dollar assets in Chilean pesos, and thus translated into a decrease in the associated tax.

To anticipate future risks associated with the effects of an economic contraction of unknown scope and the uncertainty about its impact on our customers' ability to pay, we considered it necessary in 2020 to constitute, prudentially and conservatively, approximately CLP148 billion in additional provisions in Chile and the United States.

Similarly, one of the main focuses of risk management in 2020 was the consumer portfolio, considering its dynamics and sensitivity to the economic cycle. The impact of

the crisis on our personal banking customers should be reflected in a change in portfolio performance, so we adapted our risk strategies in order to better understand the economic context of these customers and thus foster the timely execution of a business strategy centered on implementing special measures to serve and support them responsibly. Given this context and in accordance with our internal policies, we have revised and adjusted our specific provisions models to keep portfolio risk management updated.

This has allowed us to maintain an adequate and prudent provision coverage ratio, in the face of a crisis scenario that remains uncertain.

In the context of the implementation of the New General Banking Law and Basel III, we, as an industry, face a major challenge in adopting international standards for regulation, supervision, and risk management. These new standards mainly aim to strengthen the solvency of the banking system, improve the competitiveness of Chilean banks, and contribute to the stability of the financial system.

Bci has solvency levels and risk

"I am convinced that our main challenge as a country will continue to be collaboration and adaptation. Whatever the future scenario, we at Bci will continue to be faithful to our culture and values, where we put people at the center of all our decisions."

management and control standards that should allow it to comply with the regulatory requirements associated with the implementation of Basel III, assuming the standards are applied in line with international experience and with our estimates, and taking into consideration that the regulator has yet to issue some of the guidelines. Regarding capital requirements under the current regulation (Basel I), as of December 2020 Bci's capital adequacy ratio, which measures regulatory capital to total credit-risk-weighted assets, was 13.39% (versus a regulatory minimum of 8.0%), while core capital to total credit-risk-weighted assets was 10.08% (regulatory minimum of 4.5%).

This solidity was reflected in the Bank's credit rating, which was among the highest in emerging markets: Standard & Poor's, Fitch Ratings, and Moody's gave us international ratings of A, A-, and A2, respectively. At the local level, we have the highest rating, AAA, from Feller Rate and Fitch Ratings.

This year, we again received market recognition in a number of areas, including best corporate reputation

in Chile in the Merco ranking, for the sixth consecutive year, and best corporate governance according to EY and the Santiago Stock Exchange. We were also included in the Dow Jones Sustainability Index (DJSI) MILA and Chile for the fourth and sixth consecutive years, respectively. In addition, we were awarded the third Best Place to Work in Chile, according to the Great Place to Work Chile, and we received, the 2020 ProCalidad National Customer Satisfaction Award in the large bank category.

In closing, I would like to highlight the more favorable outlook for 2021, with projected GDP growth of over 5%. After the strong impact of the pandemic, we expect the economy to show signs of a gradual recovery in the second half of 2021, subject of course to social, political, and economic stability, in a particularly complex year.

Finally, I am convinced that our main challenge as a country will continue to be collaboration and adaptation. Whatever the future scenario, we at Bci will continue to be faithful to our culture and values, where we put people at the center of all our

decisions. Thus, we will continue to prioritize the health of our employees and their families, we will continue to resolutely support our customers and suppliers, and we will provide solidarity support to a range of institutions. Most importantly, we will continue to transform the way we create value for all of our stakeholders, united under a single purpose: to dare to make a difference.

Luis Enrique Yarur Rey
Chairman

CHAPTER 02

Our Bank

Bci is an international financial corporation headquartered in Chile, with subsidiaries in the state of Florida, in the United States, and representative offices in four other Latin American countries and in China.

11,675
Employees
(990 overseas)

Overseas Loans
27.3%
of total loans

Overseas assets
27.4%
of total assets

Business Units

Bci offers a wide range of products and services to individuals, companies, and institutions, through specialized business units and subsidiaries that are connected to a global network.

RETAIL BANKING

Through its Retail Banking Division, Bci covers the financing, financial services, and investment needs of individuals and micro, small, and medium-sized businesses, providing the best service with personalized solutions and multi-channel service models.

WHOLESALE & INVESTMENT BANKING

The Wholesale and Investment Banking Division serves the needs of corporations, businesses, and high-net-worth families, providing comprehensive solutions and competitive, differentiated value proposals, focused on the business success of our customers.

FINANCE DIVISION

The Finance Division supports Bci's strategic plan by obtaining the best financing conditions for our customers; contributing to the optimization of the Bank's asset and liability portfolio; and providing consulting, risk hedging, and investment services.

LIDER BCI SERVICIOS FINANCIEROS

This division manages the business associated with the issuance and operation of the Bci Leader Mastercard and Presto credit cards, the origination of cash advances and super-advances, and personal insurance brokerage. It operates as an independent unit, under the supervision of Bci's senior management.

CORPORATE AND INTERNATIONAL DEVELOPMENT DIVISION

The Corporate and International Development Division promotes Bci's growth strategy, especially in the United States, the Andean region, and the Asia-Pacific axis. It is currently responsible for overseeing business and operations in the United States through City National Bank of Florida (CNB), which operates as an independent unit.

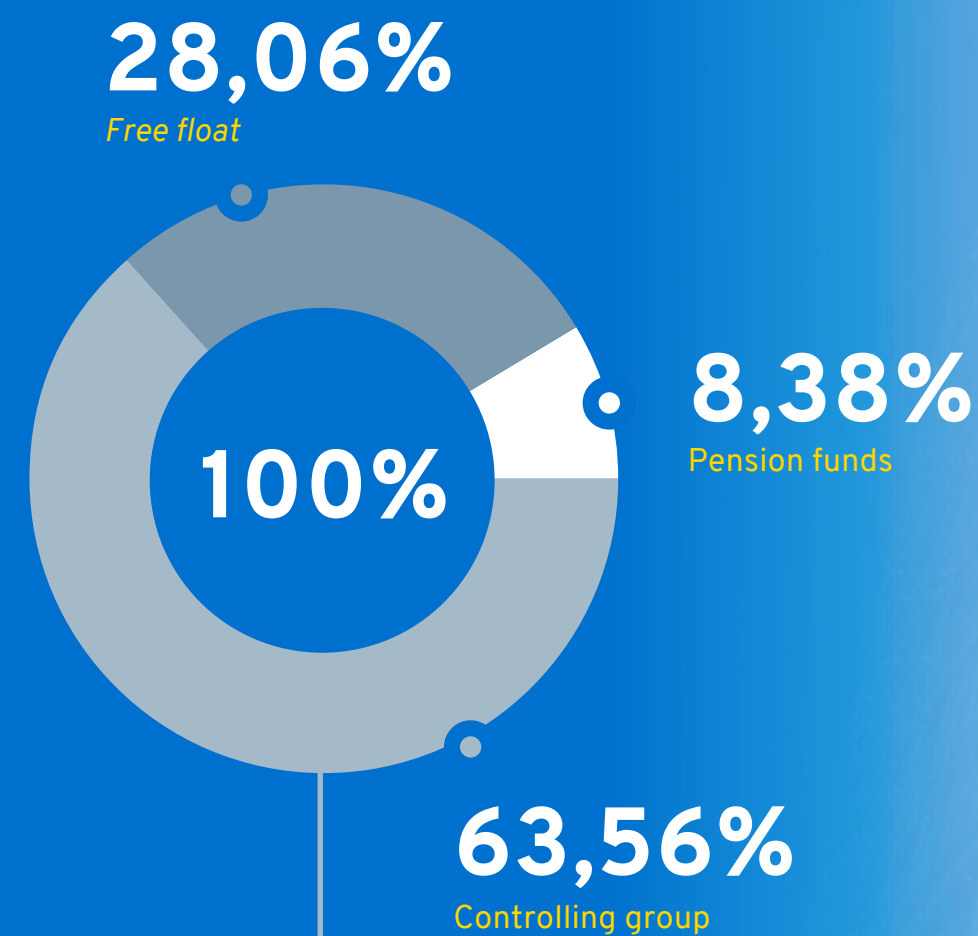
MACH

MACH leverages Bci's digitization and complements the customer base with new segments, developing innovations to address needs that are not met by traditional banking.

Shareholders' Ownership Interest

The Yarur family has had an ownership interest in Bci since its foundation in 1937.

31 December 2020



→ For a summary of 2020 management of business units and subsidiaries, see Chapter 6: Performance.

→ For details on ownership and control, see Chapter 7: Additional Information.

International Platform

CHILE

Banco de Crédito e Inversiones

SUBSIDIARIES

- Bci Asesoría Financiera S.A.
- Bci Asset Management Administradora General de Fondos S.A.
- Bci Corredor de Bolsa S.A.
- Bci Corredores de Seguros S.A.
- Bci Factoring S.A.
- Bci Securitizadora S.A.
- Normalization and Collection Services, Normaliza S.A.
- Bci Corredores de Bolsa de Productos S.A.
- Servicios Financieros y Administración de Créditos Comerciales S.A.
- Administradora de Tarjetas Servicios Financieros Limitada
- SSFF Corredores de Seguros y Gestión Financiera Limitada
- Sociedad de Servicios de Comercialización y Apoyo Financiero y de Gestión SSFF Limitada
- Servicios y Cobranzas SEYCO Limitada
- Análisis y Servicios S.A.

UNITED STATES OF AMERICA

SUBSIDIARIES

- City National Bank of Florida
- Bci Securities

BRANCH

- Bci Miami

LATIN AMERICA

REPRESENTATIVE OFFICES

- Mexico City, Mexico
- Lima, Peru
- São Paulo, Brazil
- Bogotá, Colombia

ASIA-PACIFIC

REPRESENTATIVE OFFICES

- Shanghai, China

COUNTRY	INSTITUTION
Spain	CaixaBank: Strategic cooperation agreement.
Japan	MUFG Bank: Strategic cooperation agreement.
Mexico	Banorte: MILA agreement with Bci Corredor de Bolsa.
Italy	Intesa Sanpaolo: Customer referral agreement.
Brazil	Bradesco: Cooperation agreement.
China	China Construction Bank: Correspondent agreement in RMB.
Colombia	Banco Bogotá Fiduciary: Agreement for the development and structuring of investment products with Bci Asset Management



2020 in Review

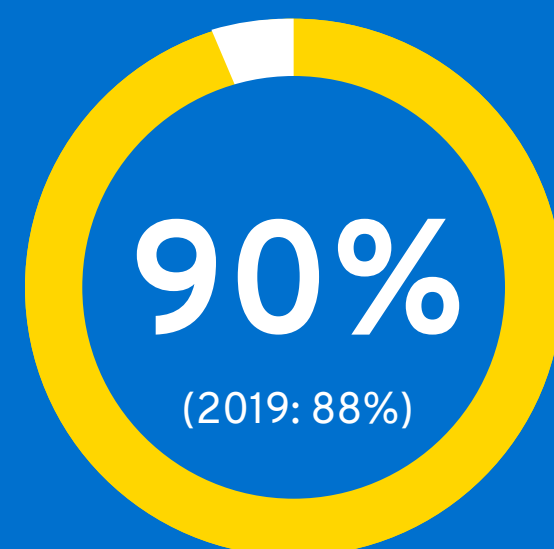
Highlights

OPERATIONAL CONTINUITY

Throughout the lockdown of large areas of the country due to COVID-19, Bci operated without interruption, with 75% of employees working remotely.



EMPLOYEE ENGAGEMENT



INTERNATIONALIZATION



Growth and diversification strategy continued with the integration of Executive National Bank in the United States, as well as progress on bank operations in Peru.

FINANCIAL AND DIGITAL INCLUSION

MACH EXCEEDED
2.7 million

customers and moved toward becoming the leading digital personal bank in Chile.

60,000

visits to the Bci “Evoluciona” site, created to promote the digital transformation of SMEs.

CUSTOMER SUPPORT

+65,500

mortgage deferrals, interest free for six months, were processed entirely online.

+21,000

SMEs accessed FOGAPE and FOGAIN COVID 19 credit lines entirely online through Bci.

DIGITAL EXPERIENCE

Bci is the only bank with 100% online commercial loans and letters of guarantee, with automatic payment, through 360°Connect.

93.2%

Bci App Customer Satisfaction (Snex³).

+70%

NPS⁴ for MACH.

CLIMATE STRATEGY



BCI ASSET MANAGEMENT adhered to the Principles for Responsible Investment (PRI).

BCI CORREDOR DE BOLSA launched a new recommended ESG¹ portfolio

BCI ADOPTED the TCFD² recommendations.

10% PENSION FUND WITHDRAWALS



+404,000

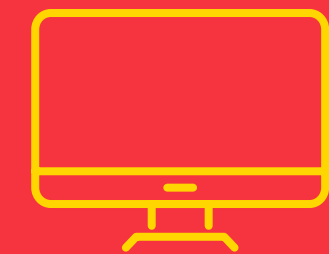
checking accounts created for this process.

DIGITAL CHANNELS



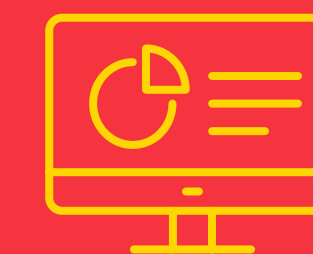
604,000

Bci APP users, an increase of 17%.



+10,000

SME customers set up to operate online.



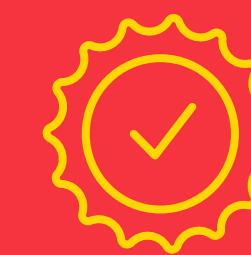
+95,000

customers used digital channels for the first time in 2020.



+324,000

customers activated their Bci Pass entirely online.



Bci App is the leading app Chile and ranks

39

in the global ranking of the banking industry, according to BCG.

(1) Environmental, social, and governance.

(2) Task Force on Climate-related Financial Disclosures.

(3) Rating of satisfaction with the service on the Bank's different digital channels.

(4) NPS: Net Promoter Score, a measure of customer loyalty and satisfaction, based on recommendations.

Accolades

In 2020, Bci received international recognition and top scores in comparative rankings of various aspects of business performance.

Customer Experience

BEST BANK IN LATIN AMERICA IN THE BEST IN SOCIAL MEDIA MARKETING AND SERVICES CATEGORY.
Global Finance

NATIONAL CUSTOMER SATISFACTION AWARD
First place in the Large Banks category (shared award)
ProCalidad 2020

BEST DIGITAL BANK IN CHILE
Global Finance

Employee Experience

BEST COMPANY FOR YOUNG PROFESSIONALS, BANKING SECTOR
Best First Jobs Employers

FOURTH PLACE IN CHILE FOR ATTRACTING AND RETAINING TALENT
Merco Talento

FIRST PLACE, BEST PLACES TO WORK 2020 BEST PLACES TO WORK IN CHILE
CompuTrabajo

GREAT PLACE TO WORK CHILE 2020
Third place in the category "Companies with +1,000 employees"
Great Place to Work

Corporate reputation

BEST CORPORATE REPUTATION IN CHILE
For the sixth consecutive year
Merco Empresas 2020

BEST CORPORATE GOVERNANCE IN CHILE
2020 La Voz del Mercado Survey
EY and Santiago Stock Exchange

BEST STOCK BROKER IN CHILE: BCI CORREDOR DE BOLSA
Global Banking & Finance Review.

NO. 1 BANK IN CHILE. TOP WORLD BANKS 2020
The Banker

SALMÓN 2020 AND SALMÓN APV AWARDS
Awarded to nine Bci Asset Management mutual funds.
LVA Índices and Diario Financiero

INSTITUTIONAL INVESTOR
Best CEO, Second Place: Eugenio von Chrismar
Best CFO, Second Place: José Luis Ibaibarriaga
Best IR Professional, Second Place: Andrés Atala
Best IR Program, Second Place
Best Analyst Days, Second Place
Best ESG Program, Second Place

Innovation

BEST SALESFORCE IMPLEMENTATION PROJECT IN LATIN AMERICA.
Salesforce

BEST WEBSITE AND 2ND PLACE BEST APP
Servitest, IPSOS

MOST INNOVATIVE COMPANIES CHILE 2020: FIRST PLACE IN THE BANKING SECTOR
ESE Business School

MICROSOFT AZURE RECOGNIZES AZURE STACK HUB IMPLEMENTATION
Bci was featured in the global Customer Stories newsletter.

Sustainability

BCI WAS INCLUDED IN THE DJSI MILA AND DJSI CHILE INDEXES
For the fourth and sixth consecutive year, respectively.
Dow Jones Sustainability Index

HUELLA CHILE CERTIFICATION
By quantifying and reducing greenhouse gases
Ministry of the Environment

Bci in the Capital Market

The pandemic and its impacts on the global economy caused high volatility and significant price fluctuations in the main stock markets in the world and in Chile.

Bci shares

Banco de Crédito e Inversiones shares are listed on the Santiago Stock Exchange and the Chilean Electronic Stock Exchange.

- **148,767,940**
Shares outstanding
- **US\$ 5.829 million**
Market capitalization
- **-11,04%**
Total annual return (1)
- **10.2%**
Compound annual return, 2010-2020

(1) Source: Bloomberg. Market capitalization as of December 30, 2020.

Stock Indexes

CHILE

S&P IPSA
(Selective Stock Price Index)

DJSI Chile
(Dow Jones Sustainability Index Chile)

MSCI Chile
(Morgan Stanley Capital International Chile)

LATIN AMERICA

DJSI MILA
(Dow Jones Sustainability MILA Pacific Alliance Index)

Credit Ratings

DOMESTIC

AAA
Feller Rate

AAA
Fitch Ratings

INTERNATIONAL

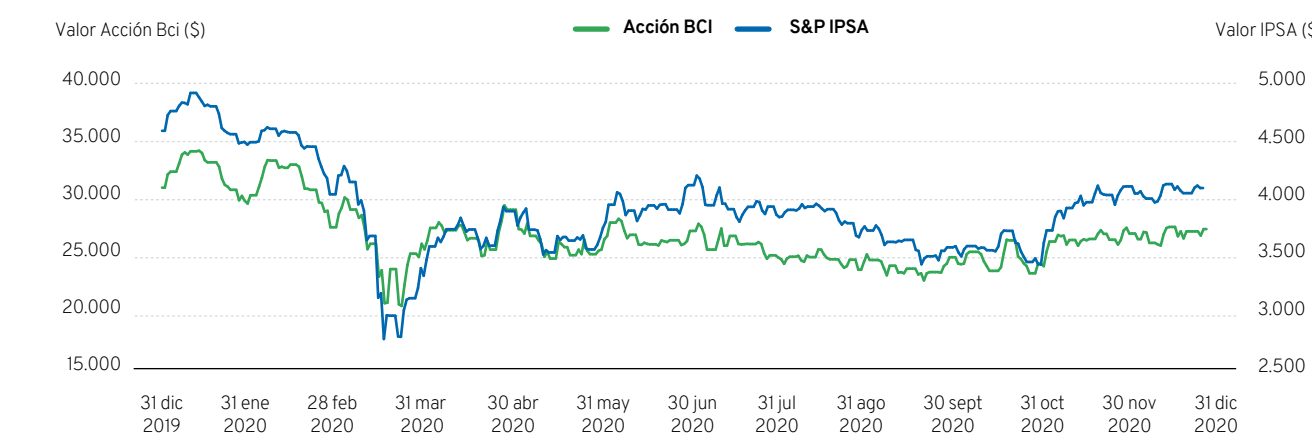
A2
Moody's

A
S&P Global Ratings

A-
Fitch Ratings

→ For more information on credit ratings, see Chapter 7: Additional Information.

Bci shares versus S&P IPSA (base: December 2019 = 100)



(*) Including dividends and capital gains (Source: Bloomberg).

Share Return

Opening price (January 2)	CLP 35,300
Highest closing price (Jan 13)	CLP 37,450
Lowest closing price (March 24)	CLP 23,349
2020 closing price (December 30)	CLP 27,890
Share price evolution	-18,21%
Total return (*)	-11,04%

Broker Recommendations

Origin	Brokerage	Recommendation
International	Credicorp	Buy
	Citi	Hold
	Itaú	Hold
	HSBC	Hold
	JP Morgan	Hold
Local	Goldman Sachs	Buy
	BICE	Hold
	LarrainVial	Buy
	Security	Hold
	MBI	Hold

Bond Issuance

Bci adjusted its funding strategy in 2020, an atypical year marked by the COVID-19 crisis and the new bank liquidity and capital regulations.

The measures adopted by the Central Bank of Chile to ensure the liquidity of the financial system and access to credit for businesses under favorable conditions—in particular, the FCIC line—became the funding source for the COVID-19 loans that account for much of Bci's loan growth, which reduced the planned funding needs of Bci and the banking system in general.

At year-end 2020, Bci's long-term debt issues, in both the local and international markets, totaled US\$ 375 million (US\$ 1.700 billion in 2019).

Locally, all issues were subordinated bonds, due to planning for the new capital regulation. These issues obtained a historically low acceptance level, with a total of UF 9 million issued at maturities of 20 to 30 years.

International issues were also lower, but they achieved the objective of maintaining a presence in the capital market and diversifying the investor base. Highlights in 2020:

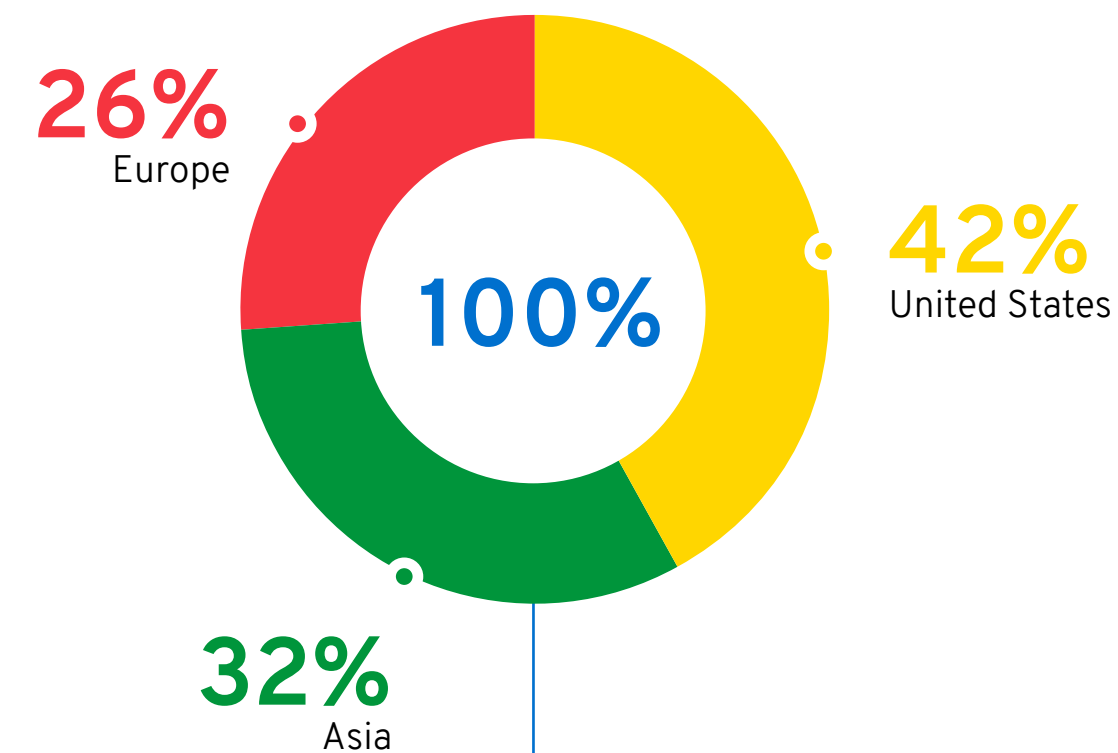
- Issuance of a bond in Switzerland, for 125 million Swiss francs with a 6.5 year maturity (the ninth issued by Bci in that market).

- Successful placement of two international syndicated loans for a total of US \$ 235 million, specifically aimed at the Asian market. Both had the participation of a large group of banks from Japan, Taiwan, South Korea, and China.

BCI'S INTERNATIONAL DEBT ISSUES

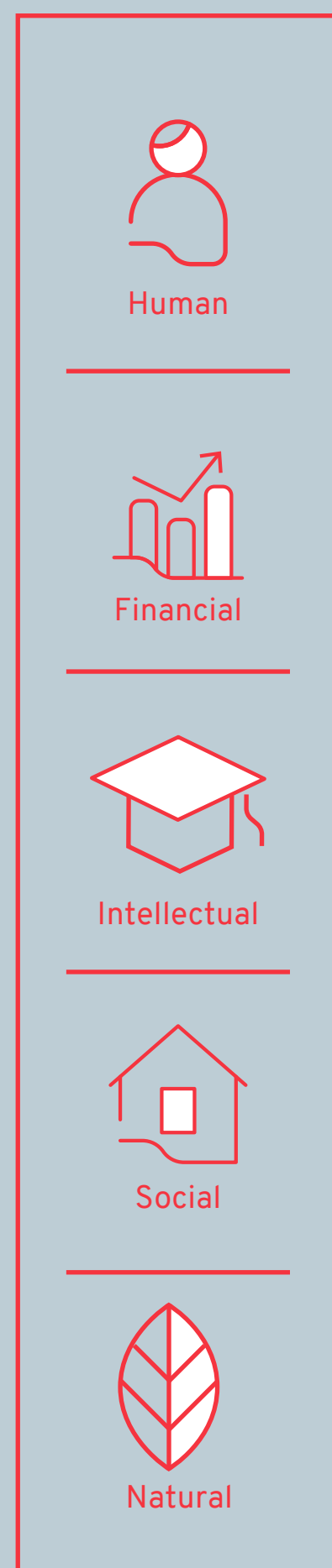
Equivalent to US \$ 2.4 billion at year-end December 2020

Geographical distribution of the bond placement market



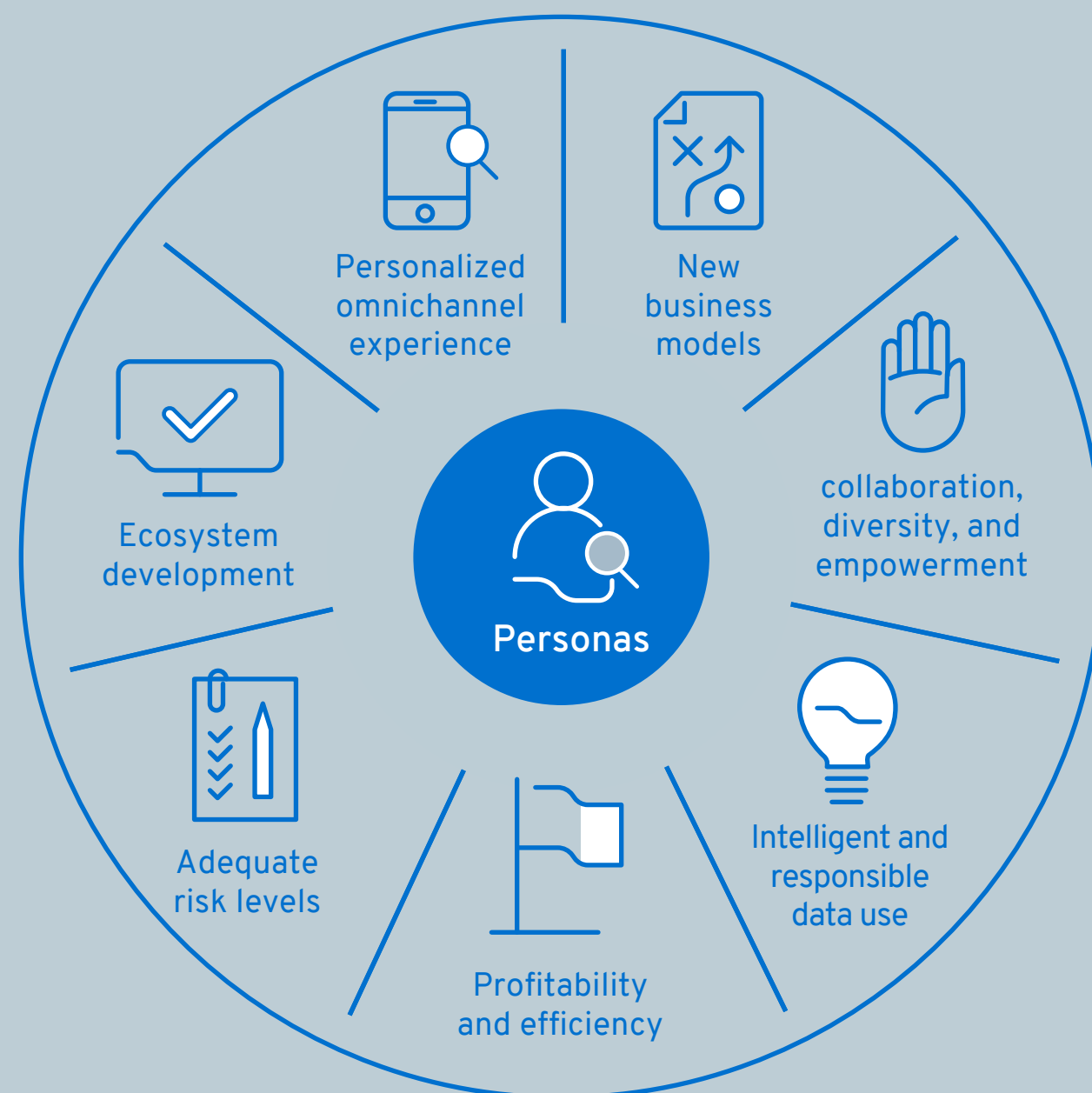
How we create value

CAPITAL



WHAT WE DO

Bci participates in all the business areas and financial operations allowed by law, with a focus on ensuring that our achievements meet the needs and expectations of the four stakeholder groups that we consider to be our fundamental pillars: shareholders; customers and suppliers; employees and their families; and the society.



OUR IMPACTS

DIRECT

Simpler financial services

Safe international operations

Comprehensive business support

INDIRECT

Financial inclusion

Digital transformation of SMEs

Operational continuity

Sustainable investment

Well-being and quality of life

VALUE CREATION



Employees

90%

Engagement and satisfaction



Customers

93%

Customer satisfaction with the Bci App



Shareholders

13.5%

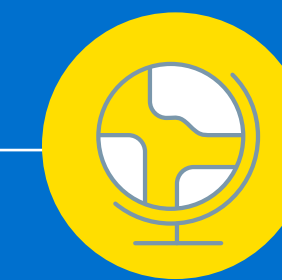
Growth of total assets



Suppliers

99%

Invoices paid in under seven days



Society

9.743

Billion pesos donated

OUR VALUES
Integrity
Respect
Excellence

CORPORATE GOVERNANCE
Ethics
Risk management
Transparency

BUSINESS AREAS
Retail Banking,
Wholesale Banking,
Finance Division,
International Division,
MACH

CUSTOMERS
People
Entrepreneurs
SMEs
Large Businesses
Corporations

CHAPTER 03

Operating context

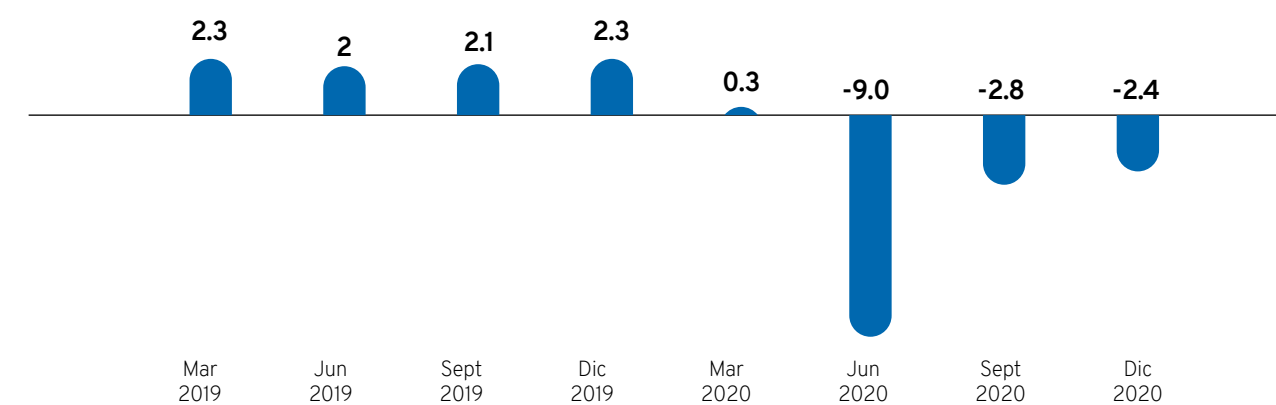
The COVID-19 pandemic has generated high costs that have yet to be measured, for both the global and domestic economy, but it has also generated opportunities for the future.

Economic Environment

The global economy was severely affected by the COVID-19 pandemic and the health measures implemented to contain the spread of the virus.

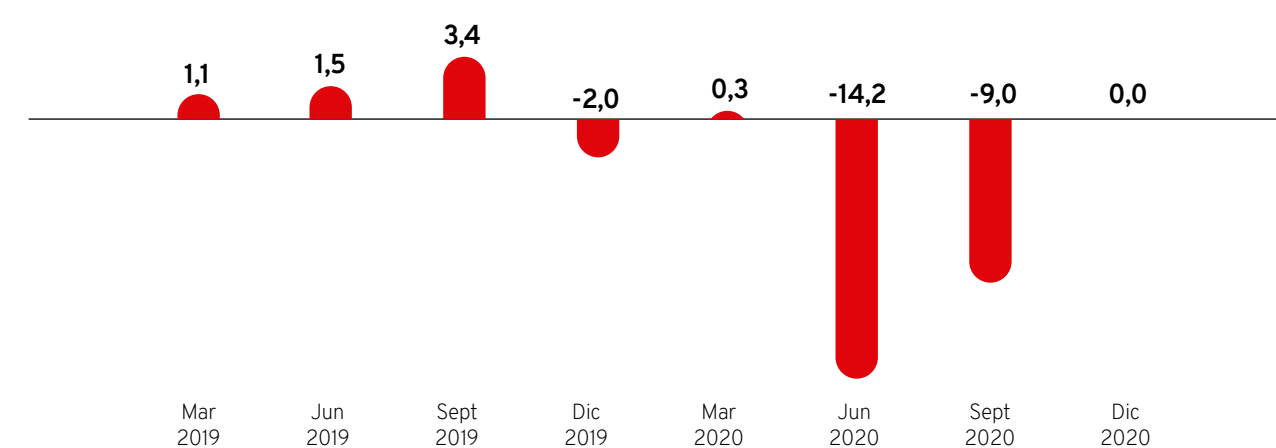
The International Monetary Fund (IMF) estimates that the world economy contracted 3.5% in 2020, the deepest recession in the last 80 years. Mobility restrictions and lower economic activity led to a sharp deterioration in the labor market, with a steep drop in household and business income. In response, economic authorities around the world delivered unprecedented support packages. The medium- and long-term economic impacts of the crisis have yet to be quantified.

U.S. GDP Growth (annual change, %)



Source: U.S. Bureau of Economic Analysis (BEA).

CHILE GDP Growth (annual change, %)



Source: Central Bank of Chile.

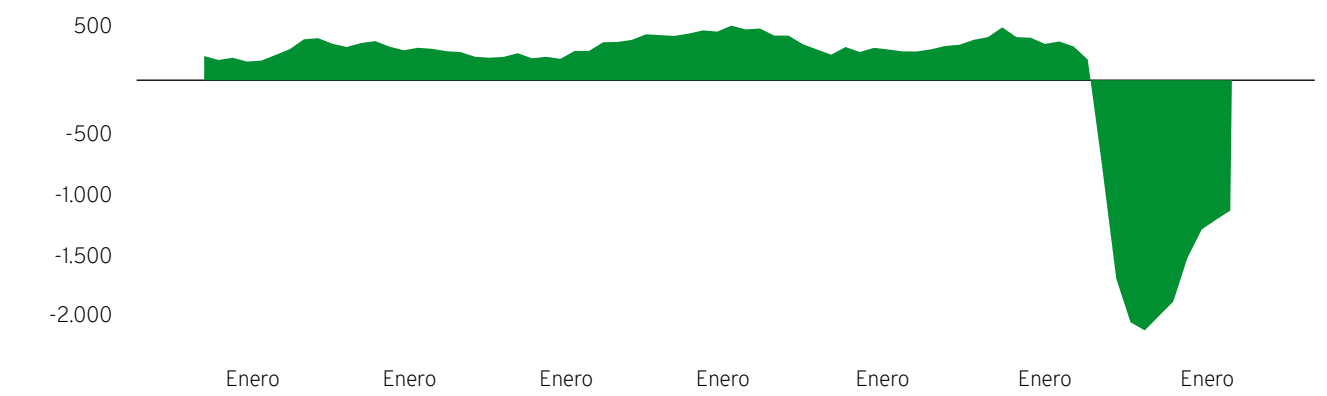
The health crisis has been especially costly in the United States, which has experienced the highest relative numbers of COVID-19 infections and deaths and the deepest economic recession since the 1930s. The second quarter of 2020 was the most difficult period of the crisis, with a 9% annual decline in GDP (-31.4% QoQ annualized) and unemployment of 14.8%. A rapid recovery was seen in the second half, but it will take some time for the economy to return to pre-pandemic levels. The U.S. Federal Reserve and fiscal authorities have played a crucial role in supporting the economy during the crisis. As of late 2020, the vaccination process has started gradually, but a second wave of infections has again affected global economic activity, and the impact has yet to be determined.

In Chile, the situation has also been complex, given that when the pandemic started, the economy was still showing the effects of the social crisis that erupted in late 2019. To contain the impact, the fiscal and monetary authorities have introduced substantial economic stimulus packages to support households and businesses, while facilitating financial market liquidity in the most complex moments. In the second quarter of 2020, output contracted 14.2% YoY in Chile, marked by a sharp deterioration in trade and services activity. The unemployment rate peaked at 13% in July.

The Chilean economy began to gradually recover in the third quarter, as the health situation improved and the economic support measures had a positive effect. The latter included the expansion of unemployment insurance, emergency family income (IFE), loans with a state guarantee (FOGAPE), tax benefits for SMEs, and other fiscal measures. At the same time, the Central Bank of Chile implemented monetary stimulus measures, taking the interest rate to its effective lower bound (0.5%) and providing funds to promote bank lending (FCIC) and ensure liquidity in the financial system.

The banking system has played a crucial role in containing the crisis through the provision of loans to SMEs, as government-backed facilities promoted strong lending growth in this segment. At the same time, banks offered debt renegotiations and greater payment flexibility on financial obligations, which contributed to a rapid rebound in the economy. Another key factor was the Congressional approval of two partial pension fund withdrawals in an effort to channel resources to households. Although this measure has been criticized for its harmful effects on future pensions, economic activity bounced back in the following months, driven by more dynamic consumption.

CHILE Job Creation (thousands)



Source: National Statistics Institute (INE).

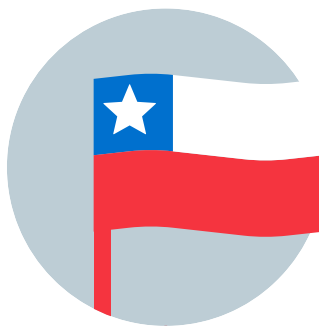
With regard to prices, inflation closed 2020 at 3.0%. Due to the lower economic activity, inflation was contained in the middle of the year, but the sharp uptick in consumption in the second half led to an increase in goods prices. Food prices also rose a significantly. Services inflation has been very low, however, as a result of mobility restrictions. Moderate inflation within the Central Bank's target range has contributed to avoiding higher economic costs during the pandemic crisis.

The labor market has been heavily affected by the crisis. In the most difficult months, about 1.8 million jobs were destroyed in Chile, which is explained by the economic contraction and the fall in labor participation due to the mobility restrictions. Just over a third of the lost jobs had been recovered by the end of 2020, but it is expected to take a few years for the economy to return to the pre-pandemic level. The Employment Protection Law contributed to moderating the negative impact on household

income, as did measures to support hiring, which are important for containing the rise of informal work.

Businesses have applied greater flexibility and innovation to meet consumer needs, while environmental and sustainability challenges have become increasingly apparent. The adaptation of the labor market, the response to social demands, the role of technology, the sustainable economy, and the search for macroeconomic equilibrium are the main economic challenges in the medium term.

Banking Industry



CHILE

In 2020 bank credit behaved countercyclically, which was especially important to withstand the economic impact of the health crisis. Despite the largest economic contraction of the last decade, total loans were constant relative to the previous year. This exceptional trend was mainly due to the government-backed FOGAPE COVID-19 loan program, through which 317,737 loans were approved for a total equivalent to US\$ 15.163 billion as of 31 December 2020. Of the total number of loans, 97% were granted to SMEs, and the program reached an estimated 95% of eligible businesses.

During the year, the number of checking and other transaction accounts reached 28.7 million units, doubling their number in the last ten years.

By type of transaction, 90% of the total amount was transferred digitally in 2020, an increase of eight percentage points over the 2019 share. There were 3.3 billion transactions, including the liquidity support measures that were implemented for households during the year, such as the various government support programs and the pension fund withdrawals. In all these payment processes, the bank demonstrated agility and efficiency. Bci channeled 21% of the FOGAPE-COVID-19 loans.

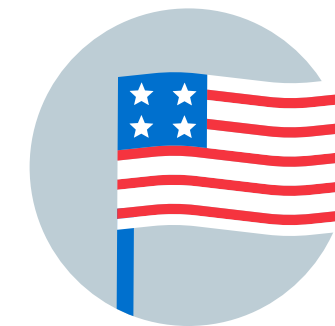
Regulatory framework

In 2020, numerous regulatory changes were implemented in the banking industry, including the following:

- Law No. 21,236, which regulates financial portability.

- Law No. 21,234, which limits the liability of the holders or users of payment cards and electronic transactions in the event of loss, theft, or fraud.
- Law No. 21,229, which increases the capital of the Guarantee Fund for Small and Medium-Sized Enterprises (FOGAPE) and temporarily loosens eligibility requirements, in order to support small and medium-sized businesses affected by the COVID-19 pandemic.

The Chilean Financial Market Commission (FMC) issued regulations regarding cybersecurity and the use of virtual meeting technology for board meetings. In addition, the FMC completed its guidelines on the implementation of the Basel III standards in Chile, a process that began in 2019. These norms will gradually come into effect through 2025.



UNITED STATES OF AMERICA

To help small businesses avoid having to lay off their workforce, the U. S. Government designed the Paycheck Protection Program (PPP) and the Federal Reserve launched the Main Street Lending Program (MSLP). PPP loans are designed to provide a direct incentive for small businesses to keep their workers on the payroll. The U.S. Small Business Administration (SBA) will forgive loans if all employee retention criteria are met and the funds are used for eligible expenses.

The Federal Reserve designed the MSLP to support small and medium-sized businesses and nonprofit organizations that were unable to access the PPP or that required additional financial support after receiving a PPP loan. Unlike the latter, loans issued under the MSLP are not forgivable.

CNB participated actively in these programs and was a leader in the state of Florida, accounting for 5.8% of total PPP loans to businesses in the state, a share that is three times its share of deposits in this market.



CHAPTER 04

Strategy

Bci's vision is "to be a regional leader in innovation, accessibility, and customer experience and to be recognized as the best place to work and develop."

Corporate Strategy

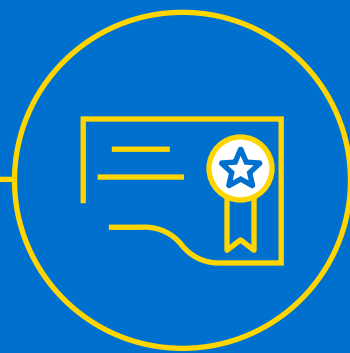
VALUES



Integrity



Respect



Excellence

PURPOSE

Dare to
make a
difference



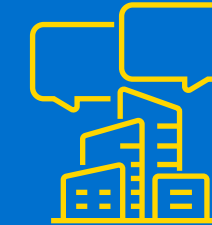
Customers
and suppliers



Shareholders



Employees and
their families



Society

MISSION

Bci is a financial solutions corporation that participates in all the business areas and financial operations allowed under the General Banking Law, providing the community with efficient, high-quality products and services, continuous technological innovation, prudent risk management policies, and stringent ethical standards that must be followed by everyone who works in our companies. The Corporation is committed to ensuring that our objectives and policies are achieved within a framework that emphasizes our four fundamental pillars: shareholders; employees and their families; customers and suppliers; and the community.

VISION

We aspire to be regional leaders in innovation, approachability, and customer experience, and to be recognized as the best place to work and grow professionally.

Strategic focuses

OBJECTIVES

1

Personalized
omnichannel
experience

2

People-
centered
culture

3

Ambitious
sustainable
growth

1

Personalized multi-channel experience

HOW WE APPROACH IT

Offering solutions (not just products) founded on:

- Innovation;
- Intelligent and responsible data use; and
- Ecosystem development.

HOW WE MEASURE IT

Key long-term performance indicators:

- Net Promoter Score (NPS);
- Customer satisfaction (Snex) with digital channels.

MAJOR DEVELOPMENTS IN 2020

- + 70% NPS for MACH;
- 93.2% Snex for the Bci App.

→ For a description, see Chapter 5: Sustainable Value Creation.



2

People-centered culture

WHAT IT MEANS

It is a culture that promotes:

- Collaboration;
- Diversity;
- Empowerment; and
- Customer focus, supported by Bci values.

HOW WE MEASURE IT

Key long-term performance indicators:

- Employee engagement.

MAJOR DEVELOPMENTS IN 2020

- The employee engagement rate rose to 90% (versus 88% in 2019).

→ For a description, see Chapter 5: Sustainable Value Creation.



3

Ambitious and sustainable growth

WHAT IT MEANS

Achieve growth founded on:

- New business models, beyond financial products, with
- Significant increase in efficiency,
- Profitability, and
- Adequate risk levels.

HOW WE MEASURE IT

Key long-term performance indicators:

- Earnings
- Return on equity (ROE);
- Efficiency ratio
- Provisions rate; and
- Sustainability standards.

MAJOR DEVELOPMENTS IN 2020

- With a score of 64 out of 100, Bci was 25 points above the industry average and in the 80th percentile in the assessment for inclusion in the Dow Jones Sustainability Indexes for Chile and the Integrated Latin American Market (MILA).
- 58 bp improvement in the efficiency ratio, as a result of growth in the operating margin (the highest in the local industry) and Bci's past investments in the digital transformation.

→ For financial analysis and ESG report, see Chapter 6: Performance.





Interview with the CEO

"I cannot recall a more complex work situation than the one we faced this year, and I am tremendously proud of the excellent work carried out by the entire Bci team."

In this interview, Eugenio Von Chrismar, CEO of Bci since 2015, discusses the pandemic, how Bci faced the challenges, and his vision for the future.

Eugenio, given the crisis and pandemic situation of 2020, what were the main issues for the Bank?

Right from the start, our focus was on supporting our employees, customers, and suppliers. We all worked with the conviction that this was one of those moments in which, given our role in society, we should be part of the solution to the problems that we were all experiencing.

I cannot recall a more complex work situation than the one we faced this year, and I am tremendously proud of the excellent work carried out by the entire Bci team and the attitude of collaboration across the entire Bank. Throughout the year, we have worked with empathy, coordination, and a common vision that is aligned with our strategic objectives.

How did you manage to move forward in an environment of multiple crises?

In the year we had to redouble our efforts to maintain operational continuity. Our past investments in the digital transformation allowed us to achieve operational continuity of 100%. We also continued to invest in the Bank's transformation process, successfully implemented all the corporate plans set before the crises, deepened our internationalization process, and enhanced our means of payment strategy, among other achievements.

A few years ago, we were able to anticipate that the future would present challenges on several fronts, which led us to implement a profound transformation plan that would allow the Bank to operate under extremely adverse conditions. That is why I can say with certainty that we were very well prepared to face the challenge posed by the effects of the 2020 pandemic.



"The digital economy and ecosystem development will continue to be key drivers of growth, and as such they will play a fundamental role in Bci's strategy and investments."

Consequently, we were able to fully support our customers in Chile and in the state of Florida, through measures such as interest-free mortgage loan deferral for six months, which was very well received by our customers. Likewise, we practically doubled our market share in Chile under the FOGAPE and FOGAIN programs and tripled our market share in the United States with the Paycheck Protection Program (PPP). In the Main Street Lending Program (MSLP), we lead at the national level with a 12% market share in terms of the total amount loaned.

And from that perspective, how do you assess the bank's performance 2020?

Of all the 2020 results, there is one that makes me especially proud—and it is not financial. It has to do with our work environment, which had a 90% engagement rate from Bci's employees. I am excited by that achievement, which positions the Bank at a level of excellence above the market benchmark worldwide.

With respect to financial results, we achieved a real profit of approximately CLP 317 billion and increased our market share in all business lines in a year with negative GDP, a demonstration of our long-term commitment to our customers. In addition, we led the

market in gross operating margin, growing above the industry and our relevant competition. Additionally, we controlled expenses, which recorded zero growth, and improved efficiency by 58 basis points. We also had a positive evolution in our risk indicators, and as a conservative measure, we created voluntary provisions of CLP 148.666 billion. In the United States, CNB loans grew 15% year-on-year in dollars; the acquisition of Executive National Bank was successfully consolidated; and we made important advances in the digital transformation, as well as in our business model. We also kept our Tier 1 capital ratio above 10%.

What is your vision for the Bank in the coming years?

The near future is projected to be even more challenging than the recent past. If we think things are changing too fast today, what is coming will be even more dizzying—and in that context, it is crucial to be open to change and opportunities.

The digital economy and ecosystem development will continue to be key drivers of growth, and as such they will play a fundamental role in Bci's strategy and investments. Thus, if today we are much more than a bank, for the future we project ourselves as an articulator of financial solutions.

"We must continue the Bank's transformation, in line with our personal conviction, because in order to stay relevant, we must anticipate customer expectations through a deep understanding of their needs—and I don't just mean financial ones."

That is why we are developing a payment ecosystem to lead the industry in Chile. Today we have approximately 5 million customers using MACH, Bci Pagos, Líder Bci Servicios Financieros, and Bci credit and debit cards. At MACH, we want to be the leading digital account in Chile, and we already have over 2.8 million users, 2 million prepaid cards, and more than 100 merchants affiliated with MACH Pay.

In the International area, we will continue to strengthen our business in Florida, through City National Bank and Bci Miami, incorporating new products and services and advancing our digital capabilities.

In addition, we expect to start operations at Banco Bci Peru in 2021 where we have already been present for 20 years through a representative office.

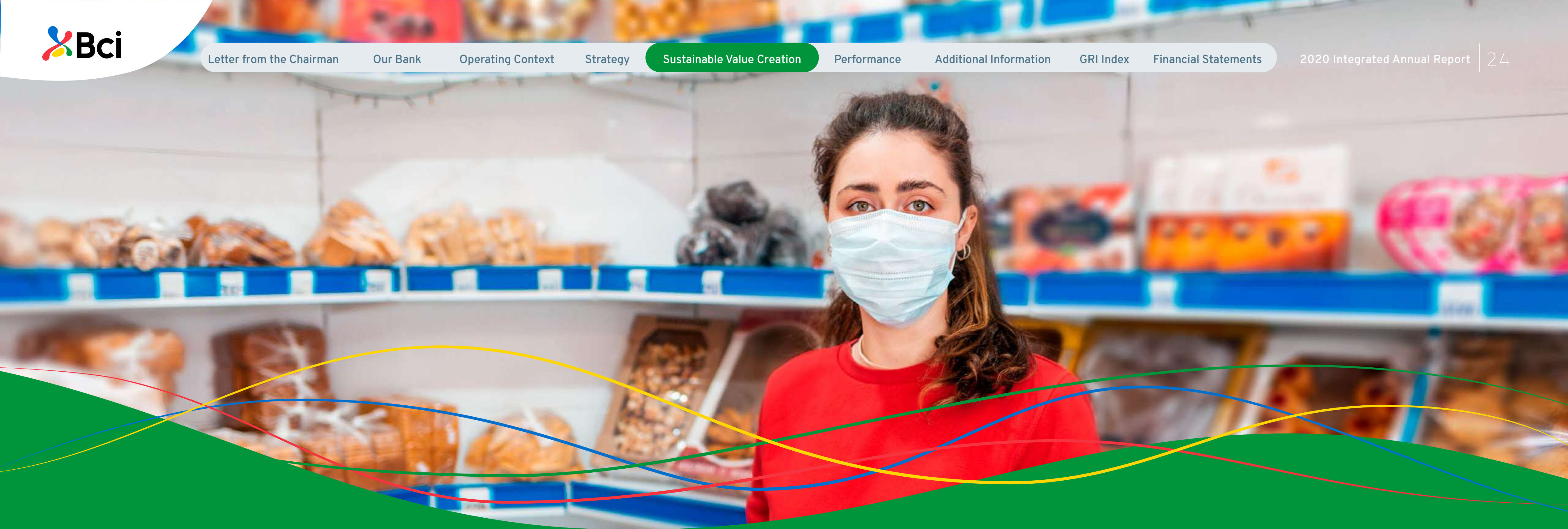
In the area of sustainability, we are aware of our responsibility as an economic and social actor, and we are very committed to playing an increasingly relevant role through our business, contributing to a more inclusive and equitable society and accompanying our customers in their transition toward a more sustainable future.

In the current context, what are the most urgent issues?

To continue to support the development and growth of customers. Our mission in society is more relevant than ever, as an economic and social engine. That is why we must continue the Bank's transformation, in line with our personal conviction, because in order to stay relevant, we must anticipate customer expectations through a deep understanding of their needs—and I don't just mean financial ones.

Today we must be attentive to the disruption of traditional and nontraditional competitors in the financial industry. We have to watch what they are doing and seek alliances to create a robust ecosystem.

I am certain that 2021 will be a key year in the country's development. At Bci, we will continue to decisively support our employees, customers, suppliers, and the community. Only then will we be able to face new challenges successfully, based on a great team of professionals, solid values, and a business culture that sets us apart.



CHAPTER 05

Sustainable Value Creation

- Governance Principles
- People
- Environment
- Society

Principles of Corporate Governance

Policies based on corporate values and extensive collaboration between the Board of Directors and Senior Management allowed Bci to respond quickly and effectively to the COVID-19 crisis.

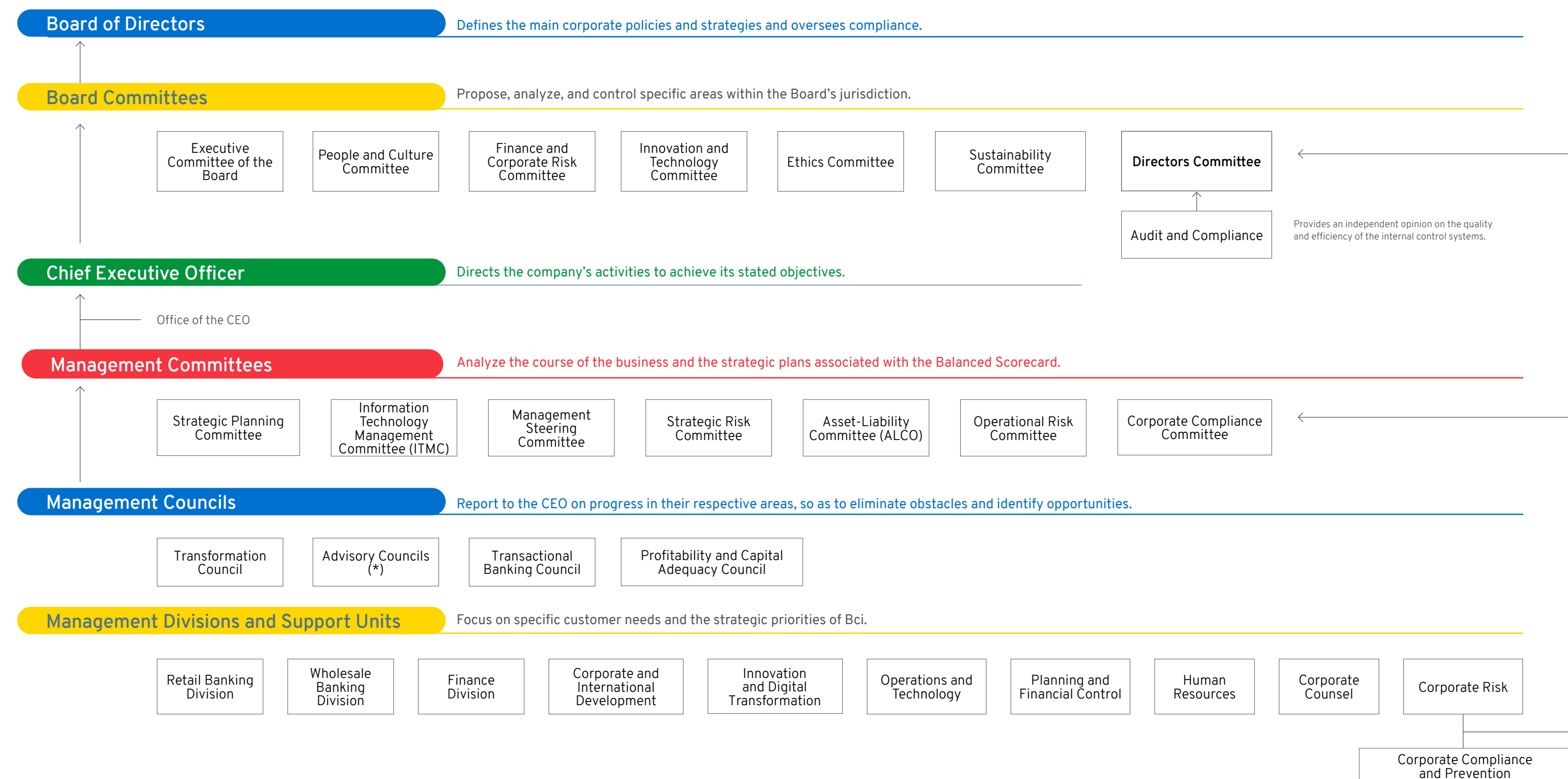
In 2020, Bci's Board of Directors met frequently with the CEO and area managers to analyze studies and proposals. In the different Board and Executive Committee meetings, the measures being introduced by the financial and legislative authorities were analyzed, and the evolution of the crisis and the solutions implemented were monitored. In this context, the Board of Directors issued the following main guidelines:

- Protect employees and their work environment;
- Analyze our customers' situation and support those experiencing greater difficulties;
- Identify the main damage in the supplier network and support the recovery; and
- Support institutions that have been hit the hardest by the pandemic, such as those that help the elderly.

The way we approached the problems and analyzed solutions was, from the beginning, supported by Bci's distinctive culture, which puts people at the center and seeks the most creative ways to leverage its investments in digitalization and its integration with the ecosystem, so as to respond quickly and effectively to the needs of our customers, suppliers, employees, and the community.

During the year, the Board of Directors also participated directly in the implementation of the Basel III standards issued by the Chilean Financial Market Commission (FMC), reviewing and approving new policies related to capital and risk management.

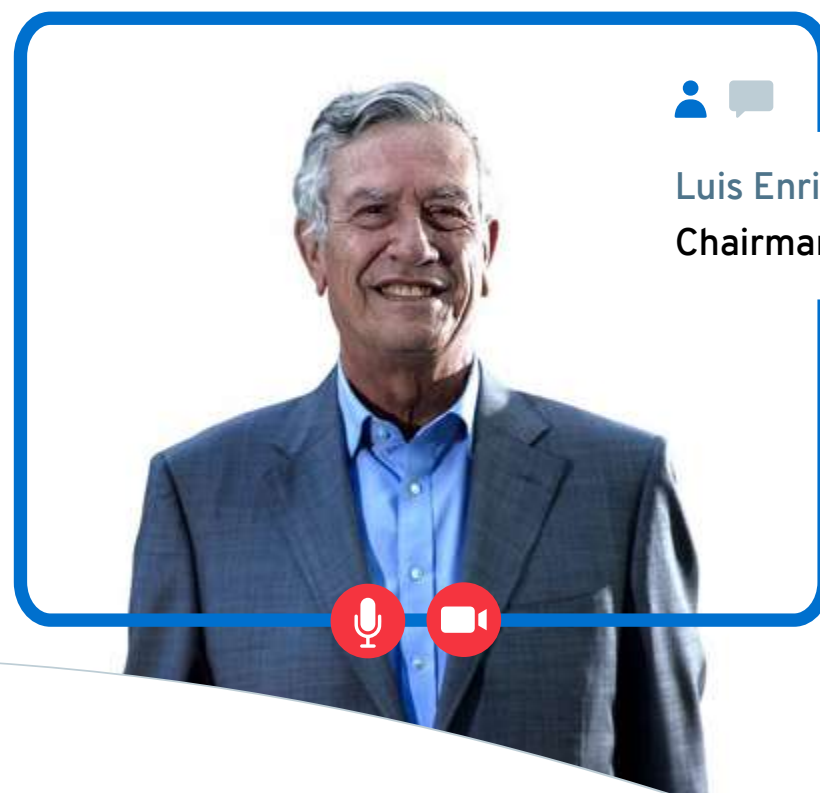
GOVERNANCE STRUCTURE



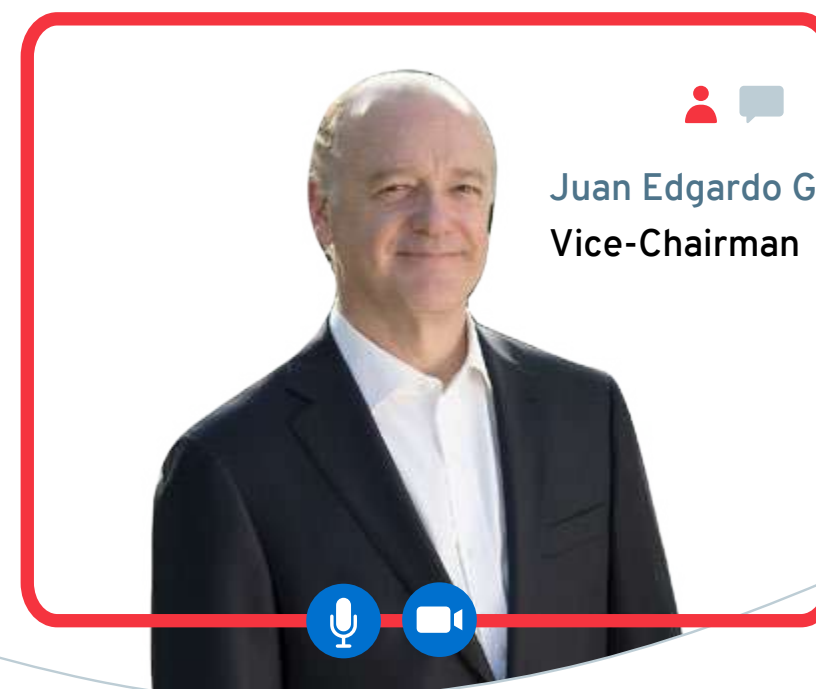
(*) In 2020 Advisory Councils were convened for the following areas: Personal Retail Banking, SME Retail Banking, Corporate Wholesale Banking, Commercial Wholesale Banking, Finance, Risk, Internationalization, Operations and Technology, Planning and Financial Control, Human Resources, Corporate Counsel, and Digital Transformation.

Board of Directors

→ For the Directors' experience, see Chapter 7: Additional Information.



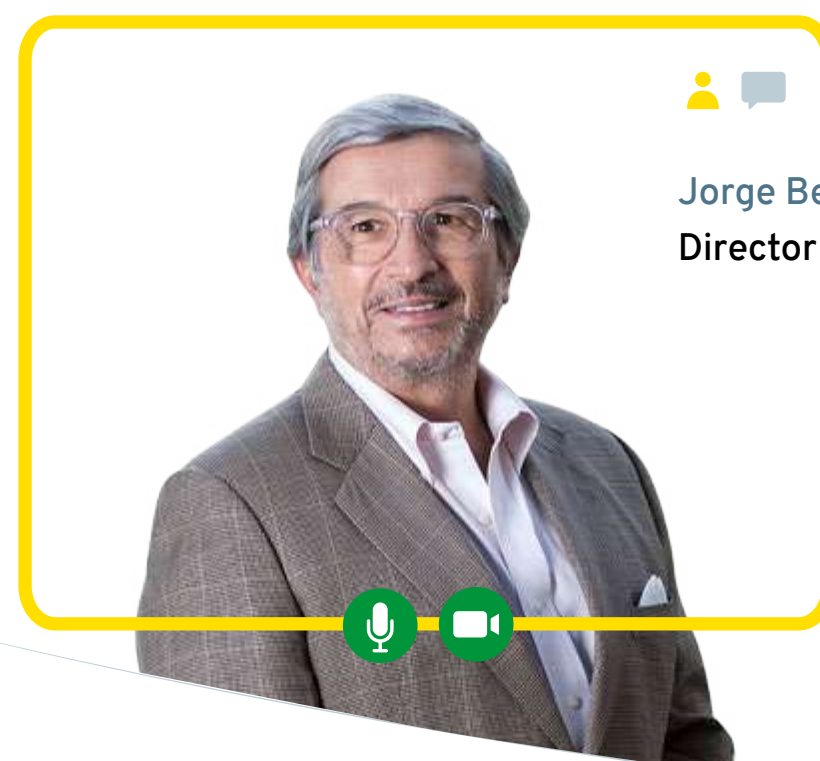
Luis Enrique Yarur Rey
Chairman



Juan Edgardo Goldenberg Peñafiel
Vice-Chairman



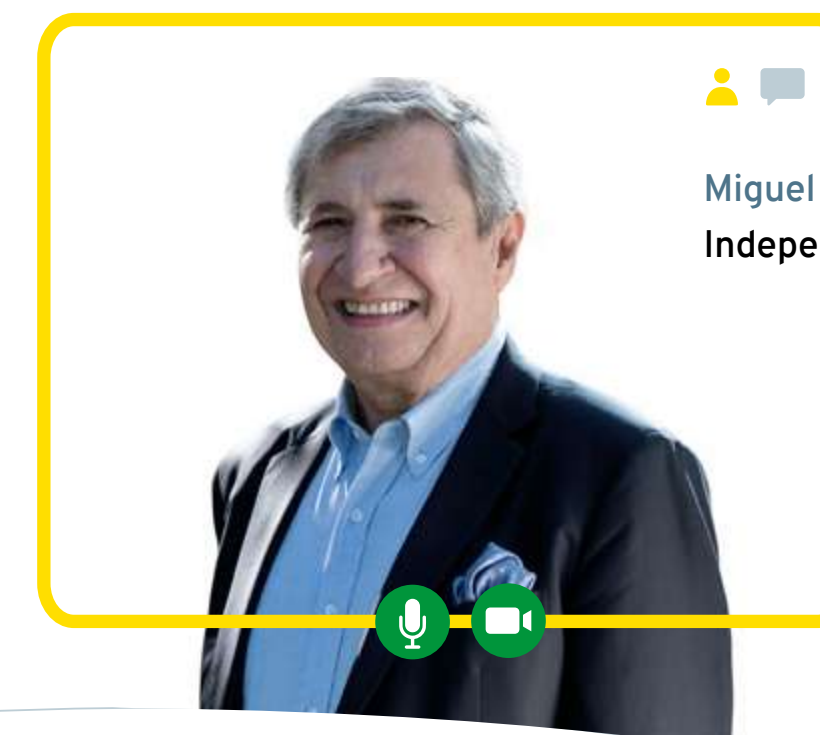
José Pablo Arellano Marín
Director



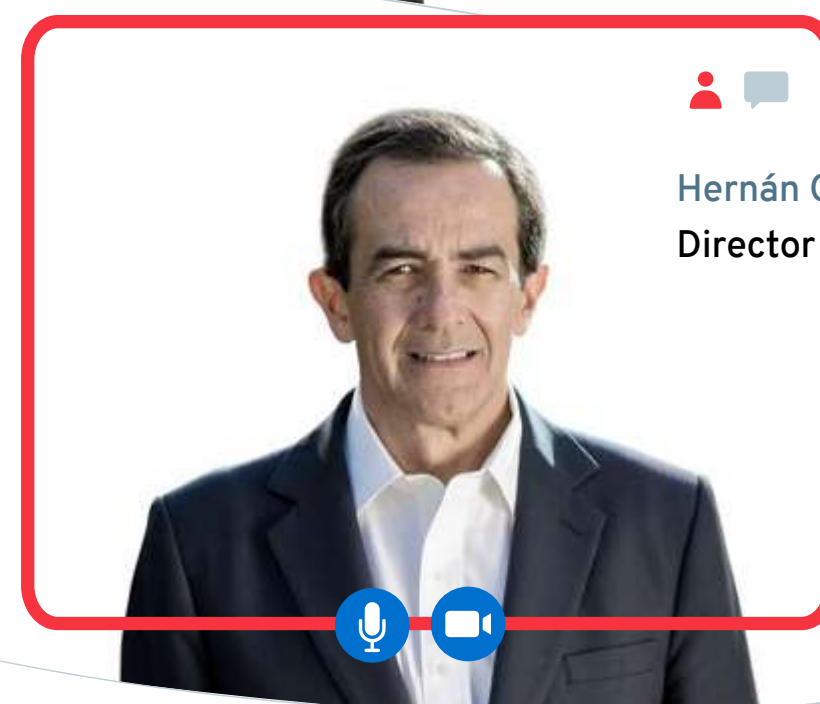
Jorge Becerra Urbano
Director



Mario Gómez Dubravcic
Director



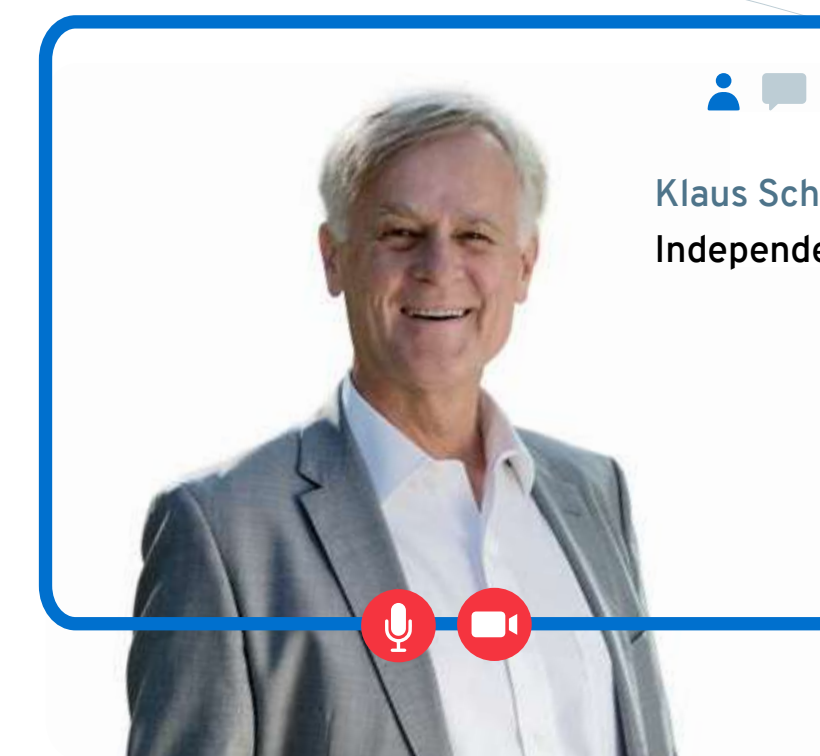
Miguel Ángel Nacur Gazali
Independent Director



Hernán Orellana Hurtado
Director



Claudia Manuela Sánchez Muñoz
Directora



Klaus Schmidt-Hebbel Dunker
Independent Director

Senior Management



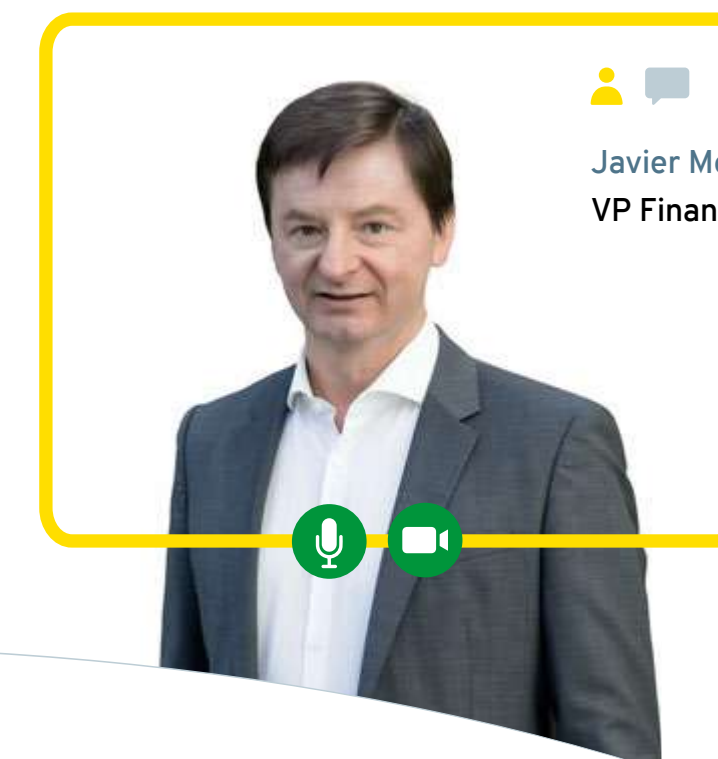
Eugenio von Chrismar Carvajal
Chief Executive Officer



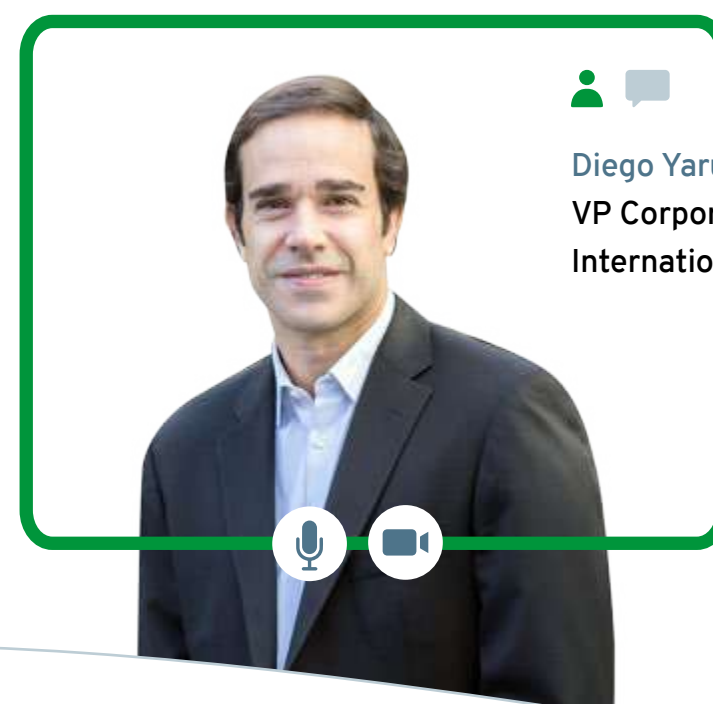
Rodrigo Corces Barja
VP Retail Banking



Gerardo Spoerer Hurtado
VP Wholesale Banking



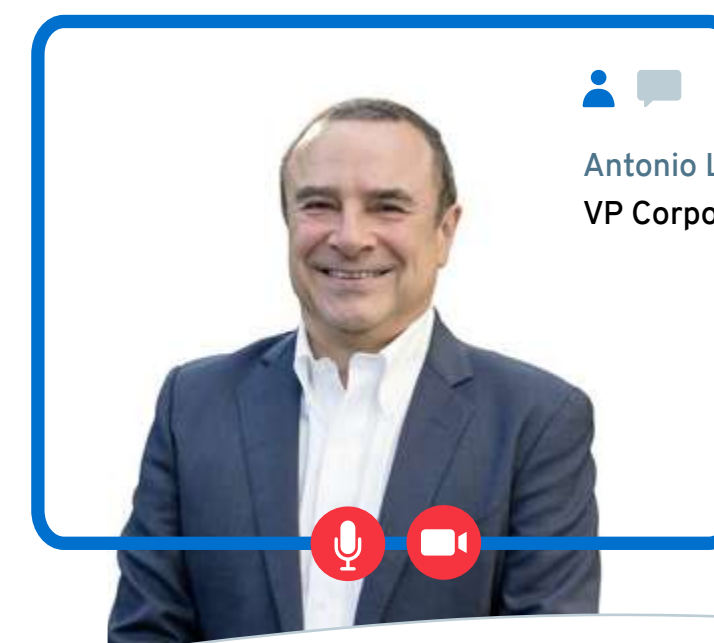
Javier Moraga Klenner
VP Finance Division



Diego Yarur Arrasate
VP Corporate and
International Development



Ignacio Yarur Arrasate
VP Innovation and
Digital Transformation



Antonio Le Feuvre Vergara
VP Corporate Risk



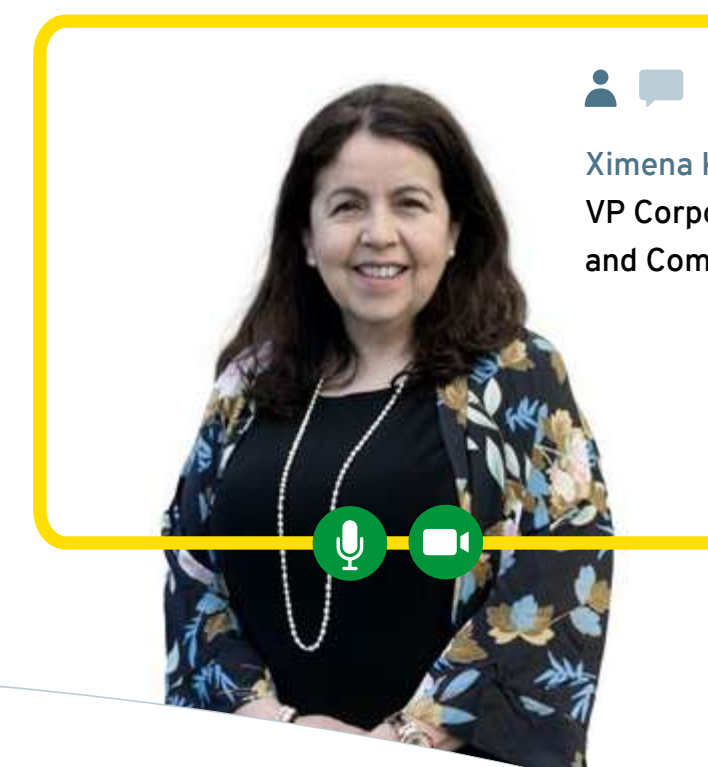
Pablo Jullian Gröhnert
VP Corporate
Human Resources



Patricio Subiabre Montero
VP Operations and Technology



José Luis Ibaibarriaga Martínez
VP Corporate Planning
and Financial Control



Ximena Kutscher Taiba
VP Corporate Audit
and Compliance



Fernando Carmash Cassis
Corporate Counsel

Subsidiaries



Víctor Aguilar Zaforas
CEO, Bci Factoring S.A.



Michel Awad Bahna
CEO, Bci Servicios
Financieros



Andrew Q. Barrett
CEO, Bci Securities Inc.



Tomás Flanagan Margozzini
CEO, Bci Corredor
de Bolsa S.A.



Paula García Cuesta
CEO, Servicios de Normalización
and Cobranza Normaliza S.A.



Francisco García Pinochet
CEO, Bci Corredora de
Bolsa de Productos S.A



Jorge González Echazabal
President & CEO
de City National Bank
of Florida



Luis Felipe González Holmes
CEO, Bci Asesoría
Financiera S.A.



Eric Recart Balze
CEO, Bci Corredores
de Seguros S.A.



Patricio Romero Leiva
CEO, Bci Asset Management
Administradora General
de Fondos S.A



Board Committees

	Functions and powers	Members	Meetings (total 2020)
EXECUTIVE COMMITTEE	Responsible for approving the general financial, credit, and operational risk management policies; reviewing and approving loan operations submitted for resolution; approving the credit and risk policy manuals; determining the resources that are periodically allocated to loan loss provisions and write-offs; granting general and special powers; and approving specific donations, among other matters.	Members Luis Enrique Yarur Rey Juan Edgardo Goldenberg Peñafiel José Pablo Arellano Marín Mario Gómez Dubravčić Claudia Manuela Sánchez Muñoz Alternates The remaining Board Members	83
DIRECTORS COMMITTEE	Carries out the functions outlined in Article 50 bis of Law 18,046 on Corporations; the responsibilities assigned to the Audit Committee in Chapter 1-15 of the FMC banking regulations (RAN); and other duties in accordance with legal and administrative standards.	José Pablo Arellano Marín Miguel Ángel Nacur Gazali Klaus Schmidt-Hebbel Dunker	26
FINANCE AND CORPORATE RISK COMMITTEE	Controls and reports on financial strategies and the definition and revision of financial, operational, and credit risk policies, as well as the different exposures maintained by the Bank.	Members Luis Enrique Yarur Rey Juan Edgardo Goldenberg Peñafiel José Pablo Arellano Marín Mario Gómez Dubravčić Klaus Schmidt-Hebbel Dunker Alternates The remaining Board Members	11
PEOPLE AND CULTURE COMMITTEE	Establishes the general remuneration and compensation policies for the company's various stakeholder groups, without prejudice to the powers vested in the Chairman of the Bank or the Directors Committee, which are responsible for examining the remuneration and compensation of senior management.	Members Luis Enrique Yarur Rey Mario Gómez Dubravčić Miguel Ángel Nacur Gazali Hernán Orellana Hurtado Claudia Manuela Sánchez Muñoz Alternates The remaining Board Members	3

	Functions and powers	Members	Meetings (total 2020)
SUSTAINABILITY COMMITTEE	Reviews the Bank's strategy, policies, and programs related to sustainability, with the objective of achieving social and environmental sustainability for the stakeholders defined in the Bank's mission statement and thus safeguarding the corporate image and reputation of the company and its subsidiaries.	Members Luis Enrique Yarur Rey Juan Edgardo Goldenberg Peñafiel José Pablo Arellano Marín Jorge Becerra Urbano Mario Gómez Dubravčić Alternates The remaining Board Members	4
INNOVATION AND TECHNOLOGY COMMITTEE	Reviews and approves the Bank's technological strategy and architecture; its IT security strategy and plan; the innovation ecosystem and plan proposed by the Office of the CEO; and the annual short- and medium-term technology and operations investment plan; and ensures that all of these areas are in line with the Bank's business strategy.	Members Luis Enrique Yarur Rey Jorge Becerra Urbano Miguel Ángel Nacur Gazali Hernán Orellana Hurtado Claudia Manuela Sánchez Muñoz Alternates The remaining Board Members	5
ETHICS COMMITTEE	Interprets the Code of Ethics, studies violations thereof, adopts measures to protect the identity of the people involved and the confidentiality of related information, sanctions unethical conduct, and determines whether the reported incident will lead to civil or criminal proceedings. This Committee is responsible for authorizing the actions of Bank employees with regard to activities, operations, or investments that, in accordance with the Code of Ethics, must be reviewed by the Committee; and for handling the communication and diffusion of ethical content.	Members Luis Enrique Yarur Rey José Pablo Arellano Marín Juan Edgardo Goldenberg Peñafiel Regular attendees Eugenio von Chrismar Carvajal Pablo Jullian Gröhnert Fernando Carmash Cassis Juan Yarur Lolas Award 2020 Jorge Yarur Banna Award 2020	3

→ For 2020 activities, see Chapter 7: Additional information.

Governance practices

The number, schedule, and duration of Board Meetings and the various committee meetings did not change, but they were held virtually in 2020 rather than in person as in 2019.

TRAINING

The Board of Directors received training in the following areas:

- **Basel III:** the global evolution of Basel standards, their application in Chile, standards issued to date, and a summary of their main elements and impacts; review of the deadlines for entry into force of the new regulations; and specific preparation of the Bank for the new environment. The discussion was presented by representatives of Deloitte.
- **The Bank's new planning system:** value-oriented approach and metrics and how this methodology is reflected in plans and monitoring.
- **Different risk management topics,** according to a schedule that included two training sessions in 2020 and others to be held in the first half of 2021.

INDUCTION

For new Board Members, Bci has established an induction process that includes meetings with the CEO and all managers who report to the CEO (top-level managers) and the provision of relevant documentation for the exercise of their functions.

SELF-ASSESSMENT

The Board conducts an annual self-assessment of its functioning and compliance with corporate governance standards, in order to consolidate best practices and propose actions to generate any changes deemed necessary. The assessment covers the format, length, and agenda of the meetings of the Board of Directors and the different Board Committees, various aspects of corporate governance, risk issues, and the relationship with the Bank's Management and with the main stakeholders.

This self-assessment is carried out by means of an anonymous questionnaire. The consolidated results are reviewed annually at the ordinary board meeting in June or July. Some of the decisions made based on the conclusions include the identification of specific topics or aspects for training or updating the Board of Directors; the extension of the duration of some of the Board Committee meetings; and the periodic reporting to the Board on the progress of different bills that could affect the banking business.

GUIDELINES APPROVED BY THE BOARD OF DIRECTORS IN 2020

The policies and guidelines issued during the year include the following:

- Updating of the rules for monitoring provisioning models in the provisioning and credit risk model policy and the risk management model policy;
- Financial risk policy update;
- New technology policy;
- Operational risk policy update;
- New corporate manual on the prevention of money laundering and terrorist financing;
- Purchasing policy update; and
- Modifications to the Risk Tolerance Framework.

12
ordinary meetings
(99% attendance)

6
special meetings
(98% attendance)



Ethical culture

Responding to the COVID-19 crisis in an ethical and responsible way was a central objective in 2020.

Bci's ethical management model is built on the Bank's history, its business philosophy, culture, and values, and its Code of Ethics. Organizational listening processes and performance measurement are periodically carried out in this area, using tools such as surveys that include questions on the ethical climate, confidential reporting channels, and the contingency survey. Based on that analysis, work plans are defined and structured according to the Bci Cultural Management Model, which has four key pillars: leadership by example, promotion of understanding and conviction, reinforcement through formal mechanisms, and talent and skills development.

The 2020 Ethics Plan promoted actions in three areas:

- Telecommuting (safe, healthy, and effective);
- In-person work, linked to the Bank's social role (ethical shifts, accompaniment, and security and prevention measures); and
- Cross-cutting measures (support for employees and their families, through job continuity, salary maintenance, and lunch bonuses; health and communication measures; and accompaniment).

CONTINGENCY SURVEY

To find out how the crisis was affecting employees and to identify support opportunities and sources of concern, the Bank conducted three contingency surveys during the year (in March, May, and August). The questions covered four areas: ethics, equity, and respect; quality of life; alignment and trust; and productivity. The results of these studies were analyzed and incorporated in two key programs in 2020: the Bci Work-Life Balance Plan and the New Normal Plan (see the People section for a description).

The internal newsletter "Ethics in Action" reinforced cybersecurity issues and the use of social networks, as well as the dissemination of the confidential reporting channels. The Bank also held civic talks on various topics, including workshops by experts on the plebiscite process, and participated in business ethics dialogs. To evaluate the measures taken in this area, the Ethics Committee held three meetings, with the participation of the Chairman of the Board and the CEO of Bci.



COVID-19 Response

From the beginning of the pandemic in March 2020, Bci's first priority was our employees and their families, together with our customers and suppliers, who once again felt the impact on their business routine, their work, and, therefore, their financial situation. To ensure their safety as well as business continuity, Bci activated a contingency plan founded on permanent listening, the reality of the business, and best business practices.

The initial work was led by the Contingency Desk, which has met regularly since October 2019. With the participation of all the critical areas, this committee began monitoring the evolution of COVID-19 and the measure that had to be adopted in the branches to protect both employees and customers.

In recent years, Bci has developed different skills and abilities not only to face this contingency, but also to operate in a volatile, uncertain world, where change is the new normal.

Consequently, at the start of the pandemic, Bci activated a strategy of support actions centered on its stakeholders: employees, customers, suppliers, and the community.

MAIN MEASURES



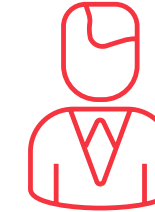
Employees and their families.

- In the face of the uncertainty regarding the future of the country's economy and labor market, Bci made the commitment that no employee who was correctly fulfilling their responsibilities would lose their job due to the pandemic.
- Implementation of waves of remote work, with 70% of the bank under this modality.
- Programs like the Bci Work-Life Balance Plan, to promote digital disconnection and good teleworking practices.
- Strict health and safety protocols in the branches, together with support measures and ethical shifts, in order to protect the health of customers and employees.
- Delivery of over 10,000 PPEs to employees and branches.
- "Health Support Desk," to provide information on health protocols and psychological support.



Personal Banking Customers

- First bank to offer mortgage loan deferrals of up to six months, with 0% interest rate.
- Payment flexibility on credit cards and consumer loans.
- Strengthening of remote channels. Today, 86% of customers use the Bank's digital platforms.



SME Customers

- Deferral of financial commitments, offering new financing lines with special terms and conditions.
- Access to working capital and debt reorganization with flexible systems.
- Option of deferring mortgage payments for six months, at a 0% interest rate
- Government-backed COVID-19 loans (FOGAPE and FOGAIN programs) to more than 21,000 businesses.
- Support for the digital transformation of SMEs, through the *Evoluciona Bci* program. At year-end 2020, over 9,000 SMEs had received training and 200 were already selling online.
- Launch of *Valor Pyme*, an initiative that brings together the full line of Bci's nonfinancial offer for SMEs in Chile, such as Social Store, Emprendate Show, and Centro Nace.



Large Business and Corporate Customers

- FOGAPE COVID-19 loans for a total of UF 35 million
- Facilities to operate remotely
- Home delivery of Multipass electronic security tokens

Suppliers

- Creation of a monitoring dashboard covering over 70 essential services and 45 critical suppliers.
- Electronic supplier payments
- Economic support for operational continuity of the service



Community

- Fundraising campaigns to support the protection of the elderly
- Donation of 1,461 computers to vulnerable educational communities
- Donation of CLP 2.135 billion to the business solidarity fund, promoted by the Confederation of Production and Commerce (CPC) for collaborative initiatives with the government, such as the purchase of ventilators, rapid and PCR tests, and health and hygiene supplies.
- Donation of CLP 500 million to the Telethon

Compliance

The Corporate Compliance and Prevention Unit is responsible for overseeing compliance with the regulations that govern the Corporation's business. This unit is part of the Bank's Risk Division and reports directly to the Corporate Compliance Committee and the Directors Committee. The corporate compliance manager is also in charge of prevention, based on the Bci Crime Prevention and Detection Model, applied under the framework of Law 20,393 on the criminal responsibility of legal persons.

MAIN ACTIVITIES

- Implementation of measures to detect, monitor, and report unusual or suspicious operations that could be related to possible cases of money laundering, terrorist financing, or any other crimes associated with the criminal responsibility of legal persons (Laws 19,913 and 20,393).
- Application of compliance programs in relation to various regulatory frameworks, such as the Compliance Program for the Promotion and Defense of Free Competition and the Compliance Program for Consumer Rights Protection, incorporating the modifications contained in Law 21,081 on these issues. Oversight of the compliance program for ensuring observance of the Foreign Account Tax Compliance

Act (FATCA) and the Common Reporting Standard (CRS) at the level of the holding company.

- Strengthening of models for learning more about the Bank's customers, employees, and suppliers, through the development of procedures and technological tools that make it possible to detect and analyze patterns of high-risk behavior and to identify customers with risky assets, risky geographic regions, or particularly risky business activities.

2020 HIGHLIGHTS

- Supervision of compliance activities in the United States. The Regional Compliance Officer is in charge of developing a range of activities to strengthen

and standardize best practices in the U.S. business units. The focus in 2019 and 2020 was on the development of processes for implementing new services for Private Banking customers in the United States. Despite the changing environment and the new risks generated by the pandemic, the compliance programs in that country were effective.

- Updating of compliance programs. In 2020, part of the unit's focus was aimed at strengthening the Compliance Program for Consumer Rights Protection, pursuant to modifications introduced to Law 19,496 via Law 21,081.
- Incorporation of controls for the prevention of the new crimes incorporated into Law 20,393 via Law 21,121 and modifications to the Penal Code.

- Implementation of the compliance program for the publication of reference rates in the local market, by the Finance Division and the Financial Risk Unit.

TRAINING AND DIFFUSION

The 2020 annual training and diffusion plan carried out by the Corporate Compliance and Prevention Unit included the following activities:

- Diffusion of compliance and ethical management in all the Bank's induction courses;
- Training for all managers and supervisors in the Corporation, as part of the free competition protection program, through Risk School modules;
- Regular newsletters on compliance issues;

- Virtual meetings in the commercial and operations areas to address issues related to Know Your Customer (KYC) procedures, with the participation of over 650 employees; and
- Development of training courses for the new Risk School initiative, which comprises 12 modules with different levels of depth, on topics such as the prevention of money laundering, terrorist financing, bribery and criminal risk, free competition, compliance with FATCA and CRS regulations, and, in the case of Finance Division units, issues related to compliance with codes of conduct and international regulations, including Dodd-Frank and EMIR.

Human Rights Policy

In the second half of 2020, Bci prepared its Human Rights Policy.

With this declaration, the Bank seeks to harmonize the internal policies and frameworks with which it safeguards human rights, using an approach based on total respect and incorporating the international human rights lexicon, in line with the country's legal framework and Constitution.

The drafting of this policy considers the recommendations contained in the United Nations Guiding Principles on Business and Human Rights.

Privacy Policy

In 2020, Bci updated the Privacy Policy in force since 2018, to establish a new data management structure, taking into account the data life cycle: collection, treatment, maintenance, and security. This policy defines channels to disclose, update, or block personal data.



Risk Management

Comprehensive, proactive risk management focused on the customer is a crucial aspect of Bci's transformation and corporate strategy.

In 2020, Bci continued to make progress in integrating the risk tolerance framework into its capital stress tests and key business management processes, to converge toward international best practices and implement the Basel III regulations, which were published by the Chilean Financial Market Commission in 2020 and will gradually enter into effect between 2021 and 2025.

In November 2020, the Bank updated its Corporate Risk Tolerance Statement, which aims to ensure the company's sustainability by strengthening long-term value creation, since it allows identifying, understanding, and proactively managing the risks. Bci's adherence to the Risk Tolerance Statement is reviewed and managed monthly, as a function of the established limits.

RISK GOVERNANCE AT BCI

Board of Directors		
Defines the global risk management framework and monitors the risks. Performs a comprehensive analysis of the risks to which the Bank is exposed.		
Establishes adequate levels for provisions, additional provisions, and the Basel ratio.		
EXECUTIVE COMMITTEE	DIRECTORS COMMITTEE	FINANCE AND CORPORATE RISK COMMITTEE
Defines and approves the Bank's risk tolerance and related policies, as delegated by the Board, and makes decisions on loans of significant size and complexity.	Responsible for the functions of the Audit Committee, in accordance with the Corporations Law and FMC regulations, and directly supervises the activities of the Audit and Compliance Division and the Corporate Compliance and Prevention Division.	Monitors credit, market, and operational risk management, periodically reviewing the main indicators and analyzing the quality of the loan portfolio and the associated risk rates. In 2016, the Committee incorporated Bci's U.S. operations.
Senior Management		
COMMITTEES		
Asset-Liability Committee (ALCO)	Responsible for the financial risk policy framework and for decisions on asset and liability management and market and liquidity risks, including risk monitoring.	
Operational Risk Committee	In charge of defining the operational risk strategy; continuously reviewing policies on operational risk management, technology risk and information security management, business continuity, fraud prevention, and regulatory risk; monitoring risk levels; and tracking improvement plans for maintaining risks within the established tolerance ranges.	
Corporate Compliance Committee	Establishes and monitors matters and policies spearheaded by the Corporate Compliance Division, on issues related to the prevention of money laundering, terrorist financing, bribery, practices that infringe on free competition, compliance with consumer rights protection programs, compliance with FATCA and CRS regulations, and other such issues.	
Strategic Risk Committee	Main function is to generate high-level discussions on key strategic risk issues, so as to guide the business toward the desired portfolio while staying within the risk tolerance limits defined by the Board.	
Models Council	Responsible for managing the strategic function of risk management models, as well as prioritizing and aligning the development, adjustment, and utilization of the models with the Bank's strategy and that of the Corporate Risk Division.	
Corporate Risk Division	Manages the units in charge of credit, operational, and financial risk, as well as the prevention of money laundering and terrorist financing.	

Transparency

Bci carried out a corporate listening process to discover the needs and expectations of its critical stakeholders.

In response to the political and social change occurring in the country and throughout the world, Bci has developed a Corporate Listening Model, through which to identify key elements to strengthen the Bank's economic, social, and environmental sustainability. The model employs an agile and continuous process to discover the expectations of the bank's stakeholders, mainly its employees, customers, suppliers, and shareholders.

In 2020, the model was developed in two stages: (1) construction of a listening methodology adapted to the Bci culture and conditions; and (2) testing and application of the new model. The latter involved three additional phases. The first involved a diagnosis aimed at systematizing all the listening exercises currently carried out by the Bank, such as surveys on corporate reputation, work environment, customer satisfaction, etc. International trends in the industry were also reviewed, in order to identify the issues that most influence the

sector in terms of legitimacy, trust, sustainability, and so forth.

Second, direct listening exercises were targeted to stakeholders that are less heard by Bci but that are highly relevant to the business. Thus, 16 interviews were conducted with academics, political authorities, regulators, consumer organizations, unions, and opinion leaders, as well as two focus groups with people who do not have bank credit.

Third, certain aspects identified in the previous listening exercises were chosen for in-depth study, for which five interviews were held with social organizations and a citizen panel for people without bank credit.

The results of the listening model were disseminated to different areas of the organization, in order to contribute to Bci's strategic decisionmaking.

Investor Relations

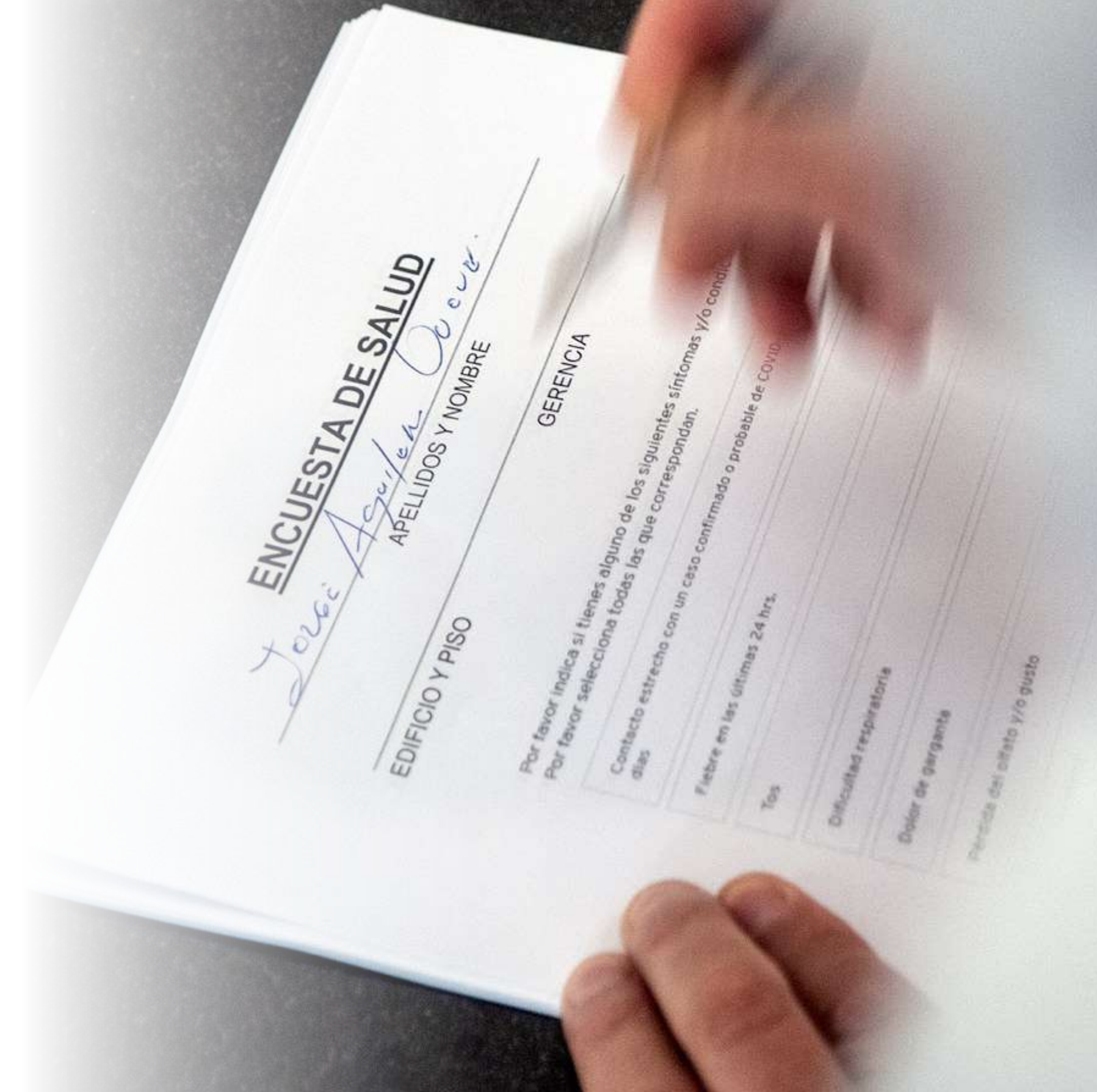
In response to investor requests, Bci's Investor Relations Area organized two Investor Days in 2020: City National Bank Day (CNB Day) in January and MACH Day in November.

CNB Day was held in Miami, in conjunction with Bci Corredor de Bolsa, with the aim of giving investors a first-hand look at the operation of this Bci subsidiary in the United States. The CEO of CNB, Jorge González, the CFO, José Marina, and the Chief Credit Officer, Hugo Loynaz, commented on the characteristics of the market and addressed issues related to the Bank's management, its growth potential, risk management, and digital transformation. In addition, independent advisers explained to the more than 20 participants the characteristics of the financial system and the real estate market in the United States and, in particular, the state of Florida.

MACH Day—organized in conjunction with Citi / Banchile and held by videoconference—was attended by more than 160 people. Ignacio Yarur, manager of the Innovation and Digital Transformation Division of Bci and Ignacio Larraín, manager of MACH, explained the strategy, the business model, and the main metrics of the operation, leaving space to answer questions.

Conference Participation

A positive aspect of this year, marked by teleworking, was the possibility of considerably expanding the number of investor conferences in which Bci was able to participate (11) and the diversity of the participants.



Customers

“I thank Bci for their willingness to work quickly and provide a lot of communication. We've worked with other banks in the past, but we were able to establish a long-term relationship with Bci. You feel supported, knowing you have a partner who won't leave you alone when these things happen.”

Vicenzo Rulli,
General Manager of Ocean Pacific
Restaurant, obtained COVID-19 loan.



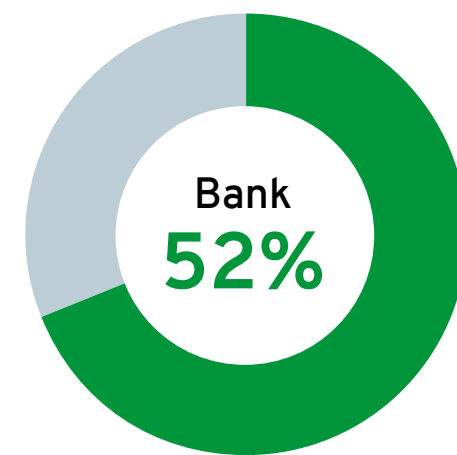
Customer Experience

In addition to providing financial and nonfinancial support during the crisis, Bci continued to transform its customer experience in 2020, with a focus on the development of digital channels, the use of data to offer solutions that go beyond traditional financial services, and collaboration with complementary partners to provide advice and information that support better decisionmaking.

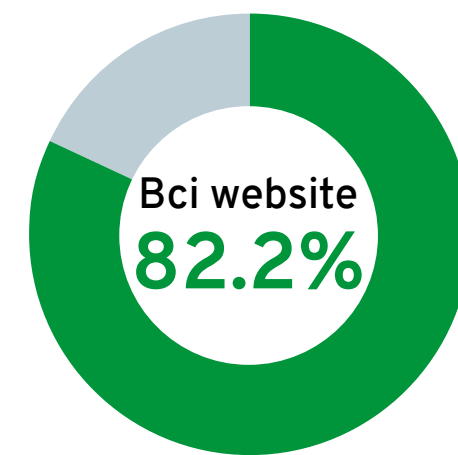
The implementation of the Salesforce platform enabled the teleworking of more than 5,000 employees, who were able to remotely serve customers, both commercially and in the services and risk management areas.

Even in the midst of a pandemic, Bci was able to achieve 100% execution of commercial and risk campaigns, with full management visibility and updated reports in real time. The platform also allowed significant improvements in management, generating valuable information from customer interactions.

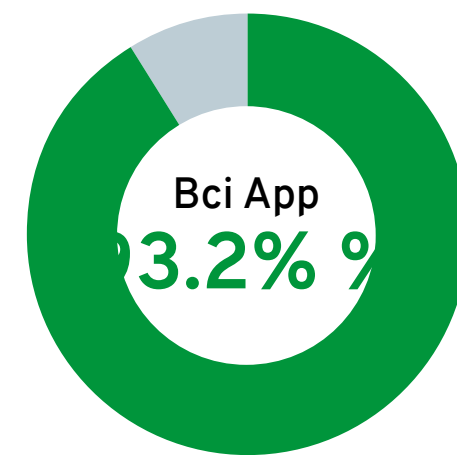
CUSTOMER SATISFACTION



NPS
4º quarter
2020



Snex
4º quarter
2020



Snex
4º quarter
2020



Number of claims
Accumulated at
year-end

2020:
30,458

2019:
37,661

NPS: Net Promoter Score, a
measure of customer loyalty
and recommendation.

Snex: Satisfaction indicator
for Bci's digital channels.



Personal Banking Customers

CUSTOMER SUPPORT MEASURES DURING THE COVID-19 CRISIS

Given the magnitude of the health crisis, Bci launched a customer support plan in March 2020, which was continuously reviewed and expanded, as circumstances required.

The first decision was to offer customers the option of deferring their mortgage payments for three months. When it became clear that this would not be sufficient, the deferral was increased to six months, with 0% interest. The offer, which was initially available for two months, was extended through June, and people who had recently taken out a loan were eligible for a six-month grace period. Under these new conditions, the benefit favored 46% of the mortgage portfolio.

With regard to consumer loans, the Bank offered a refinancing plan that included an extension of maturity, maintaining the customer's original interest rate, with the option of foregoing three payments. People who were unemployed could forgo up to six payments, since all of Bci's consumer loans have unemployment insurance, which covers up to four installments.

In addition, credit card purchases could be billed in six interest-free installments, with a zero minimum payment for six months.

The Bank also supported its customers through the creation of new accounts for the payment of the two partial pension fund withdrawals that were authorized by Congress as a way to channel resources to families.

65,614 customers deferred their mortgage payments

+45,000 customers refinanced their consumer loans

404,129 electronic accounts were created by Bci for customers who used the pension fund withdrawal benefit.

37% of automotive insurance

54% of mutual funds

99% of SME credit card limit increases

PROMOTION OF DIGITAL CHANNELS

During the last year, digital channels were used by 86% of the Bank's customers.

Online processing in 2020:

97% of time deposits

86% of credit card limit increases

69% of the commercial loans of large companies

VIRTUAL CONSULTANCY IN BCI APP

Bci is developing consultancy products based on artificial intelligence to promote the financial success of our customers. Three distinctive functionalities of the Bci mobile application (My Finances, Piggy Bank, and Feed) help improve customers financial health, and they have been quickly adopted by users.

+600.000

customers use the Bci App

93%

user satisfaction index on the Bci App

76,000

clients used Piggy Bank, saving an annual average of CLP 400,000

CLP 42.0

billion was saved through Piggy Bank in the year

MY FINANCES

Data views to take control of your money

- **My Finances** shows customers what enters and leaves their account, whether or not they are saving, and what needs to be paid, together with the projected checking account balance, so as to anticipate possible liquidity problems or know whether to invest. During the year, this module reached an average of 290,000 unique users per month and had a customer satisfaction index (Snex) of around 90%, which had a significant impact on the perception of the Bci App (when customers start using this product, their NPS increases 10 points).

290,000
unique users per month



PIGGY BANK

Simple, automatic, and smart savings

- **Piggy Bank**, launched in March 2020, helps customers develop savings habits, establishing rules for automatic transfers between the main account and a secondary account, which accumulates savings. Without realizing it, after a few months, you've managed to save effortlessly.

80,000
users



FEED

Personalized, contextual, and dynamic advisor in the Bci App

- **Feed**, available since January 2020, delivers personalized, dynamic, and contextual content. It accompanies the customer in their day-to-day life: it reminds them if they have to make a transfer or pay a credit card, tailors commercial offers to their context, or advises them if they can use accumulated points for a given benefit. It is totally personalized, with more than 350 different contents, which change daily. This product has been quickly adopted.

278,000
unique users per month



INTEGRATION WITH THE REAL ESTATE ECOSYSTEM

In 2020, Bci created the Mortgage Center, a unit made up of mortgage specialists who accompany customers from the moment they decide to buy a house, apartment, or office. This represents a new business model in the industry, based on collaboration with real estate companies to improve the value offer and the customer experience: loans are processed in less time, and information is available throughout the purchase process, with advice from the beginning.

In the last year, Bci added a mortgage simulator to its website, which calculates the monthly mortgage payment for a property and sends the data to obtain pre-approval of the loan.

The new customer service model for mortgage products significantly improved the Bank's customer experience ratings and market share. The latter grew 1.37 times the market growth rate, on average, equivalent to more than 45 basis points. (Bci had the second-highest market share growth in this segment in 2020).

2020:

73%

Snex of the mortgage process

82%

Snex of the mortgage simulator

2,177

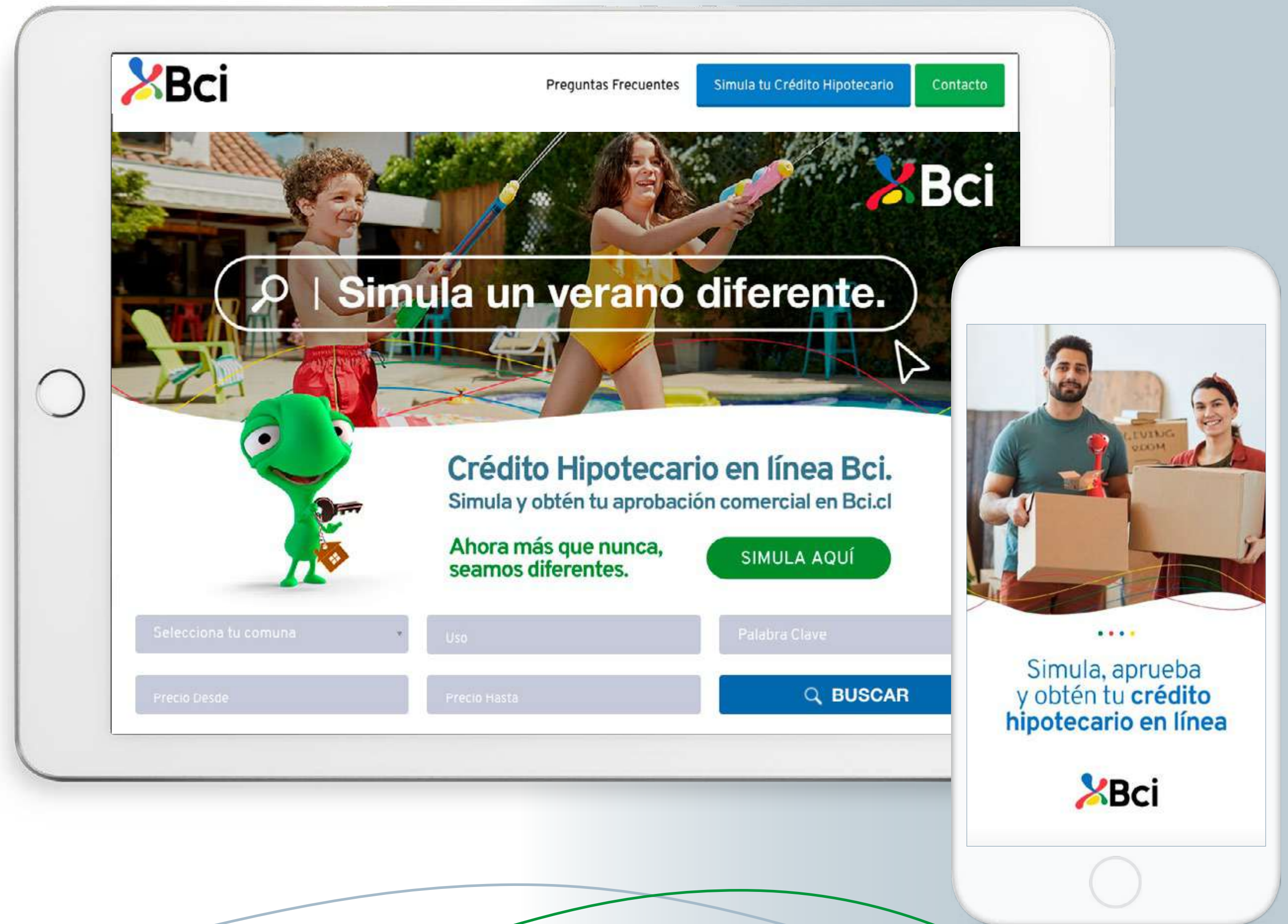
Letters of intent to purchase (+2.2 times vs. 2019)

7,444

Pre-approvals

34%

of the pre-approvals went to noncustomers



Business Customers

FINANCIAL AND NONFINANCIAL SUPPORT TO SMES

In just one month, Bci managed to implement the systems for the online processing of government-backed loans granted to face the economic impact of the health crisis.

For small and medium-sized companies, Bci offered the following crisis-support measures:

- Extension of the six-month mortgage loan deferral to include general-purpose loans;
- Installment payment deferral and debt refinancing with a grace period of up to four months;
- A grace period of up to six months for SMEs that refinanced debt through government-backed loans;

- Provision of FOGAPE COVID-19 loans, for which varying percentages of the principal are covered by the state guarantee in case of nonpayment (Bci accounted for 25% of these loans in the market and was the bank that delivered the most money through this program); and
- For microenterprises and Nace customers, access to FOGAPE-COVID-19 loans and three-month installment deferrals.

+21,000

SME customers received FOGAPE-COVID-19 loans through Bci.



VALOR PYME: BCI'S NONFINANCIAL OFFER

With the *Valor Pyme* initiative, Bci brought together the programs designed to support small and medium-sized businesses and boost their growth: *Evoluciona Bci*, *Centro Nace*, *Emprendate Show*, and *Social Store*.

EVOLUCIONA BCI

This program was created in 2020 to support the digital transformation of SMEs across the country.

CENTRO NACE

Inaugurated in 2019, *Centro Nace* brings together, in one place, all the necessary tools for developing a business, as well as access to Bci's network of strategic partners.

EMPRENDATE SHOW

This talk show supports small business innovation through interviews with entrepreneurs and relevant people in the ecosystem. It is broadcast on Channel 13C and the Bci social networks.

SOCIAL STORE

Bci's virtual store showcases the products and services of entrepreneurs.

60,000
visits to the *Evoluciona Bci*
website

+6.600
SMEs used the Digital
Evolution Thermometer,
a self-assessment tool

+9.200
SMEs viewed online courses

+6.700
SMEs attended virtual events

39
livestream talks

+6.700
attendees

+646.000
people watched the
program weekly

40
episodes

+100
entrepreneurs interviewed

34
Nace customers told their story
("How they did it" section)

681,189
people saw "How they did it"

2,480
businesses on Social Store



Large Business and Corporate Customers

100% DIGITAL NEW PRODUCTS

Thanks to advances on the 360 Connect platform in 2020, Bci is the only bank in Chile that offers its large business customers 100% online commercial loans and letters of guarantee, with automatic payment.

The plan for activating these two financing products on the web platform was launched in early 2020, and by the end of the year it had already been widely adopted.

In the context of the pandemic, Bci assisted its clients in the migration from physical payments to electronic payments, mainly in mass supplier payments, which drove the growth of cash management agreements and the growth associated with the new payment volumes originating from the bank.

2020

40%

of commercial working capital loans and letters of guarantee in the large business segment were processed on 360 Connect.

11,700

active clients used 360 Connect

800,000

monthly transactions on the platform (December)

FOGAPE COVID-19 LOANS

Bci granted a total of UF 35 million in government-backed FOGAPE COVID-19 loans to its business customers in 2020. With a 23.74% market share, it contributed more than any other bank in the distribution of these resources, which were provided by the government to facilitate access to working capital financing for companies that were affected by the pandemic, while complying with the requirements established under the corresponding regulations.

Bci's Large Business and Real Estate Banking Division granted loans totaling \$ 606.850 billion under this program; Business Banking, \$ 384.334 billion; Corporate Banking, \$ 35.327 billion; and Private Banking, \$75 million.

2020 VIRTUAL CONFERENCES CYCLE

Bci held a total of 16 conferences on the economic situation and world trends in 2020, closing with Niall Ferguson, one of the most important historians in England and, according to Time magazine, one of the hundred most influential people in the world.

+200,000

views on Emol TV, on average, in the second cycle (8 conferences)

+5,000

views on LinkedIn, on average

Average peak of over

300

customers connected to each conference.



Employees

The lessons learned from the past seven years incorporating job flexibility allowed Bci to quickly implement telecommuting and continue transforming into a value-focused organization.

“I feel fortunate to have been at Bci during this challenge for humanity, as the Corporation once again focused on people; they believed in every employee and gave us the tools to get the best out of ourselves and our teams. I don't think we will ever have a better opportunity to demonstrate that there are no impossible challenges; and even if everything goes back to normal tomorrow, there will be thousands of us who will always have the genuine desire to express in capital letters our PRIDE, GRATITUDE, and COMMITMENT for being part of Bci.”

Fredy Schwerter,
Assistant Manager of the Puerto
Montt Business Center

“



“In a year full of constant changes, I am grateful to be part of a highly human team, where decisions are always made by putting people at the center. This pandemic has shown us that even though we're working remotely, we can be more connected than ever both within our teams and with the teams we interact with, and also that we can reconcile work and family life in a much more balanced way than before. Without a doubt, this has been a positive experience that has challenged us all.”

Natalia Gouet,
Delivery Manager, Web and Mobile
Project Management Unit



Employee Experience

Bci's distinctive culture was strongly expressed in one of the most complex years in its history.

Continuous, systematic listening has long been key for Bci, and it was even more so in the context of the pandemic, a crisis that the Bank managed by trying to anticipate the consequences. To this end, multiple listening processes were carried out during the year, aimed at understanding how each employee was experiencing the situation, so as to be able to respond to their needs and concerns. Thus, numerous initiatives were generated in the framework of our Employee Experience model, which draws on the values of Bci to enrich and deepen our emotional connection, commitment, and long-term relationships of trust with employees and their families, strengthen our people-centered culture and leadership style, and unleash employees' talent in different areas of their lives.

THEMES AND APPROACHES OF THE BCI EMPLOYEE EXPERIENCE MODEL



MEANINGFUL, PURPOSEFUL WORK

Our purpose unites us, motivates us, and gives meaning to our work, as we “dare to make a difference” in the lives of our shareholders, customers, employees, and society.



LEADERSHIP

At Bci we promote a style of leadership that serves the teams. We want the leaders of the organization to be immersed in the culture that characterizes us, to assume a coaching role with their work groups, to dare to be agents of change, and to foster a climate of excellence.



WORK ENVIRONMENT AND QUALITY OF LIFE

We strive to maintain a work environment of excellence that favors a decent quality of life and stable work, with compatible conditions for a full personal and family life and work is attractive, motivating, and challenging for our employees.



TRAINING AND DEVELOPMENT

We believe in meritocracy and equal opportunity to empower our employees. To this end, we provide training and development options that allow us to leverage the challenges of the business and the professional development of our employees, strengthening their employability.



TOTAL COMPENSATION

We incentivize and adequately reward good performance, recognizing individual and collaborative effort and fully compensating the contribution that each employee makes to meet business challenges. We achieve this not only economically, but also through memorable experiences that allow us to be part of the employee's life story.

Meaningful, purposeful work

Using an organization-wide perspective aligned with the mission and vision of the Bank, Bci designed a plan to ensure the future of its social role, incorporating international best practices adjusted to the Bank's reality and the measures issued by the regulator.

A collaborative workgroup, made up of representatives from all areas of the Bank, drew up the New Normal Plan to ensure that, going forward, work continues to emphasize safety, compliance with the legal framework, and the best employee experience, in the belief that Bci should:

- Play a fundamental social role in the country's economic recovery;
- Provide solutions to our customers' growing needs and multiple ways of doing things; and
- Support face-to-face activities in key areas.

The preparation of the plan took into consideration employees' opinions, captured through surveys and conversations with leaders, and the needs of the business, through a job evaluation that defined the most productive format for each position in a post-pandemic context.

NEW NORMAL PLAN

Flexibility in the new scenario brought on by the pandemic is understood by Bci as an organizational capacity to adapt to change and operational continuity, which enhances employee productivity according to the nature of their positions and tasks, the attributes of the employer brand, by attracting the best talent, and the customer experience, by enhancing the service model. It also addresses the increasing need for job flexibility and compliance with the Chilean Teleworking Law.

Long before the pandemic, Bci began to address the challenges of configuring flexible hours, consolidating new ways of working, increasing the available communication and collaboration channels, strengthening key leadership attributes, and maintaining a sense of belonging and culture. All of these issues are

consistent with the reality of the business, the evolution toward an agile organization, and the new service models, which are increasingly digital, omnichannel, and personalized. We will continue to face these challenges, through the active involvement of business leaders and continuous, systematic listening.

CULTURE AND RECOGNITION SERVING A COMMON PURPOSE

Recognition, in its various forms and occasions, occupied a central place in the task of reinforcing Bci's distinctive culture and our employees' sense of belonging and pride, fostering an environment of appreciation in the midst of the crisis throughout the year. The emblematic Annual Ceremony was adapted to a virtual format, with more than 3,700 employees connected together with their families, team, and close circle. Likewise, the local recognition ceremonies for each area were held virtually, and team leaders held appreciation meetings and virtual breakfasts with their teams. All these activities contributed to maintaining a strong sense that every individual is part of a greater whole.

In StarMeUp, the virtual platform within 360° that recognizes leaders and employees whose behavior exemplifies the Bci Profile, the number of stars sent increased by 73% in the year. In addition, a new record was set during Recognition Week, when over 15,000 stars were sent to more than 4,200 employees—double the number in 2019.

At year-end, 86% of employees feel that recognition is a common practice within their team, continuing the upward trend of recent years.



Leadership

The leaders of Bci received support and training focused on providing emotional support for their teams and taking a constructive approach, to lead by the example.

With the Bci Leadership Academy at the center, Bci manages leadership holistically, developing initiatives around four objectives:

1. Teaching leaders to adequately perform their role, through specialized training;
2. Enabling the exercise of leadership, with focused programs such as team workshops, mentoring, and coaching;
3. Reinforcing Bci's distinctive leadership style, through formal mechanisms such as performance management, commitment, and recognition; and
4. Modeling key behaviors by example, through the frequent communication of content that helps leaders motivate and manage their people and create community within their team, to exercise their role.

During the year, a special plan was developed to empower leaders and provide them with effective remote

and in-person team management tools, with an emphasis on closeness and emotional support for employees. An important milestone was the creation of *Conecta Líder*, an exclusive space where leaders, together with ecosystem experts on strategic and contingent issues, can share experiences that reinforce the internal connection among leaders throughout Bci, regardless of their physical location.

Leaders also received training on the importance of constant listening and closeness with their teams, as well as the tools for fostering it. In this context, more than 1,200 closeness meetings were held between leaders and their teams nationwide, reaching 10,205 people. In addition to strengthening these skills, training aimed at deepening leaders' knowledge on issues related to the pandemic and telecommuting. *Contacto Líder*, the main channel of communication for managers, delivered weekly recommendations on these and other topics.

To support and prepare new

leaders, the Leadership Academy's induction module was held virtually and included a new chapter on flexibility and remote team management. In addition, 25 webinars were held for leaders and employees over the course of the year, and LinkedIn Learning licenses were granted to the more than 1,300 Bank leaders, so they would have the tools to adequately exercise their leadership role.



Work environment and quality of life

Health, effectiveness, and safety are the focuses of telework management at Bci.

In February 2020, Bci worked in conjunction with the Occupational Safety Institute of Chile (IST) to prepare a Border Closure Plan, based on guidelines in the Corporate Pandemic Manual, which included isolating employees for two weeks if they were returning from travel to 10 high-risk countries. At the same time, a decision tree was drawn up with measures to face possible scenarios deriving from the arrival of the disease and the rise in infections.

After the confirmation of the first case in the country, Bci established procedures to protect employees and, given the anticipation of a progressive increase in cases nationwide, enabled remote work for more than 5,000 employees starting on March 16. The first employees who moved to telework were those at risk due to age or illness, followed by people who had to take care of their children, due to the closure of daycare and schools.

As an essential business, Bci had to continue serving the public. Initially 56% of the branches remained open, and the execution of a safe opening strategy soon brought that figure to 65% of the operating network. Branch employees able to work in person were divided into teams who went into the offices in rotating shifts, to ensure both good service and a safe and controlled workspace. In the main office buildings, a group of 350 employees rotated between in-person and remote work, which constitutes less than 10% of the staff in these offices.

The adaptation to remote work was faced with a consolidated work program and a culture that puts employees at the center of decisions. This work modality, which has long been incorporated at the Bank, was put to the test during the social crisis in late 2019 and perfected in early 2020, with a pilot that involved sending 500 critical positions to work

remotely, to evaluate operations under this modality.

Based on the results of the pilot program, the priorities for the transition to remote work during the pandemic were mainly oriented to supporting employees and leaders in this change. In this context, Bci defined a strategy focused on ensuring that the employee's experience was:

- healthy, from a comprehensive perspective encompassing occupational, mental, and physical health;
- effective, in terms of productivity and connection with the leader and team; and
- safe, with regard to cybersecurity and data protection.

In early March, when employees were already working remotely, the Bank anticipated the Teleworking Law (passed on March 26) with the adoption of special safety measures.

A contract amendment was drawn up, which included an allocation for remote work during a crisis. In terms of safety and hygiene, people were allowed to take home certain office furniture and other supplies, such as ergonomic chairs.

To correctly implement the new legal provisions, a special website was designed to train leaders and employees, providing key information, talks, and videoconferences with technical experts.

WORK, PERSONAL, AND FAMILY LIFE

To contribute to the holistic well-being of employees and their families, a series of activities were specifically designed for the pandemic:

- Agreement with Gympass, to give people free access to mobile applications for fitness and general health.

- Fun contests on the *Mundo Social* app: My hobby, My favorite place, Father's Day photos, Recipes, The best workout song, etc.;
- Virtual camp for children: a two-week program under the slogan "Superheroes for a better world," with activities coordinated by specialized tutors;
- Cultural activities such as online concerts by the Symphony Orchestra and the *Mazapán* musical group, history courses, etc.; and
- For Chile's Independence Day, the Bank's folkloric group, Trinos Urbanos, and a circus company performed virtually for all the employees and their families.

BCI WORK-LIFE BALANCE PLAN

In September 2020, the CEO of Bci launched the Bci Work-Life Balance Plan, with the goal of empowering leaders, in their role of serving and maintaining healthy teams, and generating greater awareness of each employee's responsibility in relation to personal balance, teamwork, and a close-knit environment. The plan includes four main commitments:

- Encourage digital disconnection;
- Prioritize and focus;
- Connect emotionally with others; and
- Ensure consistency with the Bank's values.

The plan's actions include disseminating practices, habits, and measures, reinforced through communication, testimonials, and internal videos. After the launch, a talk was held with all the leaders in the organization, in which they were invited to discuss these commitments with their team and generate internal agreements to sustain a healthy way of working. Subsequently, progress was made with technological developments that raise awareness about disconnection habits, as well as disconnection measurement tools and a corporate policy that regulates digital disconnection. In general, the Bank is online from 8:45 a.m. to 5:50 p.m. and on Fridays until 4:40 p.m. or 3:30. p.m.

Training and Development

Empowerment, self-management, and meritocracy, based on a growth mindset, played a leading role on the organization's agenda during the pandemic.

True to our people-centered culture, which strongly promotes the development of internal talent, Bci renewed its corporate-impact policies and programs. These include the Development Opportunities Policy, to strengthen the mechanisms in this area. In this context, 54% of the more than 1,100 vacancies generated in 2020 were filled with internal applicants. In leadership roles, 72% of the vacancies were filled by Bci employees.

During the pandemic, Bci adapted its development programs, such as coaching, mentoring, and corporate trainee programs, to remote contexts; and focused on developing support initiatives for both employees, to enhance key competencies such as self-management and empowerment, and leaders, on how to manage

teams and create space for frequent, timely, and safe feedback. It also continued to strengthen the Specialist Development Program, which seeks to incorporate and consolidate new agile and technological capabilities in the organization.

Continuous training for employees was implemented through digital platforms, online activities were diversified, and the supplier ecosystem was strengthened, emphasizing the integration of platforms such as LinkedIn Learning and Berlitz with the Learning Management System.

JOB RETRAINING PROGRAM

The Transform Your Talent program aims to leverage the restructuring and specialization of talent that the Bank needs for its transformation into an agile organization. Four work areas were defined for restructuring: Data, IT, Agility, and Operations. In 2020 employees from the Retail Banking operations areas participated, to migrate from branch services positions to back-office management: 43 employees were retrained, and 13 leaders were trained to support the onboarding process. The program covers technical skills and soft skills, to support the change management process and the adaptation and flexibility of retrained employees, their leaders and teams.

+50%
of employees self-managed their training processes, through digital platforms.



Total compensation

All the measures designed to support Bci's customers were extended to our employees, who maintained their full salary, including variable income.

In line with our people-centered culture, Bci's decision with regard to compensation was to respect the full salary of all employees, adjusted by the CPI, without making any kind of reductions. The priority was to adjust our processes to ensure that people continued to receive their salary without inconvenience.

As in the social crisis, a plan was drawn up for all variable monthly income, in order to guarantee this income to employees during the pandemic. To this end, we reformulated incentives and created new pay bonuses:

- The different types of lunch bonuses were maintained, with a special allocation for employees with lunch in the corporate cafeteria, while working under the new modality.

- The daycare bonus was replaced with a compensatory pay bonus.
- Scholarships for employees' children increased by 26%, helping nearly 300 employees' children in their studies, and their achievement was recognized in a virtual family celebration and ceremony.
- The Bank continued to provide contributions for employees and direct family members with catastrophic illnesses and analyzed the situation of employees affected by the pandemic, on a case-by-case basis, to define the lines of support. For the families of our two employees who died from COVID-19, a personalized approach was used to determine the benefits provided.



Suppliers

To support its suppliers during the pandemic, the Suppliers' Roundtable—one of Bci's purchasing management committees—carried out an assessment of the occupational risks and service continuity of contractors with staff at the Bank and its subsidiaries.

Based on the results of a Suppliers Roundtable exercise, Bci took actions to solve their most urgent needs, including the following:

- Guidance on the Employment Protection Law for suppliers with a large number of workers;
- Processing of lockdown travel permits for external personnel of critical companies for the Bank's continuity;
- Replacement of services that could not be executed due to the pandemic by others from the same suppliers;
- Weekly monitoring of external employees infected with COVID-19 and reinforcement of prevention measures;
- Communication to suppliers on coordinating remote work and enabling VPN access; and
- Electronic payment of suppliers and the digital signature of documents and contracts.

In addition, the Bank created a monitoring dashboard covering over 70 essential services and 45 critical suppliers.

Bci Suppliers	2020
Total Number of Suppliers	1,242
Permanent	573
Other	669
Domestic	1,168
Foreign	74

Supplier payment	2020
% of payments made under 30 days	99,94%
% of invoices paid in under seven days	99,29%
Average payment term (business days)	2

SUSTAINABLE SUPPLIER DEVELOPMENT

In 2020, Bci continued to implement a new supplier management model focused on generating a sustainable supplier ecosystem. The Bank has adopted B Impact Assessment as a supplier management and development model. This has the following main benefits for suppliers:

- Early incorporation of new demands from employees, customers, and the community;
- Greater competitiveness, achieved by not only complying with current legal regulations, but also anticipating possible regulatory changes;
- Accredited methodology for measuring and adopting best practices in business sustainability; and

- Preparation for the selection and maintenance of Bci's suppliers, which in the medium term will include some required social and environmental impact indicators.

B IMPACT ASSESSMENT

120 businesses were invited to participate in 2019

95 businesses created accounts in the system

68 businesses completed their B Impact Assessment



SUSTAINABLE DEVELOPMENT PLAN FOR BCI SUPPLIERS

Objectives

- Promote ESG characteristics in suppliers;
- Empower SME suppliers to transform their business model from traditional to digital;
- Give opportunities to SME clients as bidders;
- Be part of an ecosystem, together with academia, NGOs, the government, and companies, that promotes best practices for sustainable supplier management; and
- Spotlight initiatives that meet suppliers' needs.

Training in ESG practices

In 2020 Bci held a series of talks for its suppliers, which had an average attendance of 120 people.

Talks held in 2020

Topic	Speaker
Aspects and Implications of the Chilean Teleworking Law	Ingrid Álvarez Lorca, Lawyer, Bci Labor Relations Area
The Post-Pandemic Economy	Sergio Lehmann Beresi, Chief Economist, Bci
Eco-efficiency at Bci: Promoting a More Sustainable Financial Industry	Cristian Báez, Manager, Bci Maintenance and Infrastructure Department; and Rodrigo González, Project Management Engineer, Bci Maintenance and Infrastructure Department
Development of Innovative Thinking Skills	Paula Broitman, Professor of Innovation and Entrepreneurship, UC School of Management
Sustainability Experience at Red MegaCentro	Luis Felipe Lehuédé Grob, General Manager, Red MegaCentro; Andrés Amigo Jiménez, General Manager, Megaarchivos HBQ; Macarena Braun Salinas, Sustainability Manager, Red MegaCentro

Sustainable tenders Highlights

Area	Aspects related to sustainability
Cleaning services	Employment of people with disabilities (5% of the staff); use of biodegradable materials
Cafeteria	Environmentally sustainable processes
Radio taxis	Electromobility
Energy	100% renewable energy in six Bci buildings
Waste	Waste management model, with recycling and traceability
Water	Supplier to report on the distance traveled and the handling of used bottles to provide data for measuring Bci's carbon footprint and waste management

11 tenders

held in 2020 incorporate the environment, support for SMEs, and inclusion as selection criteria.

Environment

Climate strategy

Bci has committed to adopting the TCFD recommendations to disseminate its view of climate change and the actions it is taking to assess and mitigate the implied risks.

The Task Force on Climate-related Financial Disclosures (TCFD) is an initiative of the G20 Financial Stability Board, which promotes effective climate-related disclosures to contribute to a better understanding of the financial risks and opportunities associated with change climate. The TCFD report is structured around four thematic areas: Governance, Strategy, Risk Management, and Metrics and Targets. The implementation of this framework is gradual, and Bci is taking the first step in this Integrated Annual Report.

GOVERNANCE

Bci's Board of Directors defines the global risk management framework and comprehensively oversees the risks to which the Bank is exposed. In 2019, the Board identified climate change as an emerging risk and in 2020 decided to systematize actions to promote significant progress toward adaptation and mitigation of climate change, integrating best practices, together with its stakeholders.

At the executive level, the Strategic Risk Committee is the body whose main function is to establish the key risk management definitions and plans for each sector, client group, and type of product. In its analyses, the Committee takes into account not only financial aspects, but also regulatory perspectives and technological, social, and environmental changes, including climate change for several years now.

CLIMATE STRATEGY

In addition to the objectives of neutralizing its own emissions and guaranteeing the resilience of its operations to a climate change scenario, Bci sees climate management as an opportunity to offer its customers products and services that promote and accelerate the evolution toward a low-carbon economy.

The Bank estimated a high warming scenario to analyze the physical factors related to climate change and a high mitigation scenario to assess the transition factors. In line with best practices, greenhouse gases were modeled using the representative concentration pathways (RCP) adopted by the United Nations Intergovernmental Panel on Climate Change (IPCC), considering an RCP of 8.5 for the high warming scenario and 2.6 for the high mitigation scenario. In 2020, this analysis focused on the wholesale banking portfolio,



including project financing, corporations, large and medium-sized companies, and real estate companies.

Bci's wholesale banking operations have a maximum maturity of 20 years, and they are significantly shorter on average. Given that climate models for Chile predict that the changes in average temperature, total annual rainfall, and other conditions will accelerate starting in 2035 or 2040 and deepen toward the end of the century, Bci's portfolio is relatively less exposed to these risks.

The Bank has mapped the sectors and subsectors where the consequences of acute climatic events can be expected to be more significant, and it has identified the main physical vulnerabilities to which each sector is exposed.

Additionally, estimates indicate that transition factors can have an impact in a relatively shorter time than physical factors; namely, in ten or twenty years. Given the multiple regulatory, technological, market, and other changes inherent to the transformation, Bci foresees that its customers will have new needs for financing and banking services, which will be developed mutually and which will support the evolution toward a low-carbon economy with efficient and sustainable use of natural resources. Water and energy are the areas where the country will need to make important adjustments first, and the Bank has begun designing policies and products to support, for example, irrigation projects, reservoir dams, and agricultural drainage projects.

RISK MANAGEMENT

In 2020, Bci developed heat maps to analyze vulnerability to physical and transition factors in each of the wholesale banking sectors, as well as in key subsectors such as energy, manufacturing, and agriculture. In addition, it began the preparation of a Socio-Environmental Risk Policy, in order to formalize a risk assessment approach that goes beyond financial factors.

METRICS AND TARGETS

In the environmental strategy defined in 2018, Bci established a goal of reducing or offsetting 100% of Scope 1, 2, and 3 greenhouse gas emissions, relative to the baseline (2017), by 2028. Since that year, the Bank's carbon footprint is externally measured and verified, and progress toward the goal is reported in the Integrated Annual Report. In 2020, Bci reported a total carbon footprint of 13,826 tons of CO₂ equivalent, which constitutes a cumulative decrease of 42% compared to the 2017 baseline.

Carbon footprint
2020

13,826

tCO₂e

-42%

relative to the
2017 baseline



Sustainable finance

Bci subsidiaries are generating sustainable financial solutions for clients and investors, which allow them to mitigate or promote social and environmental impacts in the markets in which they operate.

BCI ASSET MANAGEMENT SIGNED THE PRINCIPLES FOR RESPONSIBLE INVESTMENT

In June 2020, Bci Asset Management signed the Principles for Responsible Investment (PRI), a global initiative backed by the United Nations, which promotes the incorporation of environmental, social, and corporate governance (ESG) criteria in investment evaluation and decisionmaking. Within this framework, the Board of Bci Asset Management approved its first ESG Investment Policy in 2020, formally incorporating these variables into the investment process.

FIRST RECOMMENDED ESG PORTFOLIO OF BCI CORREDOR DE BOLSA

In December 2020, Bci Corredor de Bolsa launched its Recommended ESG Portfolio, based on responsible investment criteria. The portfolio is made up of shares of Enel Américas, Banco Santander, Enel Chile, Andina-B, and Concha y Toro, each with a weight of 20%.

The creation of this new stock portfolio is part of the commitment made by this Bci subsidiary under the Green Agreement, signed in 2019 by representatives of the financial sector, the Government, and regulators, in order to contribute to financial stability and the achievement of Chile's climate objectives.

From the Bank's perspective, this is also an opportunity to respond to the growing importance of sustainable

investment for our customers, as a way of contributing to a more integral development of society.

Bci Corredor de Bolsa has incorporated climate risk into its risk policy and currently has ESG data from Chilean and Latin American companies. In 2020 the subsidiary collaborated with the Santiago Stock Exchange to carry out courses and studies and was invited to be on the Technical Committee of the Finance Ministry's Green Finance Roundtable, a body that works to continue developing a sustainable investment taxonomy and practices.

Based on the PRI, TCFD, GRI, IR, and SAAB standards, the brokerage developed a questionnaire to begin monitoring the ESG performance of issuers.



FINANCING OF SUSTAINABILITY-RELATED PROJECTS

In 2020, Bci's Wholesale Banking Division carried out operations and consulting to finance projects that will generate a positive impact on the environment.



BLUMAR

Sustainability-Linked Loan

Financing is tied to performance on indicators such as carbon footprint, renewable energy, antibiotics use, waste management, and ASC certification.

BCI'S PARTICIPATION

- Joint structuring agent
- Corporate financing



FONTUS PRIME SOLAR (EnfraGen LLC)

Funding for the acquisition of photovoltaic projects for small and medium-sized distributed generation, an initiative focused on increasing the share of non-conventional renewable energy sources in our energy matrix.

BCI'S PARTICIPATION

- Project financing



AGENCIAMIENTO PRIME ENERGÍA SPA (EnfraGen LLC)

Management of approximately 30 energy projects in a combination of small and medium-sized distributed generation solar plants and backup power stations, bringing stability to the generation matrix.

BCI'S PARTICIPATION

- Agency: Onshore local bank and collateral agent for Senior Secured Internacional



TELEFÉRICO BICENTENARIO

E-mobility initiative with a positive environmental and social impact through the reduction in emissions and commute times.

BCI'S PARTICIPATION

- Structuring agent
- Project financing



Operational eco-efficiency

Bci has decided to be carbon neutral by 2028. To communicate progress and the impact of the initiatives, quarterly reports were published for stakeholders last year.

Since 2020, Bci has had an Operational Eco-efficiency Policy that provides the guidelines under which the Corporation must design and implement action plans for continuously improving its environmental performance and its contribution to the mitigation and adaptation to the effects of climate change.

Bci began to measure its operational carbon footprint in 2017. Based on the findings, the Bank decided to be carbon neutral by 2028.

Bci's Operational Eco-efficiency Policy

COMMITMENTS

- Shrink our carbon footprint;
- Manage resources efficiently
- Promote a sustainable culture;
- Sustainable supply chain; and
- Integral waste management.

POLICY SCOPE

All operations carried out in Chile in the Bci Corporation's facilities, including office buildings and branches.

ECO-EFFICIENCY PLAN THROUGH 2028

Pillar	Unit	Base year	KPI 2020	2020 Target	Real 2020	2028 Target
Carbon footprint	tCO ₂ e	2017	13,826 ¹	−30%	−42%	Reduce or offset 100%
Energy	KWh/m2	2014	122.9	−26%	−33%	Reduce 50%
Water	[m ³ /m ²]	2017	1.14	−18%	−45%	Reduce 50%
Paper	[t/year]	2017	151.4	−28%	−51%	Reduce consumption 50%
Waste	Kg waste to landfill / kg total waste generated	2020	97	n.a.	n.a.	Reduce waste sent to landfill by 10%

(1) Market method.
(2) Includes emissions from employees working remotely.



2020 INITIATIVES AND DEVELOPMENTS



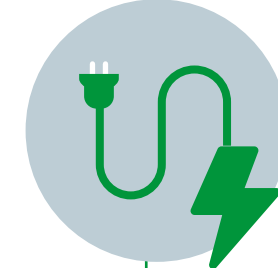
CARBON FOOTPRINT

- 42% reduction in carbon footprint relative to the baseline (2017)
- Over-compliance with the Bank's 30% target by 2020.
- The Bank included remote employees in its emissions calculations.
- 20% of the total carbon footprint corresponds to these emissions (2,717 tCO₂e).



WASTE

- With an emphasis on traceability and recycling, the Alcántara and Huérfanos 1102 corporate buildings and the Vitacura Oriente branch were equipped with the following:
 - 40 recycling points on the different floors of the building.
 - organic waste containers to be delivered for composting.
 - In addition, cleaning staff were given tablets for entering waste generation data and were trained in the program.
- A new goal was established for the Road to Zero Waste program, wherein by 2028 only 10% of waste will end up in a landfill. The baseline indicator (2020) was built using waste data generated in facilities where the new management model has already been implemented.



ENERGY

- The 2028 target is to reduce energy use by 50%.
- As of 2020, energy efficiency initiatives have reduced this indicator by 32.5% relative to the baseline (2014). This progress is, in part, attributable to the lower use of office buildings, due to the COVID-19 pandemic.
- At year-end 2020, 37.6% of energy used is certified from renewable sources.



PAPER

- The 2028 target is to reduce office paper consumption by 50%.
- The installation of 500 electric hand dryers saved 27 tons of paper over the course of the year.



WATER

- While Bci does not use water intensively, managing this resource efficiently is highly important. The Bank has therefore set a target of reducing water consumption in its buildings by 50% by 2028.
- In 2020, Bci achieved a 45% reduction in water use relative to the 2017 baseline (when it was 2.07 m³/m²).
- To improve water management, the Bank is implementing consumption measurement software that will generate data on nearly 90% of Bci's facilities, thus increasing the coverage of the indicator, which is currently 27%.



Society

“We want to thank Bci for the tremendous support and collaboration given to the Las Rosas Foundation in 2020, a particularly hard year for our institution due to COVID-19. Thank you, Bci, for helping us care for our elderly and for supporting us through various initiatives, such as the CALlecta Mayor Campaign, the 1+1 Campaign, and Christmas Campaign.

Claudia Castañeda,
Development Director of the Las Rosas Foundation.

“



Financial and digital empowerment of people

MACH is a digital account that offers free, excellent financial products to improve people's quality of life.

MACH, 100% DIGITAL AND FREE

With the surge of e-commerce and the need to use contactless payment during a pandemic, MACH leveraged the growth of digitalization and advanced toward the goal of becoming the leading digital bank in the country.

Over the course of the last year, this Bci business unit focused on expanding its value offer to facilitate access to digital financial services, with top-up services, bill payment, physical payments, and a higher limit on the account—from CLP 500,000 to CLP 3,000,000—while generating acquirer solutions for businesses with the MACH Pay product. To continue moving forward, MACH began the implementation of Mambu, a next-generation SaaS core banking engine, which will enable the development of new products and services with high availability and real-time control, while maintaining the highly scalable and low-cost operating

model that has allowed it to promote the financial inclusion of people who don't have access to banking services, with a free digital account for all.

Current MACH offer

- **100% free digital account**, opened remotely with a couple of clicks.
- **Full payment offer**
 - Physical purchases with Prepaid Visa card
 - Local and international e-commerce purchase with Virtual Prepaid Visa card
 - In-app prepaid service top-ups
 - In-app bill payments
 - Person-to-person payments and collections
 - QR charges
- **Acquirer network** for businesses, with competitive rates and access to a large customer base.

2020

+70%
NPS*

2,700,000
registered users

2,100,000
MACH Visa card customers

110,000
merchants in the network

180,000
foreign MACH users

ANNUAL GROWTH

40%
number of users

80%
number of customer transactions

110%
MACH Visa card purchases

80%
merchant payments with MACH Pay

(*) NPS: Net Promoter Score, an indicator of customer loyalty and satisfaction.



DIGITAL EMPOWERMENT FOR SENIORS

To avoid the need for older adults to go to branches, so as to reduce their exposure to contagion, during 2020 Bci sent them specialized manuals on banking issues by email. The maximum reach was 70,000 customers in one mailing (12 were sent).

Topics included in the manuals

- Password creation, recovery, and activation
- Investment and settlement of funds
- Bill payment and transfers
- Account and investment statements
- Investing in and cashing out time deposits and mutual funds
- Information security
- Using Bci Pass
- Using digital channels
- Blocked credit and debit cards

FINANCIAL EDUCATION

To help people make informed decisions about their finances, Bci develops programs that deliver relevant content.

Con Letra Grande (In Large Print)

This blog, created by Bci in 2015, addressed issues related to the pandemic in 2020.

2020

1,914,322

unique sessions (double the 2018 total)

18,840

people signed up to receive emails for the first time.

5,244

average daily visits



#NoDejesDeMoverte Campaign

This social media campaign was held during financial education month (October), to boost the number of subscribers to the blog *Con Letra Grande*.

2020

1,832

new subscribers during the campaign

322,997

unique sessions



Financial Education Website

Since mid-2018, Bci has operated the *Yo Me Educo* website, which provides financial literacy training to registered businesses and their employees. In 2020, the program offered 60 financial education workshops and 13 talks on emotional support during the pandemic, with the participation of 148 companies.

2020

3,581

views



Financial and digital empowerment of SMEs

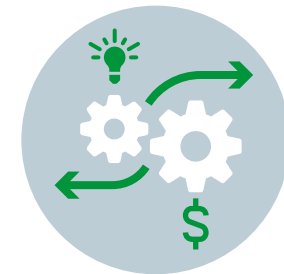


EVOLUCIONA BCI:

DIGITAL TRANSFORMATION FOR SMES

On the *Evolucionadora Bci* website, all Chilean SMEs can access the Bank's initiatives in this program, developed in conjunction with its allies in the entrepreneurial ecosystem, with three objectives: to help them grow their business through digital sales; to professionalize their company, delivering relevant content; and to improve their productivity, connecting them with strategic allies for the adoption of digital tools.

2020 EVOLUCIONA BCI INITIATIVES



Objective:
BUSINESS SKILLS

Action:
DIGITAL EVOLUTION THERMOMETER (DET)

Digital self-assessment tool on the degree of digitalization of the business, to determine whether to strengthen or start the process.

Results:
6,601
customers used the DET



Objective:
PROFESSIONALIZE THE BUSINESS

Action:
4 COURSES HELD IN PARTNERSHIP WITH TURINGO

Results:
9,292
SMEs viewed the courses

Action:
39 WEBINARS

Results:
6,711
digital event attendees

Action:
EVOLUCIONA WEBSITE CONTENT

Results:
59,884
website visits



Objective:
HELP GROW THE BUSINESS

Action:
CONTACT WITH PARTNERING DIGITAL TOOL SUPPLIERS (BSALE AND TOTEAT)

Results:
209
customers connected with partners



Objective:
IMPROVE PRODUCTIVITY

Action:
CONTACT WITH PARTNERING DIGITAL TOOL SUPPLIERS (MICROSOFT 365)

Results:
69
customers connected with partners

Corporate citizenship

To generate a greater social impact, Bci is applying agile methodologies and the B4SI measurement systems in the deployment of its corporate citizenship strategy.

To maximize our contributions to the community through high-impact social programs, Bci adopted the Business for Societal Impact (B4SI) framework in 2020, becoming the first bank in Latin America and one of 130 companies worldwide to join this network. The B4SI tools conceptually distinguish inputs, results, and impacts, defining the latter as “changes that happen to individuals, organizations, and the business in the short or longer term, as a result of a community activity.”

Over the last year, the Bank measured the social impact of its 2019 initiatives, developed in partnership with key actors, in the four areas of its Corporate Citizenship strategy, aimed at fulfilling its commitment to contribute to increasing the country's social, cultural, and educational heritage.

In the context of the pandemic, Bci made donations and organized special activities in each of these areas. In addition, it donated CLP 500 million to the Telethon and CLP 2.135 billion to the business solidarity fund, promoted by the Confederation of Production and Commerce (CPC) for collaborative initiatives with the government, such as the purchase of ventilators, rapid and PCR tests, and health and hygiene supplies.

Corporate Citizenship Strategy

Focus	Quality Education	Cultural Heritage	Seniors	Children and Youth
OBJECTIVE:	Narrow the gap in educational quality for vulnerable children.	Promote Chilean culture and heritage through dissemination and conservation.	Improve the lives of the most vulnerable older adults.	Contribute to improving the living conditions of unprotected children.
PARTNERSHIPS	Enseña Chile Fundación Kodea Fundación Nosedal	Corporación Cultural de la Municipalidad risks Condes Municipal Theater Youth Orchestras	Fundación Las Rosas Hogar de Cristo	Corporación Crecer Mejor (CCM) Commitment to the Country

MAIN CONTRIBUTIONS IN 2020

To help face the effects of the health crisis, Bci made contributions of CLP 3.317 billion, in addition to the CLP 1.899 billion allocated to recurring activities on the citizenship agenda.

Seniors

Contribution	Amount (CLP MM)	Scope
Contribution to the Las Rosas Foundation and the Food Bank.	166	2,200 people (Las Rosas Foundation) and 271,000 people (Food Bank)
1+1 Campaign. Bci invited its employees, customers, and noncustomers to make donations through the Bci website, payroll deduction, the App, or electronic transfer, with the promise to match the final amount collected. The funds were used to distribute 11,000 food cards.	326.5	44,000 people in 10 communities
Additional contribution to the Las Rosas Foundation and financing of 5,000 masks and toiletries	63	2,200 Las Rosas Foundation residents
Participation in the national <i>Vamos Chilenos</i> campaign: sponsorship and donation to <i>Conecta Mayor</i> .	300	70.000 people
Funds raised through Bci's digital channels for the <i>Vamos Chilenos</i> campaign	497.5	70.00 people
Spiritual support, connecting the Santa María Center with municipalities to provide telephone support for the elderly, delivered by specialists	16	60 people
2020 Christmas campaign: collection of donations from employees and customers to cover the basic needs of the elderly at the Las Rosas Foundation and Hogar de Cristo.	36	3,900 senior citizens at the Las Rosas Foundation and Hogar de Cristo
Funds raised for the Las Rosas Foundation Annual Collection through a special account at Bci and donations received via MACH	407	2,200 people
Recurring donations (excluding special support for the pandemic) to the Las Rosas Foundation, Hogar de Cristo (PADAM), Food Bank, and Unión Árabe de Beneficencia	449	47,000 (Food Bank) 45 (Unión Árabe de Beneficencia) 2,200 (Las Rosas Foundation) 1,700 (PADAM)
1,000 new members, who make recurring donations through automatic credit card charges.	14	2,200 people

Cultural Heritage

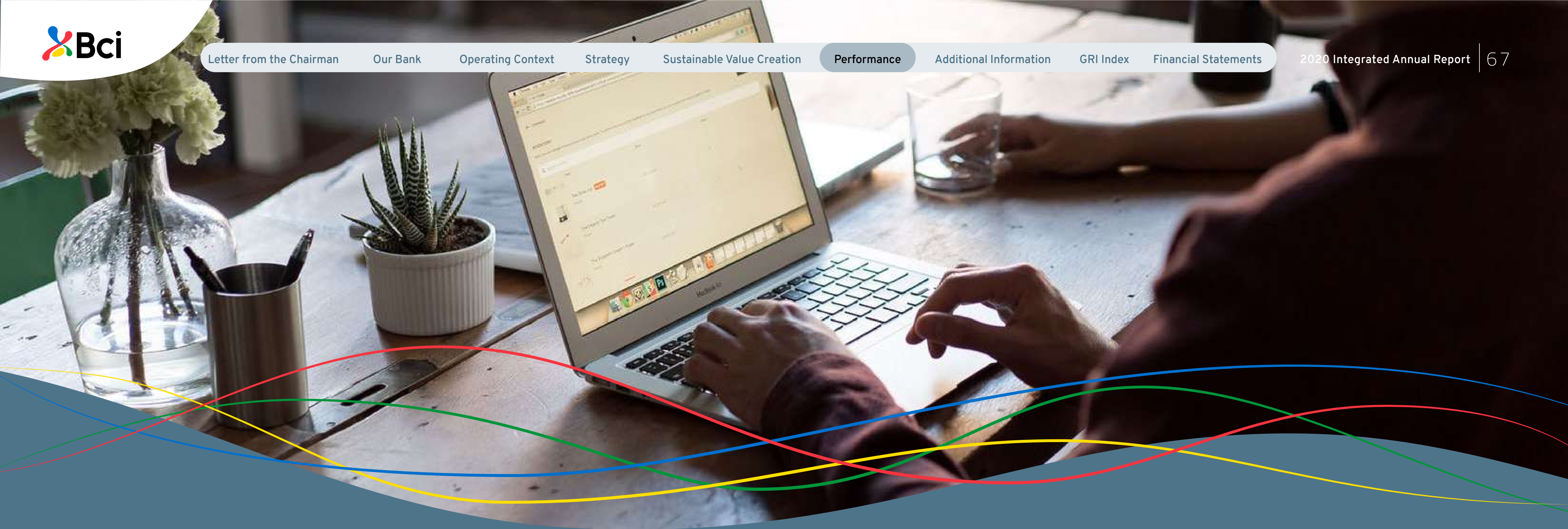
Contribution	Amount (CLP MM)	Scope
Support for cultural activities in the Municipality of Las Condes	200	6,120
Donation to the Municipal Theater of Santiago	102	11 million
Donation to the Friends of Cultural Heritage Corporation	10	114,000

Quality Education

Contribution	Amount (CLP MM)	Scope
Donation to Enseña Chile, an organization that Bci has supported for ten years, which trains agents of change in the educational system, first as teachers for students in the most vulnerable schools in nine regions of the country and then as professionals in different disciplines.	221	150 professionals, who support 35,000 students
Support for two programs (Creators and the Hour of Code) by the Kodea Foundation, whose purpose is to promote and showcase the digital talent of students at public and subsidized schools around the country.	39	827 participants, 153 projects, and 304,000 students
Workshops for SMEs and student scholarships, through programs developed in partnership with the Catholic University of Chile.	514	4,700 students and 20,000 SMEs

Children and Youth

Contribution	Amount (CLP MM)	Scope
Donations to Corporación Crecer Mejor (CCM), an entity that supports girls and adolescents in the Villa Jorge Yarur Banna Protection Home. In 2020 Bci employees contributed monetary donations and volunteer hours, in addition to the Bank's regular donation.	280	60 girls and adolescents
Participation on one of the Roundtables (Mesa 4) of <i>Compromiso País</i> , a public-private initiative to train workers in homes run by the child protection services system (SENAME) for children and adolescents. Bci is a leader on this initiative, together with the Catholic University of Chile, the residences board of the Community of Solidarity Organizations (COS), SENAME, the Ministry of Justice and Human Rights, and the Ministry of Social Development.	27.5	5,900 workers in SENAME residences and 6,300 children and adolescents



CHAPTER 06

Performance

- Evolution in five years
- Financial Indicators
- ESG Report
- Business Units
- Subsidiaries

Five-year evolution

In nominal CLP

	2016	2017	2018	2019	2020	2020/2019 change
Commercial loans and loans and receivables to banks	14,902,850	15,962,764	19,372,094	22,067,812	23,530,759	6.63%
Mortgage Loans	4,999,917	5,855,391	7,380,507	8,333,973	8,945,701	7.34%
Consumer Loans	2,644,473	2,892,370	3,680,173	3,936,633	3,389,285	-13.90%
TOTAL LOANS	22,547,240	24,710,525	30,432,774	34,338,418	35,865,745	4.45%
Loan loss provisions	-369.666	-401.041	-556.767	-668.321	-790.395	18.27%
TOTAL NET LOANS	22,177,574	24,309,484	29,876,007	33,670,097	35,075,350	4.17%
Financial investments	3,792,479	4,730,198	5,270,611	6,230,655	9,166,020	47.11%
Other assets	4,828,165	4,843,714	6,203,099	10,435,868	12,914,929	23.76%
TOTAL ASSETS	30,798,218	33,883,396	41,349,717	50,336,620	57,156,299	13.55%
Demand deposits	8,194,263	9,534,124	12,222,539	14,180,699	19,726,574	39.11%
Time deposits	9,957,688	10,692,346	12,328,776	13,372,756	10,839,611	-18.94%
Other liabilities	10,127,546	10,928,640	13,340,039	18,990,645	22,688,651	19.47%
Capital and reserves	2,280,185	2,467,862	3,180,453	3,509,627	3,678,160	4.80%
Provision for minimum dividends	-102.049	-111.421	-118.738	-120.794	-95.236	-21.16%
Earnings	340,165	371,403	395,794	402,645	317,454	-21.16%
Minority interest ¹	420	442	854	1,042	1,085	4.13%
TOTAL LIABILITIES PLUS EQUITY	30,798,218	33,883,396	41,349,717	50,336,620	57,156,299	13.55%
BCI SHARES						
Price (in pesos, last business day of the year) ²	33,894	42,780	45,085	34,100	27,890	-18.21%
Earnings per share	2,753	2,973	2,913	2,843	2,134	-24.94%
Price-to-book value (times)	1.7	2.1	2	1.3	1.1	-0.2
Price-to-earnings ratio (times)	12.3	13.3	16	12	13.1	Market value (in billions of pesos)
	4,188	5,345	5,691	5,141	4,149	-19.30%
PROFITABILITY AND EFFICIENCY						
Return on equity	13.51%	13.61%	11.45%	10.62%	8.15%	-247 bp
Capitalized earnings from the previous year	66.51%	63.68%	64.68%	65.67%	64.82%	-85 bp
Return on assets	1.10%	1.10%	0.96%	0.80%	0.56%	-24 bp
Efficiency (support costs / operating income)	50.72%	50.67%	51.55%	47.78%	47.20%	-58 bp
Assets per employee (millions of pesos)	2,778	3,193	3,422	4,136	4,896	760
MARKET SHARE						
Loans in Chile ³	13.28%	13.62%	13.87%	14.03%	14.26%	23 bp
Loans including foreign subsidiaries ⁴	14.93%	15.68%	17.00%	17.38%	17.82%	44 bp
RISK						
Provisions rate 1 (Loan loss provisions ⁵ / total loans ⁶)	1.10%	1.06%	1.06%	1.53%	1.59%	6 bp
Provisions ratio (provisions / total loans) ⁷	1.64%	1.62%	1.83%	1.95%	2.20%	25 bp
CAPITAL						
Tier 1 ⁸	10.05%	10.21%	10.14%	9.78%	10.08%	30 bp
Basel I ratio ⁹	13.41%	13.19%	12.76%	12.00%	13.39%	139 bp

Activity indicators

	2016	2017	2018	2019	2020	2020/2019 change
Employees (Bci Corporation) ¹⁰	11,088	10,613	12,083	12,171	11,675	-4.08%
Branches ¹¹	371	361	296	262	261	-0.38%
Checking accounts	599,006	631,393	677,809	711,871	716,261	0.62%
Electronic accounts	1,103,556	1,174,301	1,251,295	1,291,510	1,102,276	-14.65%
Credit cards (primary and additional) ¹²	937,448	975,087	2,427,197	2,310,208	2,009,170	-13.03%
ATMs	1,062	1,255	1,131	1,084	1,095	1.01%
ATM transactions ¹³ (December of each year)	4,403,674	5,943,945	5,840,698	5,863,321	5,381,854	-8.21%

1. The portion of net profit or loss in the year and the rest of the consolidated subsidiaries' shareholders' equity that is attributable to shareholders that are unrelated to Bci and that hold a minority of shares.

2. Price not adjusted for dividends or changes in capital.

3. Total loans to customers, excluding City National Bank of Florida (CNB) and Itau-Corp in Colombia.

4. Total loans to customers, including City National Bank of Florida (CNB) and Itau-Corp in Colombia.

5. Loan loss provisions include provisioning for loans, contingent loans, and the minimum provisions adjustment for a normal portfolio.

6. Total loans to customers, including City National Bank of Florida (CNB).

7. Total loans to customers plus interbank loans, including City National Bank of Florida (CNB).

8. The Tier 1 solvency ratio is the ratio between core capital less goodwill and credit-risk-weighted assets (RWA).

9. The Basel I ratio is the ratio between regulatory capital (calculated as core capital plus voluntary provisions, subordinated bonds, and minority interest, less goodwill) and credit-risk-weighted assets (RWA).

10. Includes employees in Chile, international subsidiaries (CNB), and, as of December 2018, the Servicios Financieros subsidiary.

11. Includes contact points, service centers, and commercial platforms in Chile.

12. As of December 2018, includes credit cards from the Servicios Financieros subsidiary.

13. ATM withdrawals.

bp: basis points

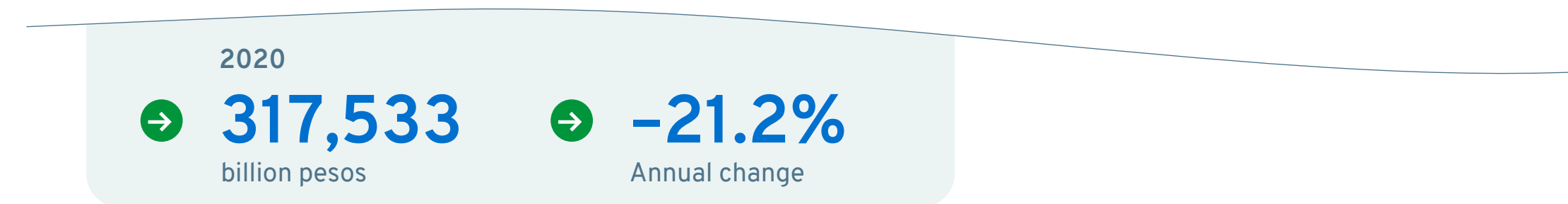
Financial Indicators >

Performance

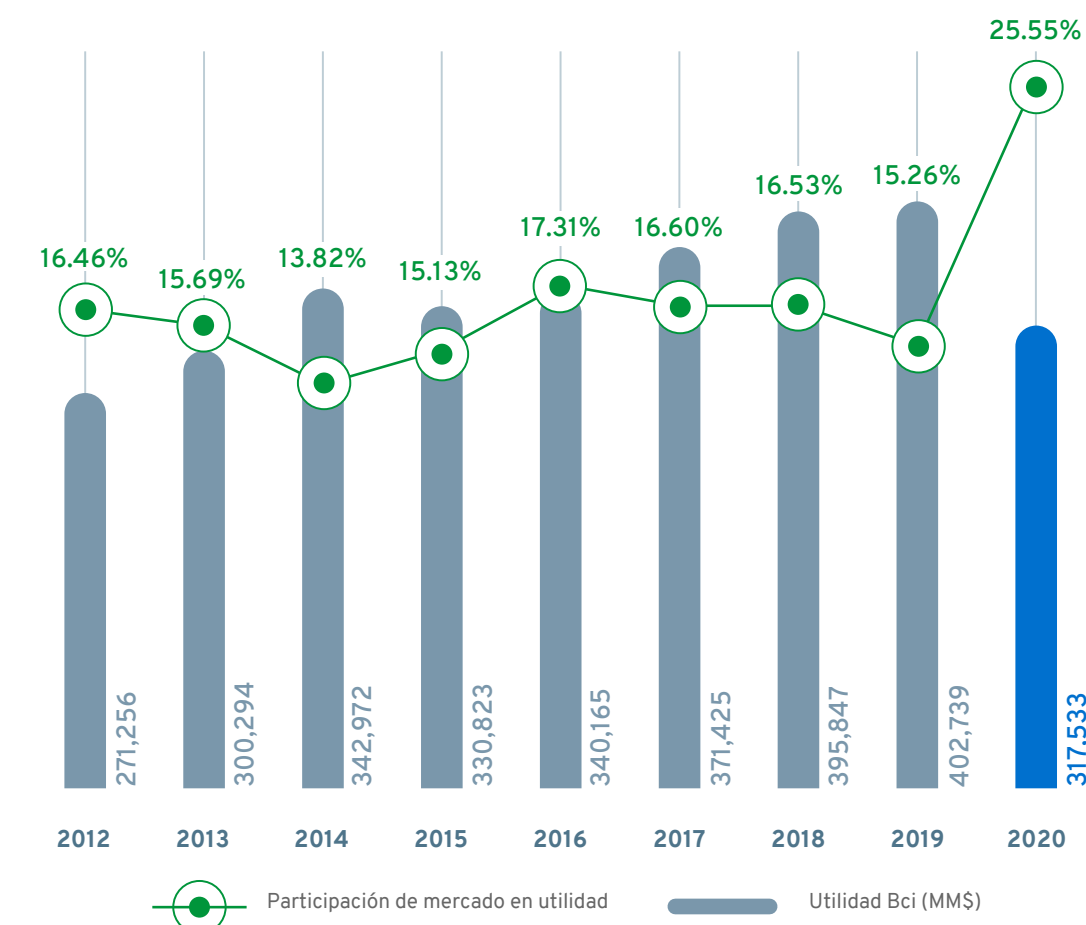
In a particularly challenging year, Bci recorded solid income generation. The gross operating margin increased 5.3% in the year, mainly due to the higher volume of commercial loans associated with the customer support measures and the positive results of the Finance Division. This remarkable performance, combined with adequate cost management, led to an improvement in the efficiency ratio, in line with the company's strategic focuses.

December 31, 2020
In nominal CLP

CONSOLIDATED INCOME



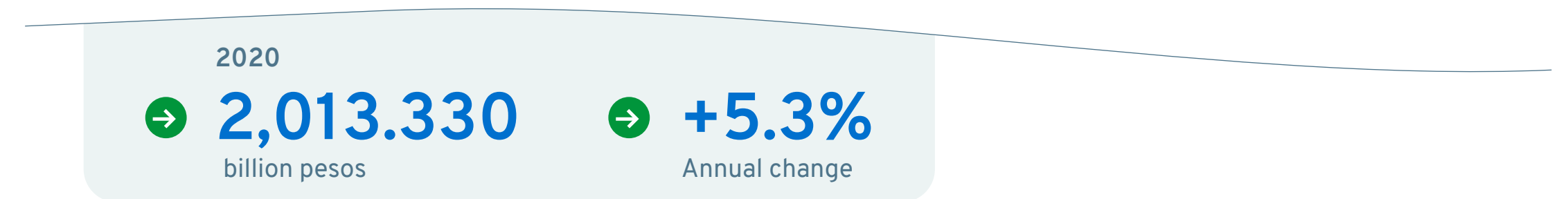
Bci: Consolidated Income and Share in the Banking System (1)



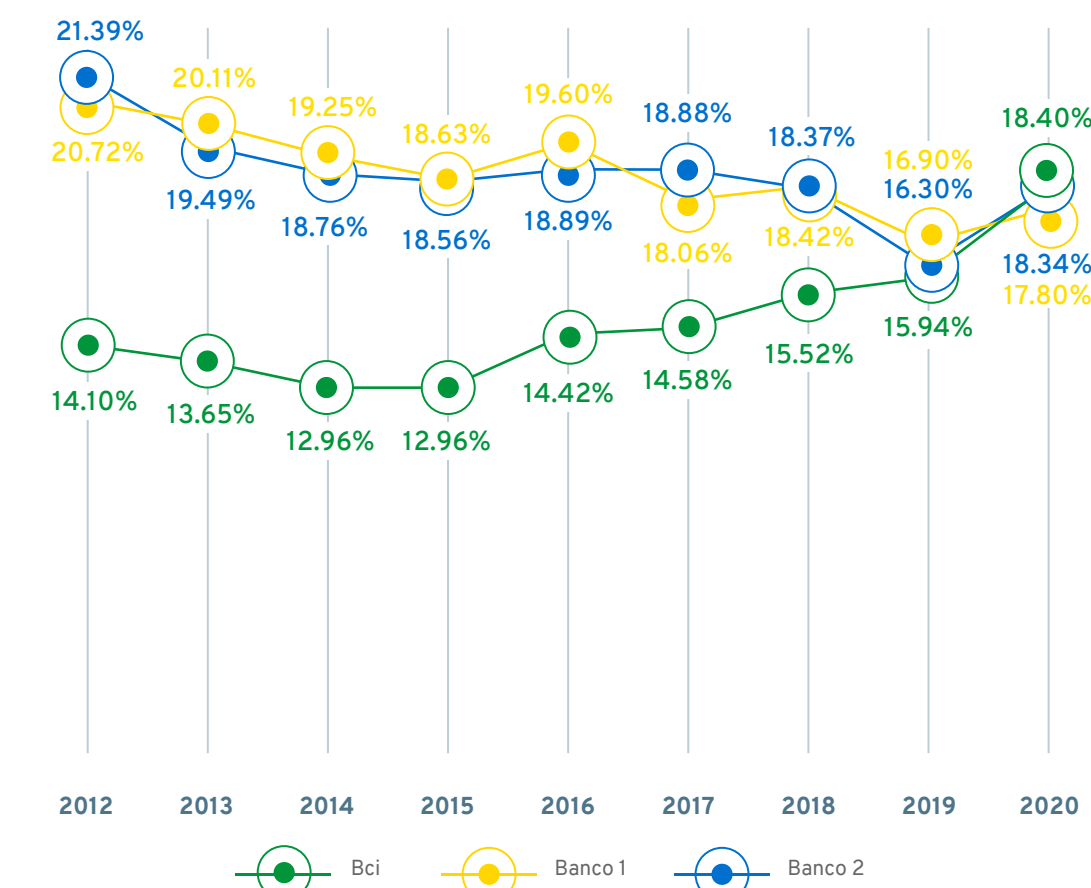
Profits in 2020 were affected by higher provisions expense, which increased 50.1% relative to 2019. This reflects the Bank's proactive approach to the constitution of additional or voluntary provisions in order to anticipate future risks, increasing the leverage ratio. As of December 2020, the provisions made by Bci in Chile and abroad amount to CPL 148.666 billion.

The impact on the bottom line was mitigated by the appreciation of the local currency against the dollar, which generated significant tax savings due to the restatement of the CNB investment.

GROSS OPERATING MARGIN



Gross Operating Margin: Market Share

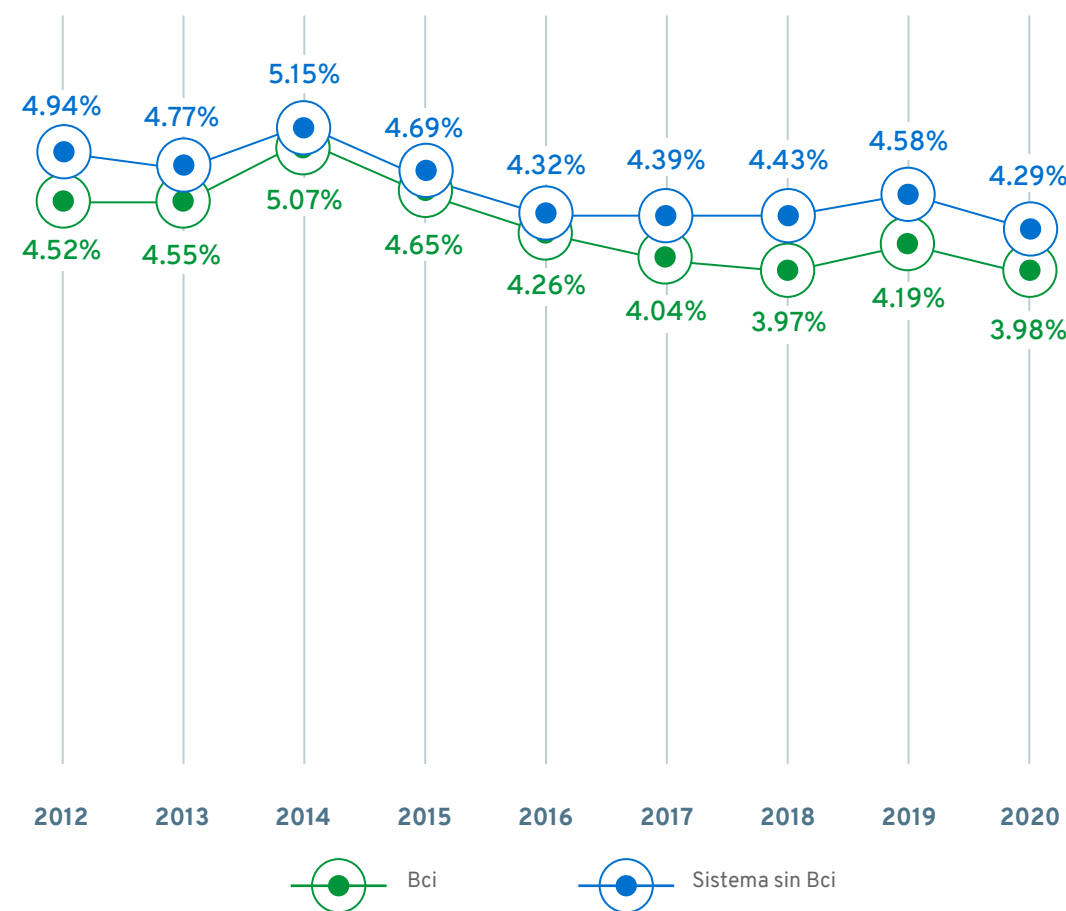


Bci achieved the highest gross operating margin in the banking system, with the highest revenue generation and higher growth than the industry and the relevant competition. This increase is mainly due to income from financial operations, which increased 17% year-on-year, while the competition saw a decline in this income source. One factor in this trend was the growth of income in the commercial portfolio deriving from Bci's share of COVID-19-related state-backed loans.

NET INTEREST MARGIN



Net Interest Margin: Bci and the Banking System (*)



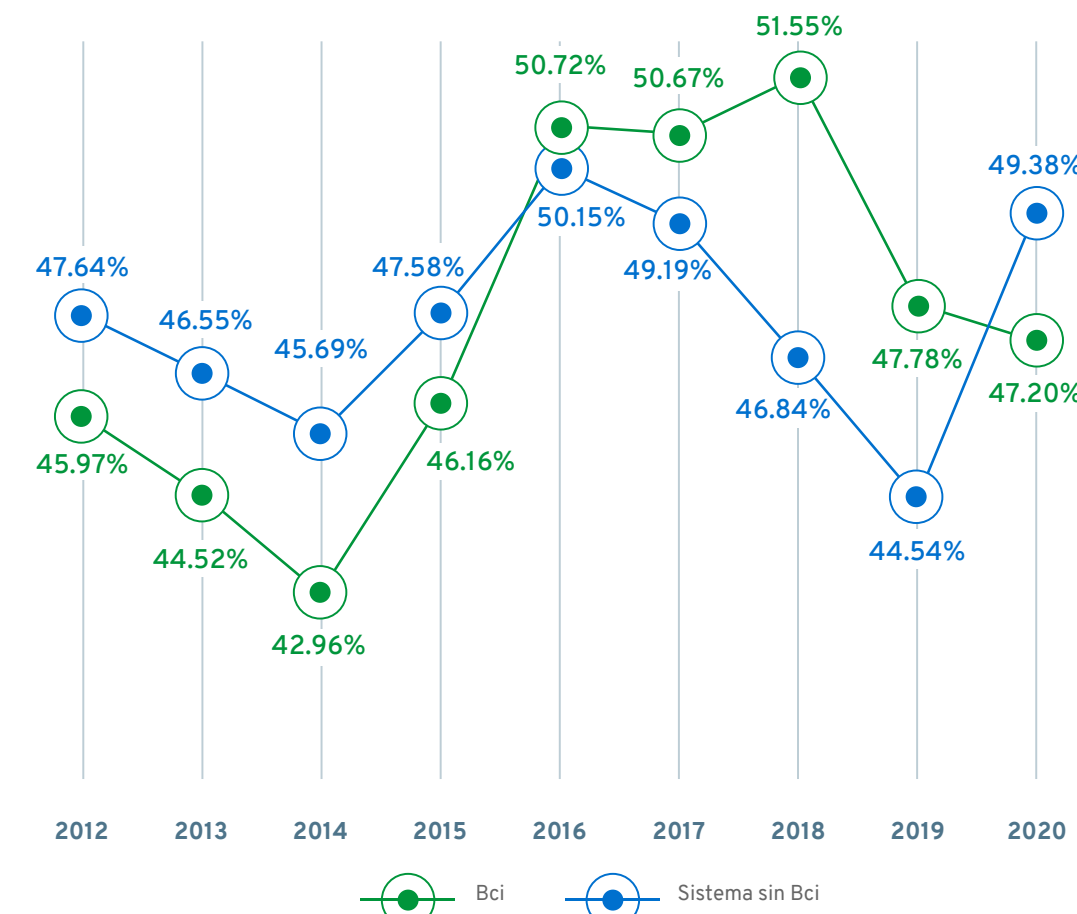
The provision of state-backed FOGAPE COVID-19 credit lines generated, in part, an 8.6% increase in total loans in the banking system and a 29 bp deterioration in the net interest margin. Bci, despite

recording higher loan growth than the system, managed to partially offset this effect with a 10.4% increase in net interest income.

EFFICIENCY RATIO



Efficiency Ratio: Bci and Banking System



During 2020, Bci continued to improve its efficiency ratio, in line with the defined objectives. This was mainly achieved through a higher operating margin and returns on past investments, which supported business continuity, facilitated

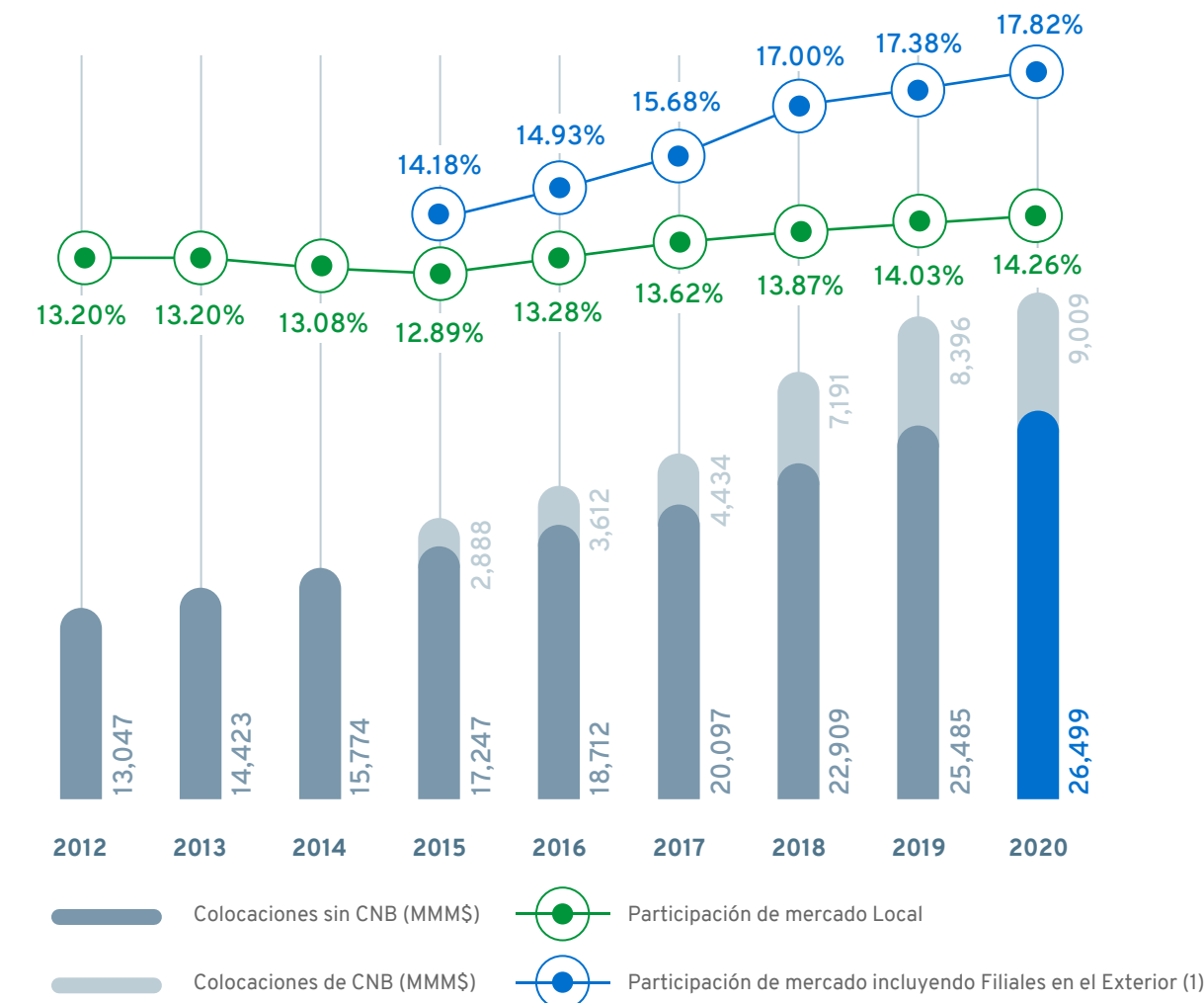
teleworking, and contributed to the ongoing development of strategic transformation projects. It also fostered the correct execution of the savings plan established for the year, which raised both the efficiency and profitability of the Bank.

Balance Sheet

TOTAL LOANS



Bci: Total Loans and Market Share



Compared with the market and the relevant competition, the entire Bci product portfolio recorded a good performance, where an important strategy was to prioritize the delivery of financial support measures to its customers.

Our local market share increased a notable 23 bp, with loan growth of 3.98%, while CNB closed the year with loan growth of 7.3%. Thus, Bci's market share including foreign subsidiaries rose 44 bp.

Bci participated actively in government aid programs both at the local level, with FOGAPE and FOGAIN loans, and abroad, with the PPP and MSLP programs.

(*) The Paycheck Protection Program (PPP) is a loan program that was established under the Coronavirus Aid, Relief, and Economic Security Act (CARES) to help small businesses keep their workforce employed during the coronavirus pandemic.

(*) The Main Street Lending Program (MSLP) was established by the Fed to channel commercial loans to small and medium-sized enterprises.

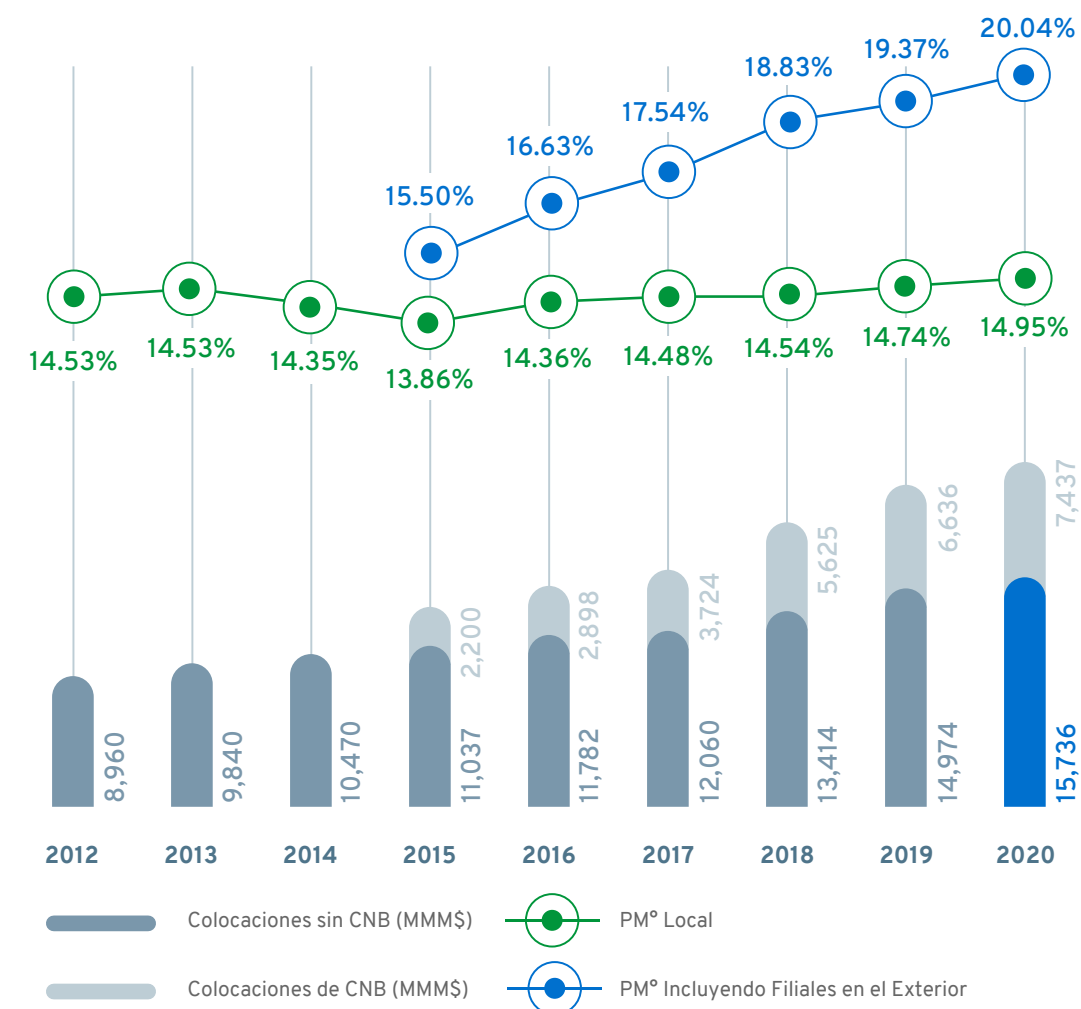
(*) Banking system excludes Bci (and CNB) and includes Itaú Corp's investment in Colombia.

COMMERCIAL LOANS

2020
→ **23.2**
trillion pesos

→ **+7.2%**
Annual change

Bci: Commercial Loans and Market Share



One of the foundations of Bci's total loan growth in 2020 was the excellent performance of commercial loans, which increased 7.2% (5.1%* excluding CNB). This was mainly due to loans from government aid programs, which the Bank processed quickly and extensively, moving into second place in the industry with a market share of 21%.

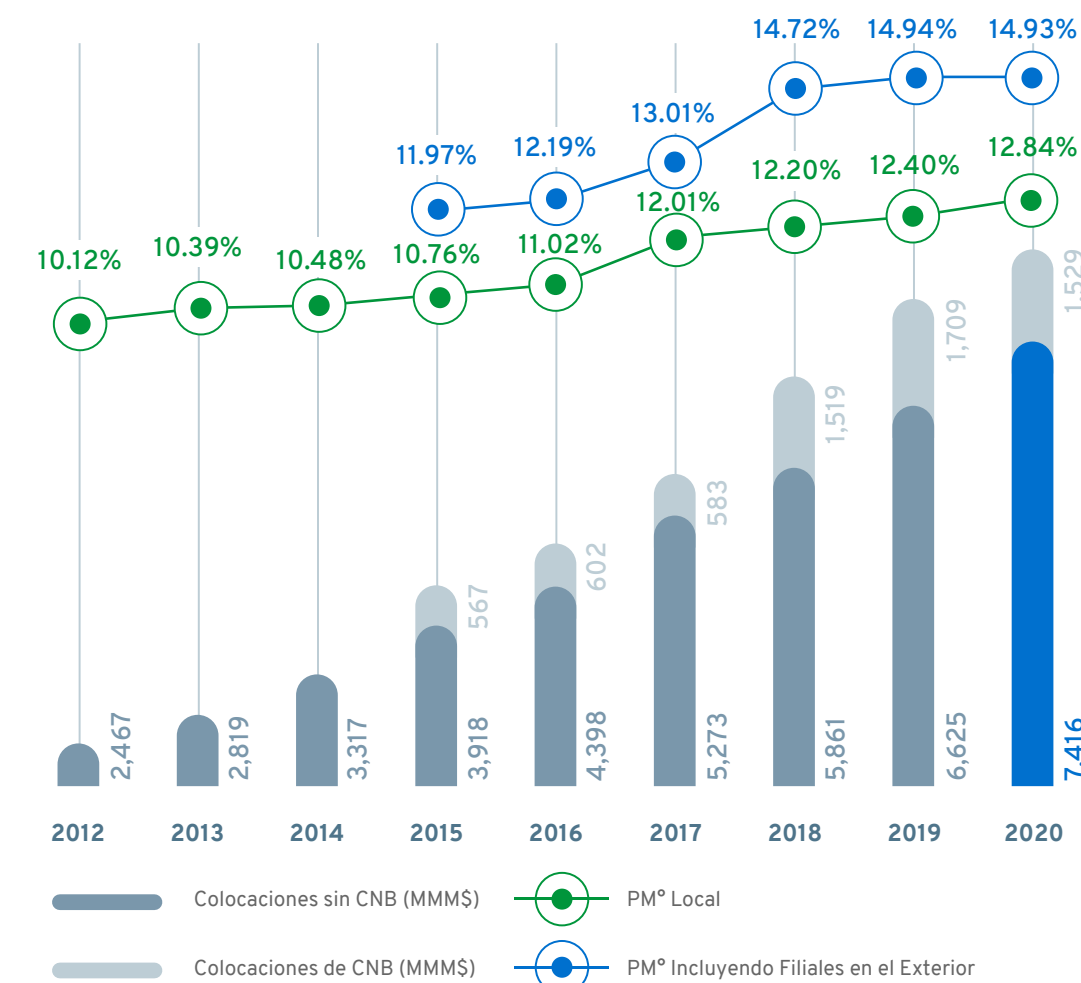
City National Bank of Florida was also an active participant in government support programs, generating a year-on-year increase in the volume of commercial loans of 12.1%.

MORTGAGE LOANS

2020
→ **8.9**
trillion pesos

→ **+7.3%**
Annual change

Bci: Mortgage Loans and Market Share



Mortgage loans in the banking system, excluding overseas subsidiaries, grew 8.1% in 2020, in a context of favorable conditions for the growth of this portfolio. Bci, excluding CNB, increased its mortgage volume by 11.9% and its market share by 44 bp, based on a strategy centered on providing a better customer experience.

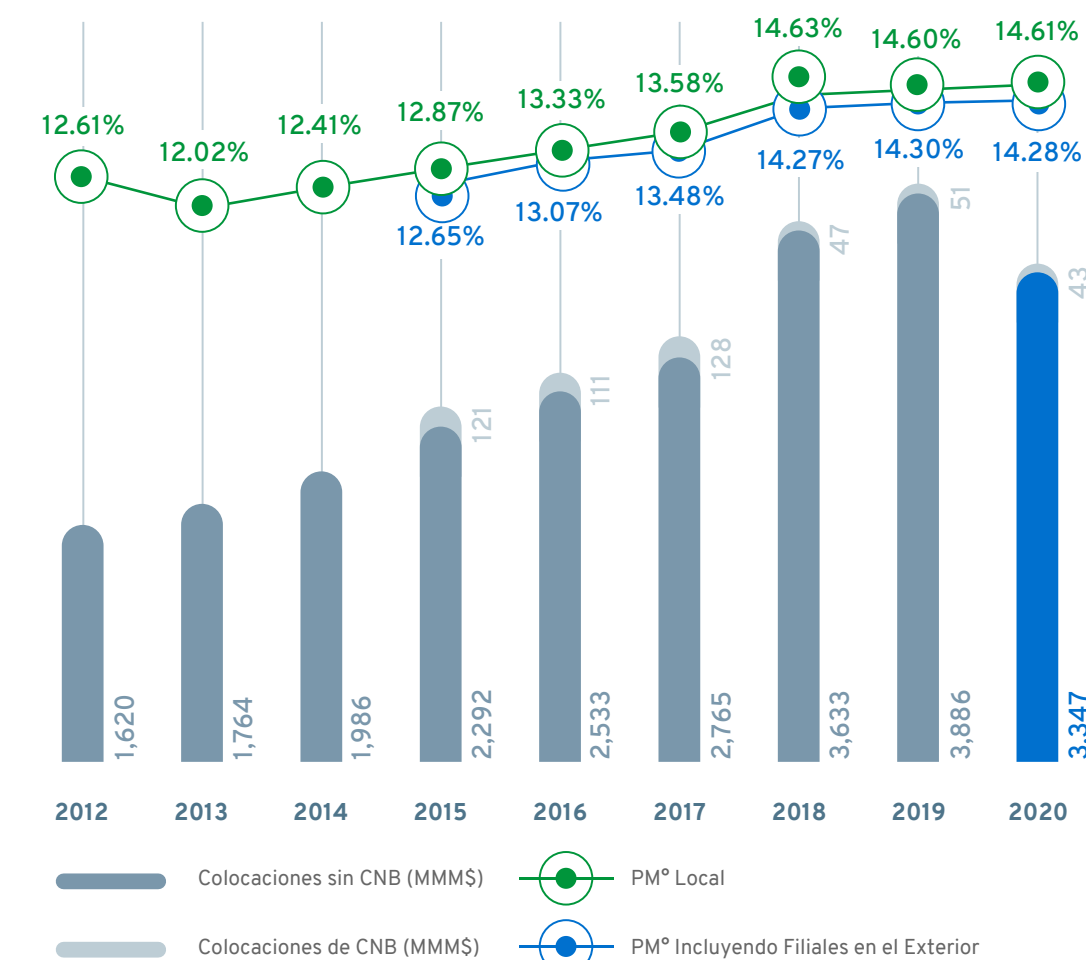
After the pandemic was declared, Bci was the first bank to grant mortgage payment deferrals, and a large share of its customers received this support measure.

CONSUMER LOANS

2020
→ **3.4**
trillion pesos

→ **-13.9%**
Annual change

Bci: Consumer Loans and Market Share



Consumer loans were strongly affected by the less dynamic market due to the health crisis. Bci's volume decreased in line with the system, but the Bank's market share increased marginally in reflection of its long-term strategy, focused on clients with a better profile.

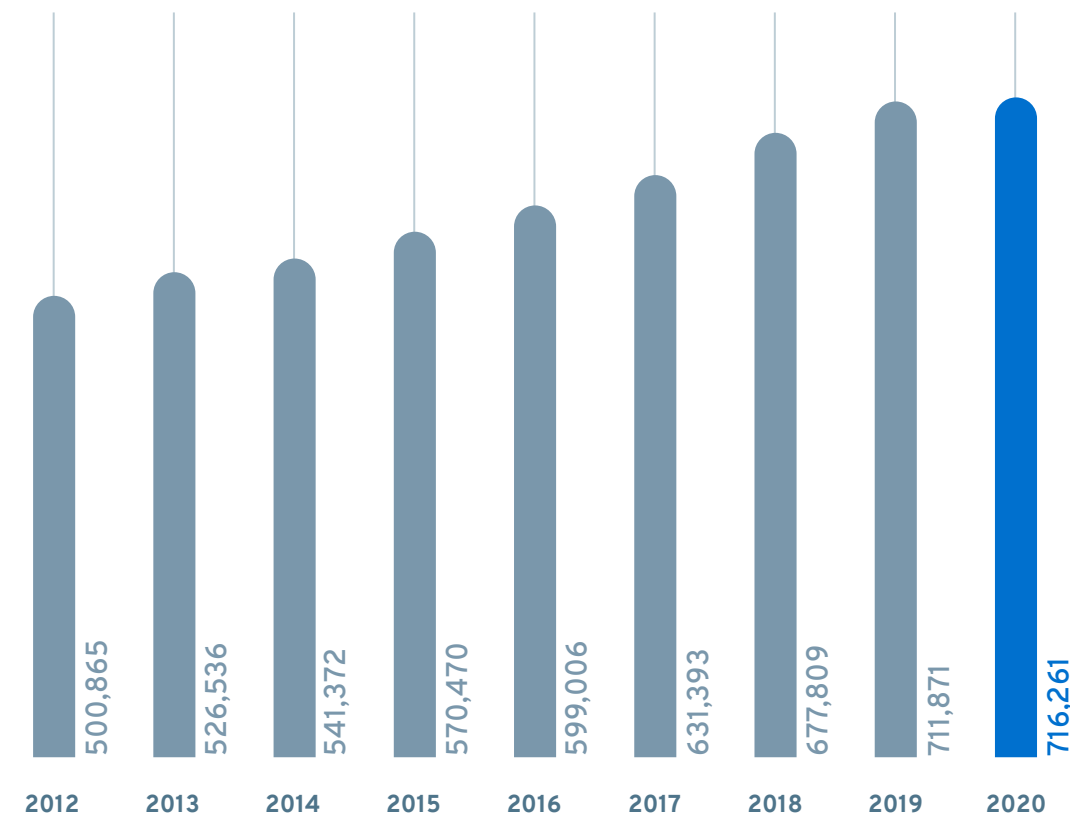
Lider Bci Servicios Financieros also saw its portfolio decrease (11.4% annually), following the industry trend. However, it was the financial services retailer with the lowest drop in loans, ranking third in its industry, with a market share of 15.1%.

CHECKING ACCOUNTS

2020
→ **716,261**
checking accounts

→ **+0.62%**
Annual change

Number of Checking Accounts



Bci recorded moderate growth in checking accounts, at 0.62% year-on-year.

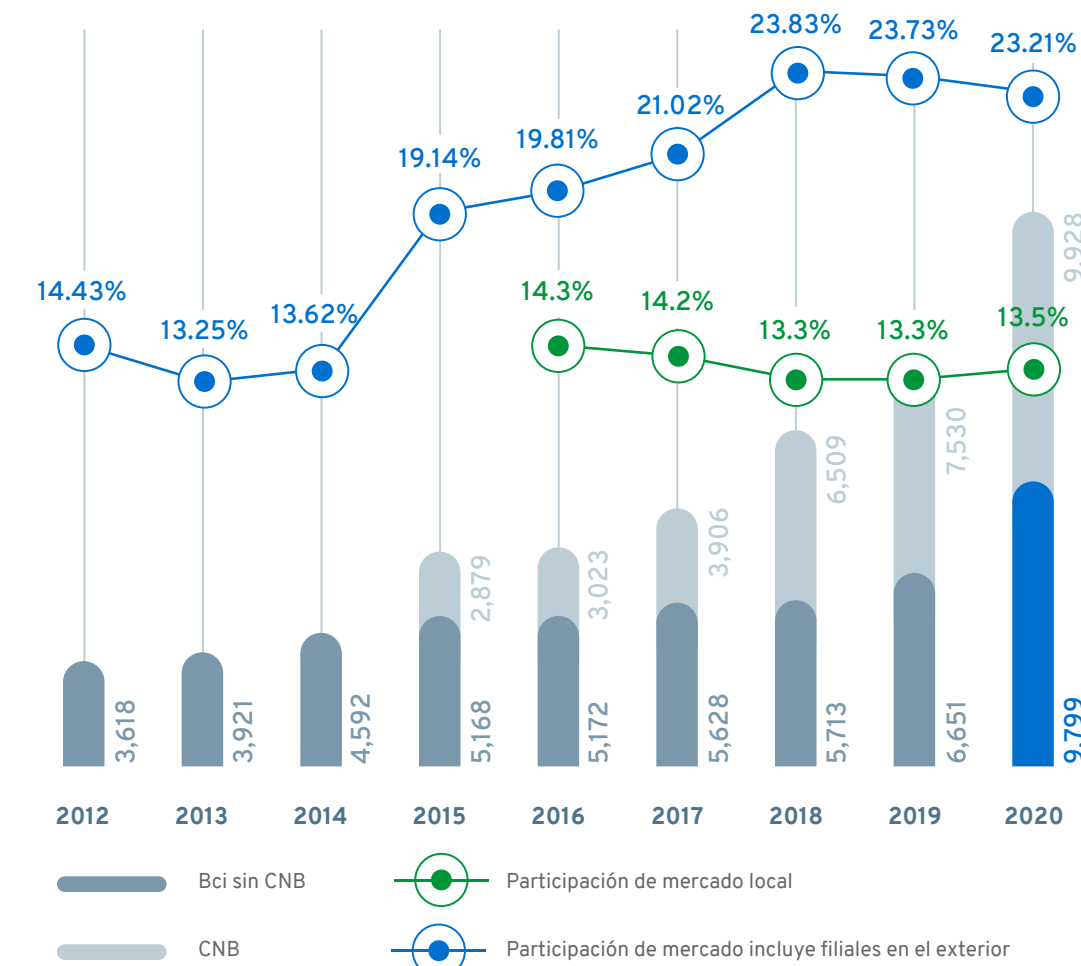
31% of new checking accounts were opened via digital channels.

NET DEMAND DEPOSIT BALANCE

2020
→ **19,727**
billion pesos

→ **39.1%**
Annual change

Bci: Demand Deposits: Average Net Amounts (billions of pesos) and Market Share



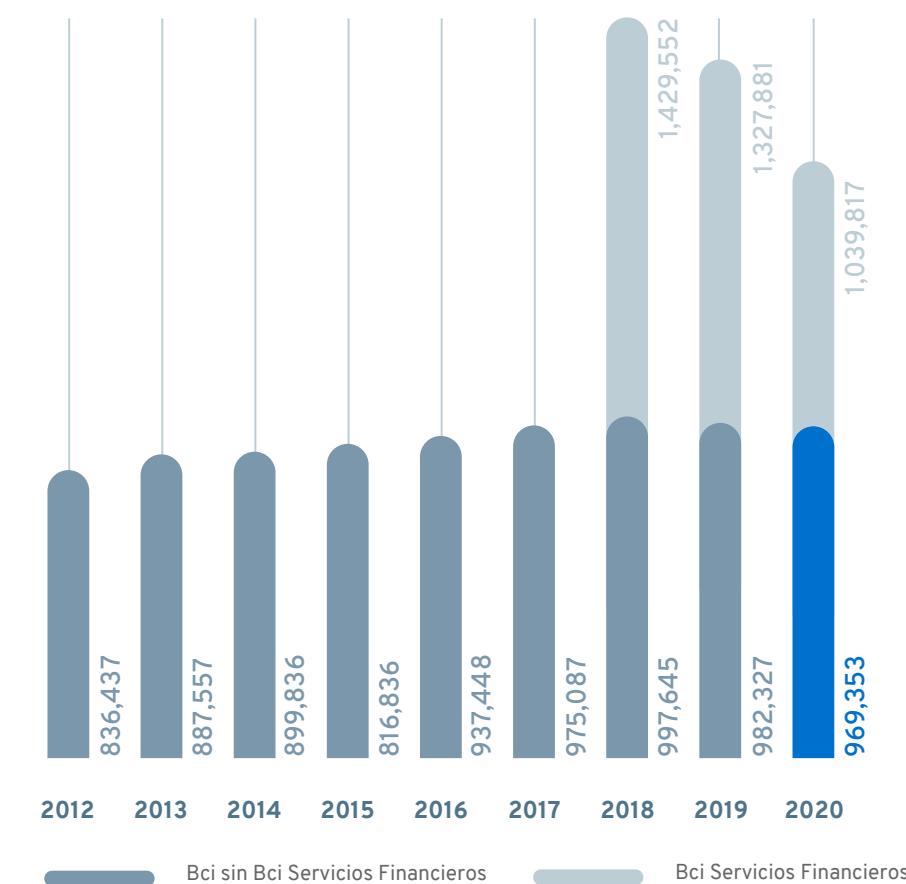
Net demand account balances were positively affected in 2020. Bci (excluding CNB) registered an increase in its annual closing balance of 47.3%, while the system excluding overseas subsidiaries grew 45.3%. This resulted in an improvement in the local market share of 20 bp.

CREDIT CARDS

2020*
→ **2,009,170**
credit cards

→ **-13.03%**
Annual change

Number of Bci credit cards

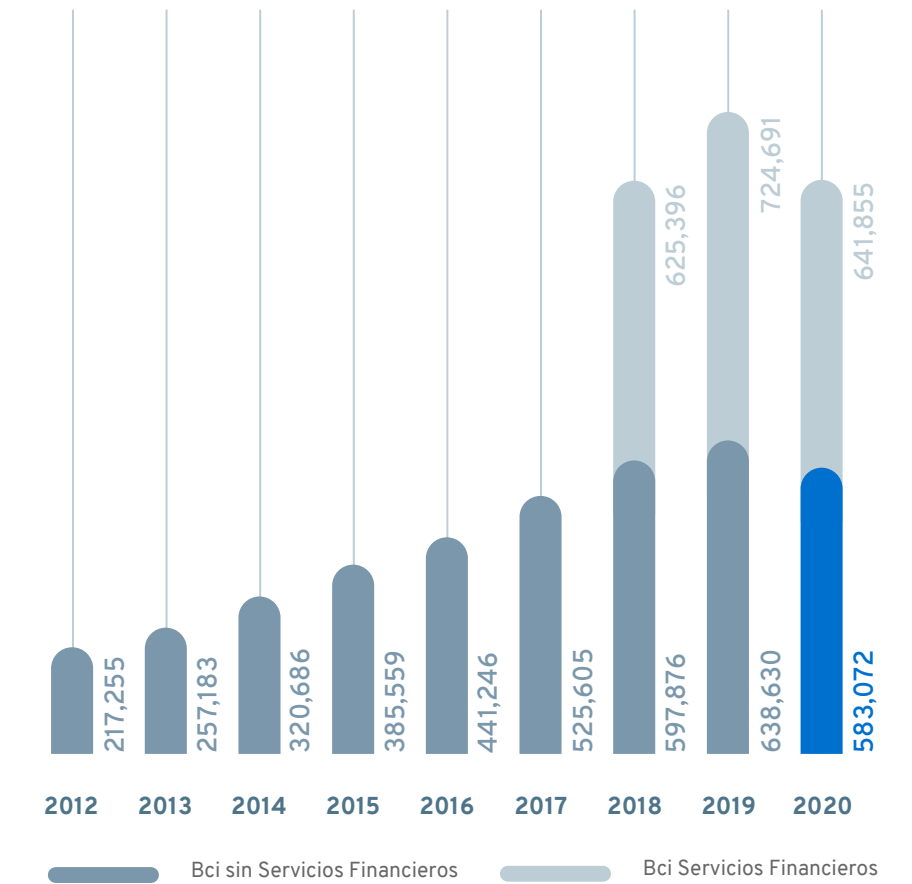


In the last year, the stock of credit cards in the industry decreased 18.3%, while Bci's stock contracted 13.03%. The Bank's market share grew 86 bp as a result.

2020¹
→ **1.2**
trillion pesos

→ **-15.86%**
Annual change

Bci Credit Card Loans (1)



System loans decreased 15.86% due to the less dynamic market; however, the drop was smaller at Bci, which generated an improvement in market share of 97 bp.

(*) Data for 2020 are through October 2020. Source: FMC.

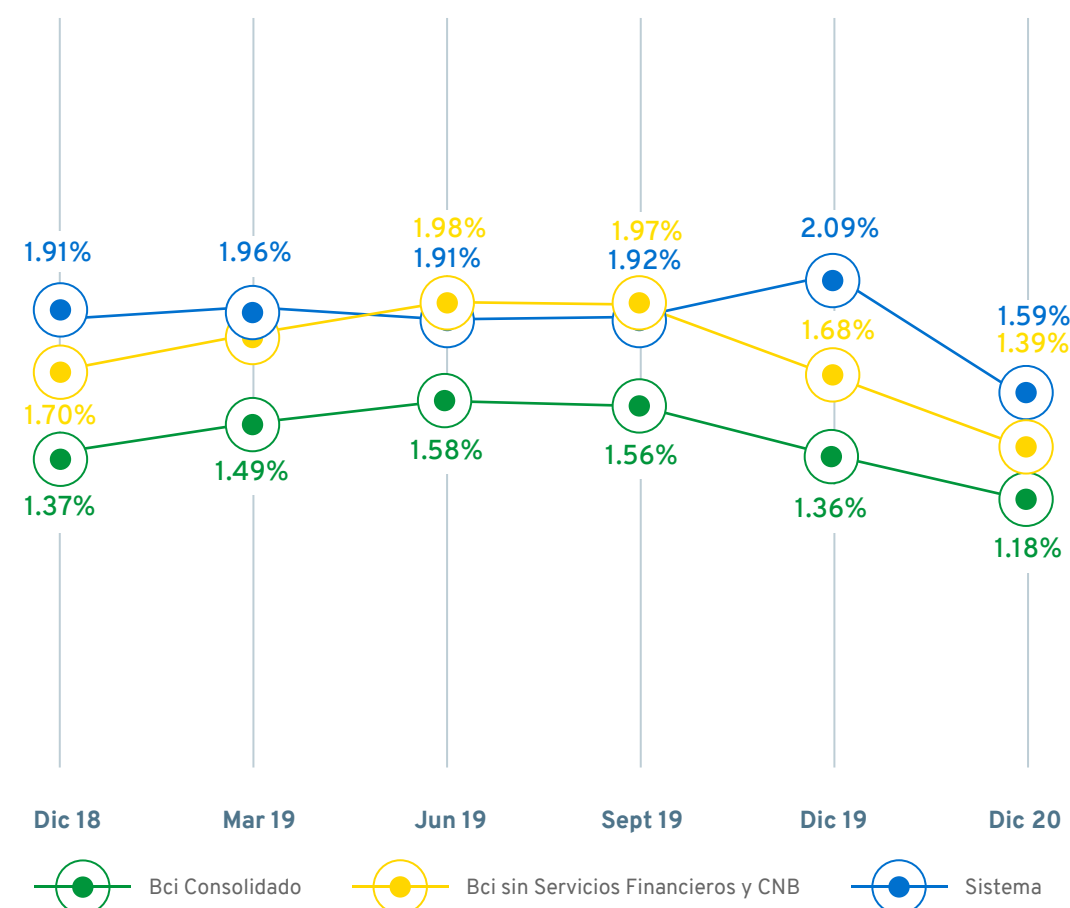
(1) Includes primary and additional cards. Excludes cards issued by City National Bank of Florida or Bci Miami.

Risk

90-DAY DELINQUENCY



Nonperforming Loans: Total Bci Portfolio with Arrears over 90 Days, Excluding Servicios Financieros and the Banking System

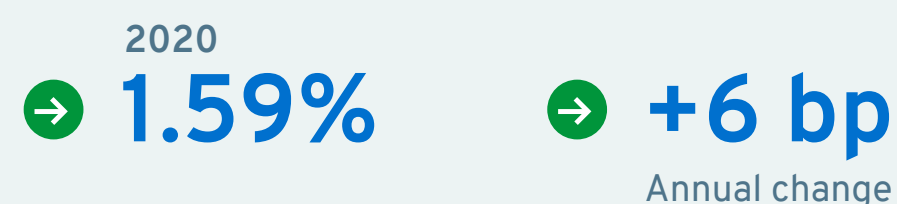


The system's delinquency rate decreased 50 bp relative to the previous year.

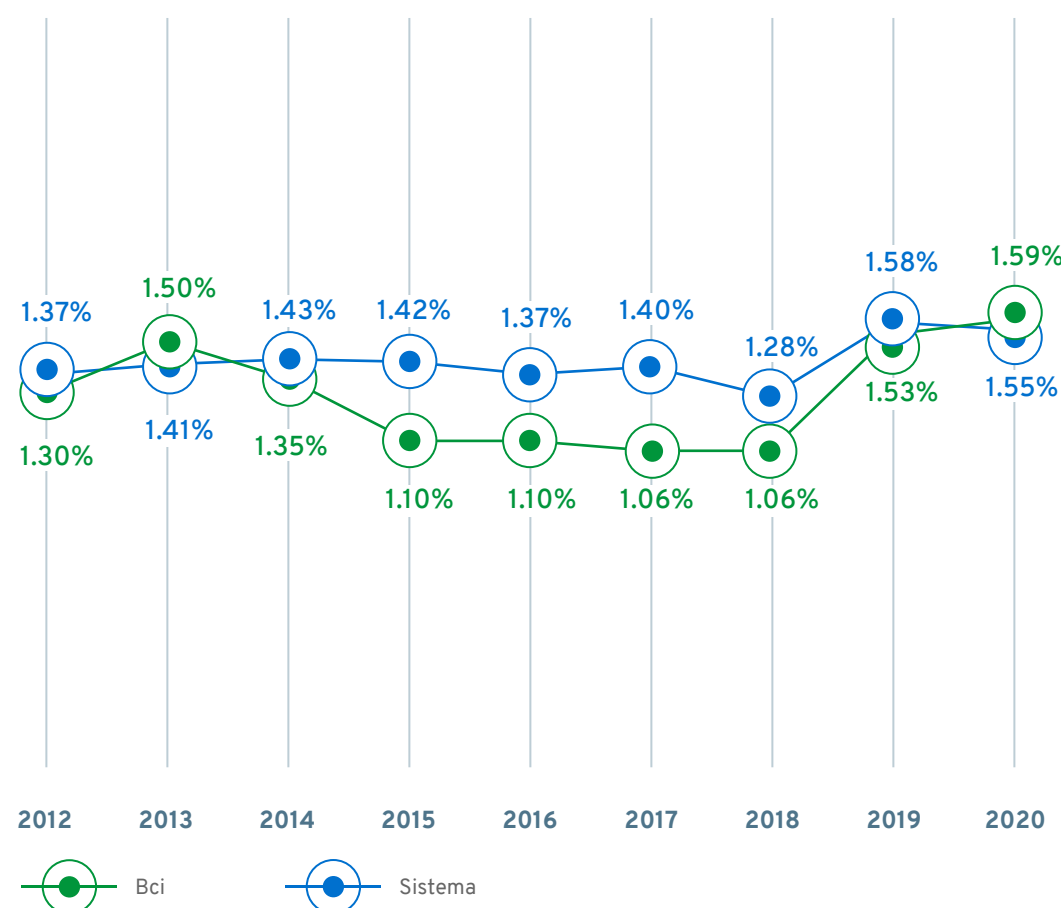
The expected deterioration for 2020 was contained thanks to the financial support measures provided to customers, such as payment

extensions, refinancing, and the provision of loans with state guarantees. These measures, together with the pension fund withdrawals approved in the second half of the year, managed to reduce the system's delinquency rates.

PROVISIONS RATE 1



Loan Loss Provisions and Write-offs over Loans: Bci and the Banking System



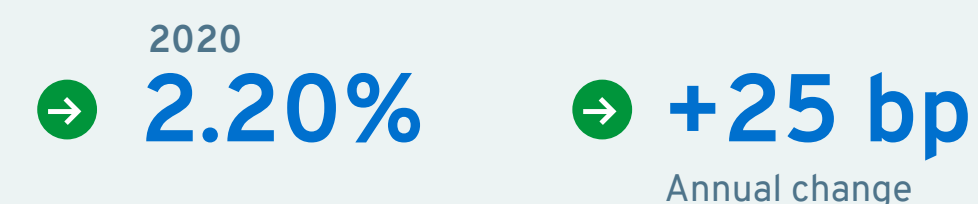
Despite the good performance in terms of delinquency indicators, Bci's provisions rate 1 increased due to adjustments in the provisioning model for the consumer portfolio and expenses associated with the significant participation in the FOGAPE COVID-19 loan program.

This indicator increased significantly in 2019 due to the entry into force of the standard provisioning model for the commercial portfolio. In 2020, the measure grew despite the positive performance of delinquency indicators, due to adjustments in the provisioning model for the consumer portfolio and

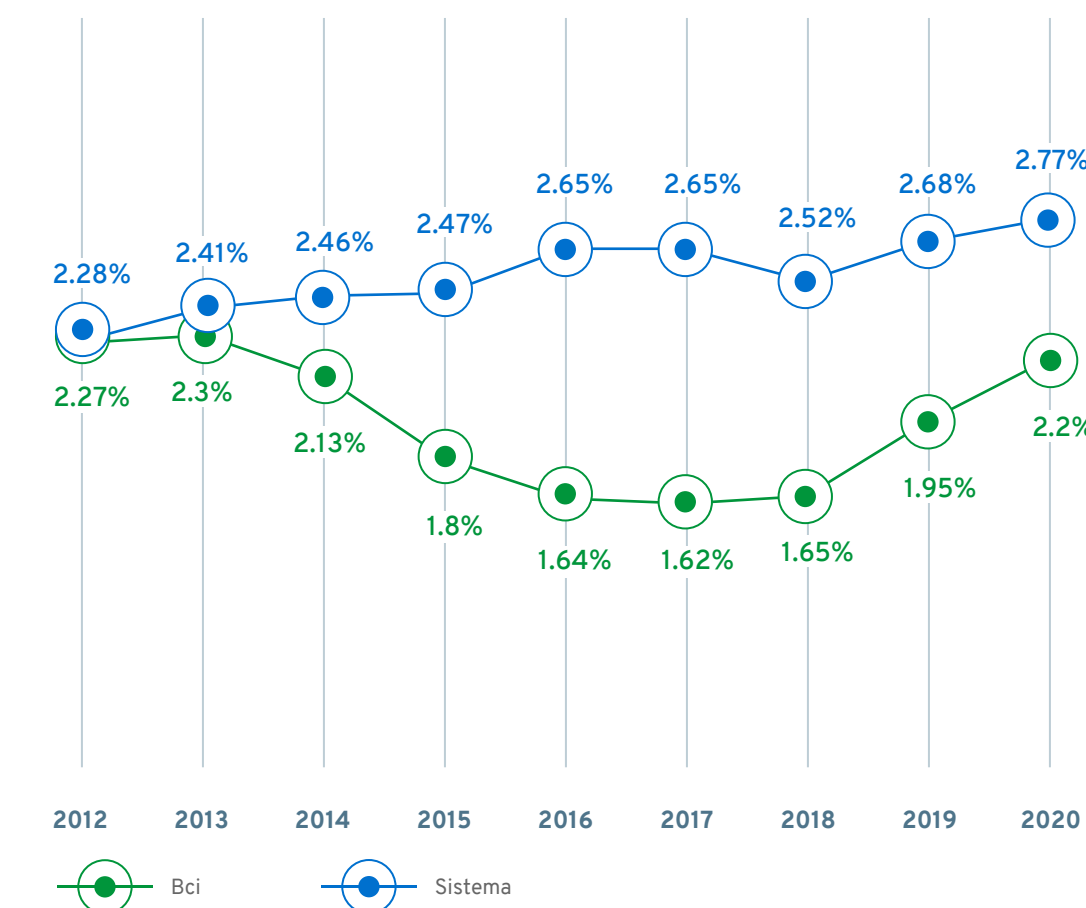
expenses associated with the significant participation in the FOGAPE COVID-19 loan program.

In addition, higher write-offs were generated in response to a more conservative strategy related to consumer loan renegotiation policies.

RISK INDEX



Net Provisions over Total Loans: Bci and the Banking System



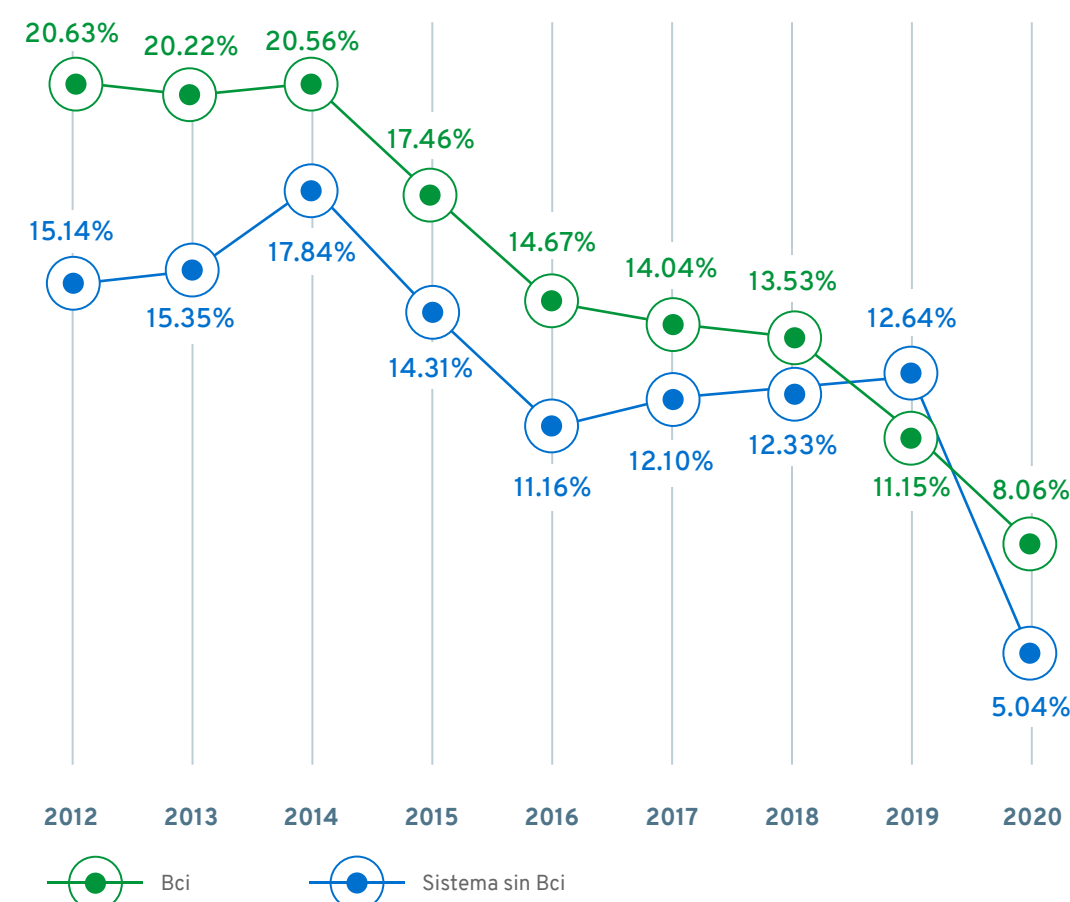
Bci's risk index was below the system, despite a 25 bp increase in this indicator. The growth was mainly caused by an increase in provisions associated with the government-guaranteed loan programs and an adjustment in the consumer credit model.

Given the current scenario, Bci took steps to proactively manage risk and anticipate less favorable scenarios, constituting voluntary provisions of CLP 148.666 billion in the local and foreign markets.

RETURN ON EQUITY

2020
→ 8.06%
→ -309 bp
 Annual change

Return on Equity: Bci and the Banking System (2)



Despite the improvements in the margin and the reduction of operating expenses, the constitution of voluntary provisions caused a decrease in the Bank's net income, with a negative effect on the return on equity in 2020 relative to the previous year.

The Bank's profit and capitalization in 2019 had a positive impact on

the profitability ratio, while changes in the exchange rate and UF swap rates had a negative effect.

City National Bank of Florida closed the year with an ROE of 5.76%, 323 bp lower than at year-end 2019. This reflects the constitution of voluntary provisions of CLP 47.263 billion.

(2) Banking system excludes Bci (and CNB) and includes Itaú Corp's investment in Colombia.

BASEL RATIO, CET1, AND LEVERAGE

CET1

2020
→ 10.08%
→ +30 bp
 Annual change

LEVERAGE RATIO²

2020
→ 6.58%
→ -48 bp
 Annual change

BASEL RATIO

2020
→ 13.39%
→ +139 bp
 Annual change

Chile began the implementation of Basel III in 2020, with transitory provisions related to capital. The implementation process will continue in 2021, in order to improve capital quality, incorporate new calculation methodologies for credit, market, and operational risk-weighted assets, and initiate the self-assessment of regulatory capital, related to Pillar II.

Bci closed 2020 with regulatory capital equivalent to 13.4% of its credit-risk-weighted assets (RWAs), which is above the regulatory requirement (8%). Core capital (CET1) was 10.08% of risk-weighted assets, versus a regulatory minimum of 4.5%.

The improvement in capital ratios, relative to December 2019, is mainly due to the capitalization of profit; the better composition of regu-

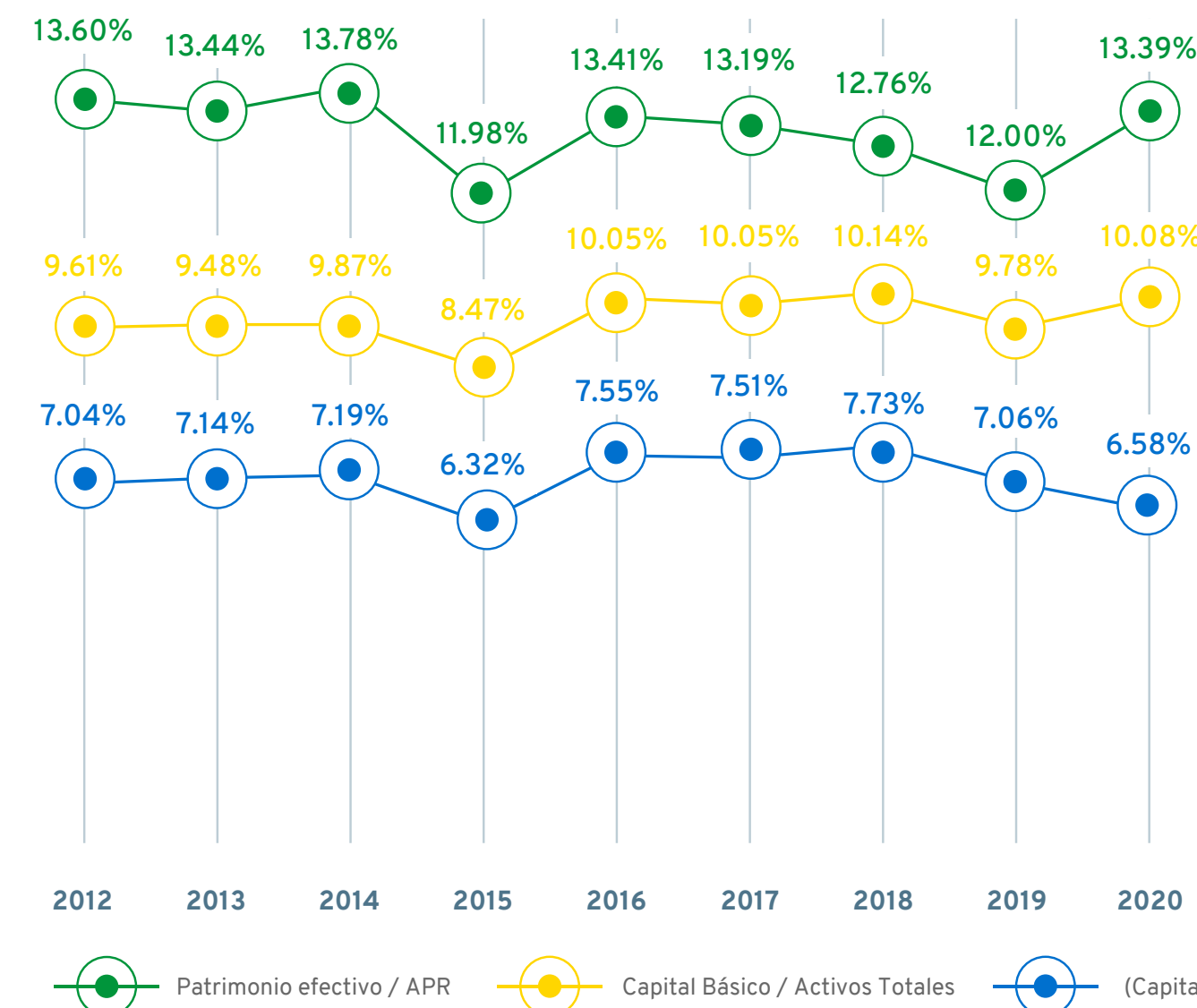
latory capital, including the issue of subordinated debt; the constitution of voluntary provisions; and an improvement in the asset mix.

While Bci actively supported its customers through state-backed support programs in Chile and the United States in 2020, these loans have a very low impact on RWA levels, due to the underlying guarantees.

Meanwhile, City National Bank of Florida closed 2020 with a Tier 1 capital ratio of 14.62%, up 77 bp over the previous year.

These trends account for the Bank's robustness in this period of uncertainty, with improvements vis-à-vis regulatory minimums and the preparations to comply with the new Basel III standard in Chile starting in 2020.

Basel Ratio, CET1, and Leverage Ratio



(1) According to the new provisions of the General Banking Law (Circular 2,274, published by the FMC on 8 October 2020), with regard to the implementation of Basel III in Chile, the calculation of core capital, henceforth CET1, must include minority interest and exclude goodwill.

(2) According to the new provisions of the General Banking Law (Circular 2,274, published by the FMC on 8 October 2020), with regard to the implementation of Basel III in Chile, the leverage ratio must be calculated using the core capital measure indicated in the FMC Circular 2,274.

ESG Report

- Bci Sustainability Plan
- Adherence to initiatives and standards
- Material topics
- Management approach and performance indicators



Bci Sustainability Plan

2022 Goal: Enhance our ability to generate a positive impact on society, creating economic, social, and environmental value from the business, for customers, employees, citizens, and shareholders.

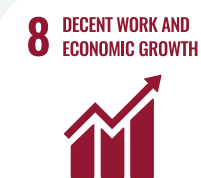
Bci seeks to generate value for each of its stakeholders, promoting economic, social, and environmental well-being.

Financial and digital empowerment

Implement financial and digital solutions that include and/or grow our customers and potential customers.

1 Inclusive growth

2 Access to opportunities



Sustainable financing

Promote financial and investment solutions with ESG criteria that facilitate and accelerate the urgent transition to a climate-neutral economy with a positive impact on society.

3 Responsible financing and investment

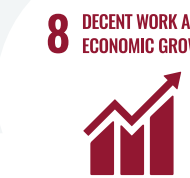


Transparency and trust

Establish a unique agenda with our stakeholders, promoting their active participation and co-construction, which provides the basis for greater confidence and transparency.

7 Open and responsible practices

8 Balanced relationships



Employee experience

Collaborative, adaptive, and meritocratic culture, with new ways of organizing ourselves and our work.

4 Shared purpose

5 Attract and retain talent

6 Co-create the employee experience



Adherence to initiatives and standards



Bci is part of the Dow Jones Sustainability MILA Pacific Alliance Index (DJSI MILA) and the Dow Jones Sustainability Chile Index (DJSI Chile), for the fourth and sixth consecutive year, respectively, in 2020.



Bci Asset Management is a signatory to the Principles for Responsible Investment (PRI). The Board of Bci Asset Management approved its first ESG Investment Policy in 2020, formally incorporating these variables into the investment processes.



Bci has been a member of Acción Empresas since May 2005. This organization brings together more than 130 companies determined to manage their businesses sustainably, under a framework of competitiveness and sustainability. In Chile, it represents the World Business Council for Sustainable Development (WBCSD).



PROhumana is a Chilean nonprofit organization that promotes the sustainable development of companies.



Bci signed the UN Global Compact in 2007, formally adhering to its principles.



Bci participates in the ESG Rating Report carried out by MSCI ESG, which evaluates progress in nonfinancial factors (ESG: Environmental, social, and governance).



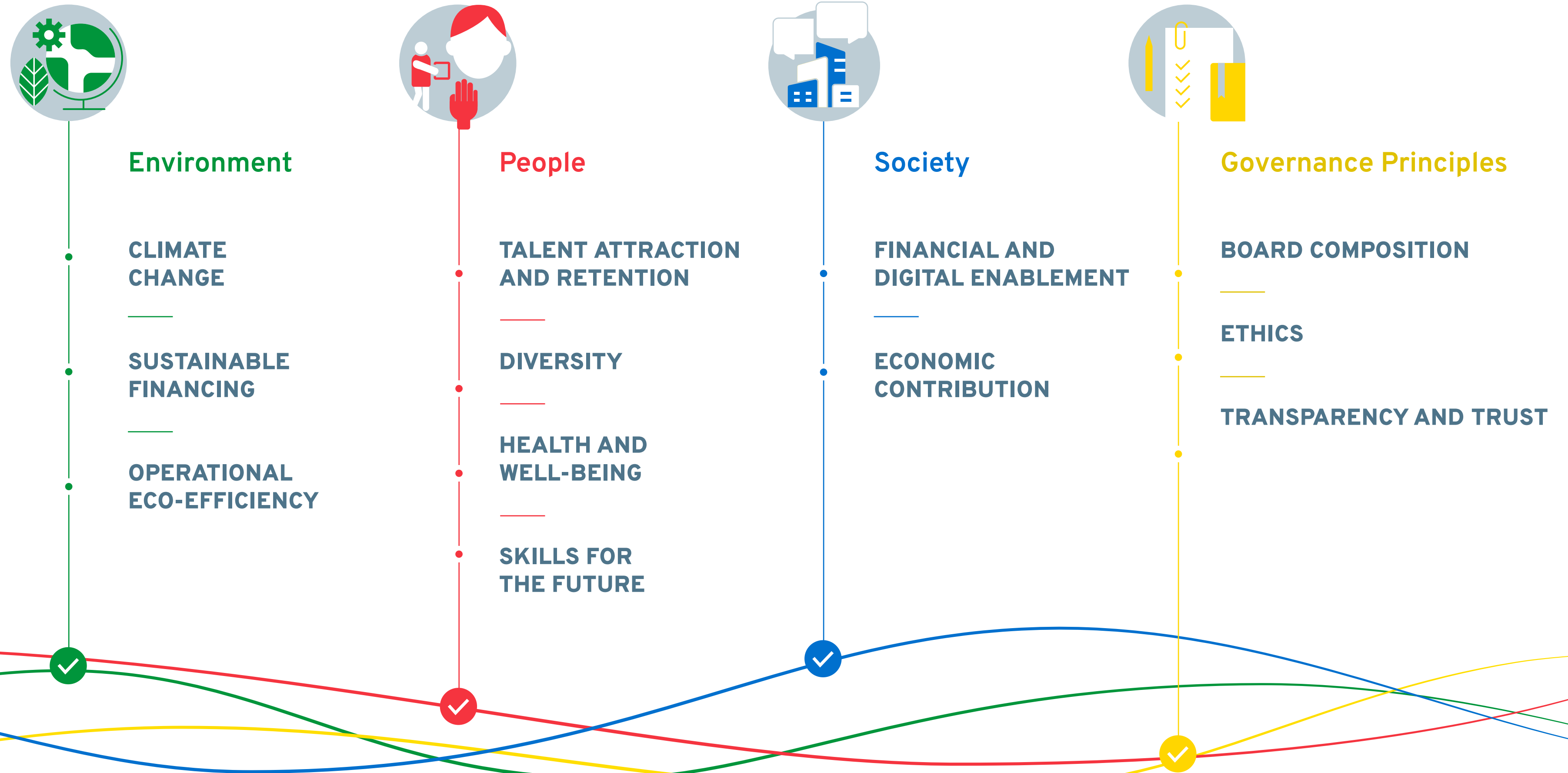
Bci has adhered to this initiative since 2014. Chile Transparente is the Chilean Chapter of Transparency International. Its mission is to make a substantive contribution to the fight against corruption and bad practices in the country, promoting the creation of a culture of probity and transparency.



Bci has had ISO certification for Environmental Management since 2018 and Energy Management since 2019, for its corporate buildings.

Material Topics

Based on BCG's Total Societal Impact (TSI) approach, ESG standards, and corporate listening processes, Bci identified and prioritized the most important issues in its ability to create value for its stakeholders in the short, medium, and long terms.



Environment



CHALLENGES AND OPPORTUNITIES

- Urgent actions to mitigate and adapt to climate change
- Progress toward a low-carbon economy

CORPORATE POLICIES AND GUIDELINES

Climate strategy

- In effect since 2020
- Objectives: Neutralize emissions, guarantee the resilience of operations, and accompany clients in the evolution toward a low-carbon economy.

PROGRAMS

Adoption of the TCFD framework

Bci is committed to adopting the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) to disseminate its view of climate change and the actions it is taking to assess and mitigate the associated risks.

TCFD has developed recommendations for voluntary climate-related financial disclosures that are consistent, reliable, and clear and that provide useful decisionmaking information for suppliers of financial capital. The TCFD report has four pillars: Governance, Strategy, Risk Management, and Metrics and Targets. The implementation of this framework is gradual, and Bci is taking the first step in this Integrated Annual Report.

INDICATORS

Carbon footprint

2028 Target: Reduce or offset 100% of emissions
Baseline: 2017
2020 Target: 42% reduction (including emissions from remote employees)
Data coverage: 100%

Scope	Category	Emissions (tCO ₂ eq)			
		2017	2018	2019	2020
1	Fixed combustion source	490	482	390	392
	Fugitive emissions	451	380	481	519
	SUBTOTAL SCOPE 1	941	862	871	911
2	Electricity (market method)	9,987	9,925	5,647	4,047
	Electricity (location method)	9,987	10,252	9,180	6,483
	Purchased supplies and services	1,480	1,448	1,484	1,381
3	Fuel manufacturing	80	76	57	57
	Waste and recycling	2	1	140	159
	Business travel	2,816	2,418	1,647	565
	Employee transportation	7,005	6,657	6,893	3,052
	Downstream transportation and distribution	59	41	24	18
	Energy consumed by remote employees	n.a.	n.a.	n.a.	2,717
	Use of products sold	1,455	1,387	1,218	920
	SUBTOTAL SCOPE 3	12,896	12,028	11,463	8,868
TOTAL (market method) **		23,824	22,815	17,981	13,826
TOTAL (location method) **		23,824	23,142	21,513	16,262

* The measurement of energy consumed in remote work was incorporated in 2020, to reflect the change in the working conditions deriving from the global pandemic.

** Market method: Shows the emissions for which the company is responsible through its energy purchase decisions, calculated using an emissions factor of 0 for energy purchased via an unregulated customer power purchase agreement, which ensures that the energy is from non-conventional renewable energy sources. / Location method: Assumes that the associated energy is delivered by the National Electric System, so the emissions from purchased nonrenewable and renewable energy are both calculated using the average annual emissions factor of the NES, given by the National Energy Commission (<http://energiaabierta.cl/visualizaciones/factor-de-emision-sic-sing/>).

*** Bci's 2020 carbon footprint inventory was built on the GHG Protocol, under operational control over operations in national territory.

Environment



CHALLENGES AND OPPORTUNITIES

- Comprehensive resource and waste management
- Environmental management traceability, including suppliers
- Quantification of emissions from remote work

CORPORATE POLICIES AND GUIDELINES

- Approved by the Board
- In effect since January 2021
- **Objective:** Continuously improve environmental performance and increase contribution to the mitigation and adaptation to the effects of climate change.
- **Commitments:**
 - Reduce our carbon footprint
 - Manage resources efficiently
 - Promote a sustainable culture
 - Build a sustainable supply chain
 - Comprehensive waste management

LINES OF ACTION

Operational Eco-efficiency Plan

Launched in 2018, this plan has 2028 targets for the Bank's carbon footprint, energy consumption, water, paper, and waste management.

INDICATORS

Waste

2028 Target: Reduce waste sent to landfills to 10%.
Baseline: 2020
2021 Target: Reduce waste sent to landfills to 80% (this target is for facilities where the zero waste program has been implemented)
Coverage: 25% of the Bank's total area

	Unit	2020
Area covered	m²	41,225
Total waste generated	kg	335,897
Total waste sent to landfills	kg	327,221
Total recycled waste	kg	8,676
KPI: Waste sent to landfills (kg) / Total waste generated (kg)		97%

* The amount of waste sent to landfills was estimated from January to July for the Alcántara and Huérfanos 1102 buildings and from January to May for the corporate building, reflecting the implementation date of the new waste model in each building, when real data began to be collected. The data on waste similar to household waste generated by the cafeterias in each building are real data, since the cafeteria suppliers report the total amount of waste generated per building every year.

Energy

2028 Target: Reduce energy intensity by 50% relative to the baseline
Baseline: 2014
2020 Target: -26%
Coverage: 100%

Evolution of the energy intensity indicator:
kWh/m²

2014	2015	2016	2017	2018	2019	2020
182.4	172.8	168.21	156.4	139.1	137.5	122.9

Energy

	2017	2018	2019	2020
Nonrenewable electricity purchased (kWh/year)	27,978,699	23,403,074	13,922,725	10,556,518
Nonrenewable energy—fuels (KWh/year)	2,308,225	2,254,477	1,860,758	1,864,014
Total nonrenewable energy consumed (KWh/year)	30,286,924	25,657,551	15,783,483	12,420,532
Renewable electricity purchased (kWh/year)	0	771,455	8,709,192	6,352,418
Renewable electricity generated (kWh/year)	22,744	38,383	32,040	23,162
Renewable fuels consumed (KWh/year)	61,824	185,472	0	0
Total renewable energy consumed (KWh/year)	84,568	995,310	8,741,232	6,375,580
Total energy consumed (Renewable + Nonrenewable)	30,371,492	26,652,861	24,524,715	18,796,112

Water

2028 Target: Cut water use by 50% relative to the baseline
Baseline: 2017
2020 Target: -18%
Coverage: 27%

	2017	2018	2019	2020
Absolute consumption (MMm³)	0.101564	0.109343	0.086704	0.052917
KPI (m³/m²)	2.07	2.23	1.77	1.14

Paper

2028 Target: Reduce paper consumption by 50%
Baseline: 2017
2020 Target: -28%
Coverage: 27%

	2017	2018	2019	2020
Office Paper (Kg)	310,752	225,872	229,236	151,401
Industrial paper rolls (Kg)	34,537	33,201	29,712	15,014
Total	345,289	259,073	258,948	166,415

People



TALENT ATTRACTION AND RETENTION

CHALLENGES AND OPPORTUNITIES

- Attraction of digital talent
- Women in leadership positions
- Hiring internal applicants

CORPORATE POLICIES AND GUIDELINES

Development Opportunity Policy

- Approved by the Board.
- In effect since December 2014; updated in July 2019.
- Objective: Ensure the flow of present and future talent required to leverage the business strategy, through employees who recommend Bci as a place with a unique purposeful culture and leadership style, where it is possible to grow personally and professionally.

Talent attraction process

- Approved by the Board.
- In effect since December 2010; updated on 16 June 2020.
- **Objective:** Define specific procedures, roles, and responsibilities in the talent attraction process.

PROGRAMS

Professional internships

For the early attraction of young digital talent, Bci offers professional internships as part of a program that reviews and evaluates all aspects of this stage.

In 2020, 105 young professionals worked as interns at Bci.

Corporate Trainee

This program is a one-year training experience, where young talent with up to two years of work experience have the opportunity to acquire knowledge and skills for facing the challenges of the current context. During the year, the trainees work with different leaders of the Corporation, who guide them in their professional and personal development at Bci.

In 2020, seven young Bci professionals participated in this program.

StarMeUp program

Implemented in April 2018, StarMeUp is an intranet platform where any employee can recognize any other employee, sending them stars for exemplifying the attributes of the Bci Profile.

INDICATORS

Bci and subsidiaries in Chile, excluding Lider Bci Servicios Financieros

Employee turnover	Unit	2020	2019	2018	2017	2016
Turnover rate of employees under 30 years of age	%	2.3	4.3	5.0	4.8	5.1
Turnover rate of employees between 30 and 50 years of age	%	4.6	8.5	8.0	8.8	7.7
Turnover rate of employees over 50 years of age	%	0.5	1.3	0.6	1.7	1.1
Turnover rate of women	%	3.5	6.8	7.3	8.1	7.6
Turnover rate of men	%	3.9	7.4	6.4	7.2	6.2
Total turnover rate	%	7.4	14.1	13.7	15.3	13.8

Multidimensional performance evaluation	Unit	2020	2019	2018
Percentage of employees who receive multidimensional individual evaluation	%	90		

Commitment	Unit	2020	2019	2018
Employee commitment and satisfaction (2020 goal: 88%)	%	90	88.0	83.5
Employees	%	90	88	81

Internal development	Unit	2020	2019	2018	2017	2016
Percentage of vacant positions filled by internal candidates	%	37	33	33	21	23

Pay equity	Unit	2020
Average gross salary of female executives and workers relative to male executives and workers	%	100.30

Lider Bci Servicios Financieros

Employee turnover	Unit	2020
Turnover rate of employees under 30 years of age	%	8.74
Turnover rate of employees between 30 and 50 years of age	%	16.17
Turnover rate of employees over 50 years of age	%	1.64
Turnover rate of women	%	16.37
Turnover rate of men	%	10.17
Total turnover rate	%	26.54

Multidimensional performance evaluation	Unit	2020
Percentage of employees who receive multidimensional individual evaluation	%	7%

Commitment	Unit	2020
Employee commitment and satisfaction	%	94.2

Pay equity	Unit	2020
Average gross salary of female executives and workers relative to male executives and workers	%	105

People



DIVERSITY AND INCLUSION

CHALLENGES AND OPPORTUNITIES

- Greater inclusion of employees with disabilities
- Development of a special value offer

CORPORATE POLICIES AND GUIDELINES

Diversity and Inclusion Policy

- Approved by the Board
- In effect since 2 May 2018
- **Objective:** Provide a policy framework for an issue that has been fundamental for the Bank since its inception.

PROGRAMS

Bci Unlimited

The program supports all individuals with disabilities within the Corporation. Its objective is to comprehensively promote the labor inclusion of people with disabilities in the Bank, through the execution of labor intermediation procedures, in conjunction with expert consultants, that cover recruitment and selection; monitoring processes and technical adaptations; and a segmented value offer for further training, with scholarships, insurance, and special leave for their health situation.

In 2020, the share of employees with disabilities at Bci was 1%.

INDICATORS

Bci and subsidiaries in Chile, excluding Lider Bci Servicios Financieros

Diversity

Gender	Unit	2020
Share of women in the total workforce	%	51.9
Share of women in lower and middle management positions	%	35.8
Share of women in upper management positions	%	12.4
Share of women in management positions with income-generating functions	%	41.8

Nationality	Unit	2020	2019	2018	2017	2016
Chilean	No.	8,940	9,201	9,205	9,740	10,326
Foreign	No.	322	323	246	189	147
AGE						
Under 30 years	No.	1,206	1,514	1,565	1,722	1,954
30 to 40 years	No.	4,152	3,860	4,047	4,266	4,421
41 to 50 years	No.	2,530	2,647	2,552	2,661	2,740
51 to 60 years	No.	1,141	1,233	1,096	1,087	1,181
61 to 70 years	No.	229	266	188	190	174
Over 70 years	No.	4	4	3	3	3
SENIORITY IN THE COMPANY						
Less than 3 years	No.	2,858	2,704	3,259	3,553	3,903
3 to 6 years	No.	1,165	1,814	1,178	1,408	1,746
6 to 9 years	No.	1,543	1,672	1,713	1,564	1,347
9 to 12 years	No.	1,159	928	865	1,026	1,014
Over 12 years	No.	2,537	2,406	2,436	2,378	2,463

Inclusion	Unit	2020	2019	2018	2017	2016
People with disabilities	No.	92	94	70	39	22

Indicators for Lider Bci Servicios Financieros

Gender	Unit	2020
Share of women in the total workforce	%	68
Share of women in lower and middle management positions	%	55
Share of women in upper management positions	%	44
Share of women in management positions with income-generating functions	%	52

NATIONALITY

Chilean	No.	1,268
Foreign	No.	155

AGE

Under 30 years	No.	343
30 to 40 years	No.	710
41 to 50 years	No.	266
51 to 60 years	No.	92
61 to 70 years	No.	11
Over 70 years	No.	1

SENIORITY IN THE COMPANY

Less than 3 years	No.	620
3 to 6 years	No.	410
6 to 9 years	No.	185
9 to 12 years	No.	133
Over 12 years	No.	75

Inclusion	Unit	2020
People with disabilities	No.	14

People



SKILLS FOR THE FUTURE

CHALLENGES AND OPPORTUNITIES

- Digitization and its impact on people's lives
- New business models
- New ways of working

CORPORATE POLICIES AND GUIDELINES

Development Opportunity Policy

PROGRAMS

Specialist Development Offer

Through this program, Bci seeks to promote growth in the institution of highly specialized employees who play key roles in the Bank, but who do not aspire to a traditional career in the organization.

The initiative aims to develop a differentiated value offer, focused on:

- Recognizing the business contribution of specialist positions;
- Increasing career options through employee self-management;
- Designing and implementing a compensation strategy that allows a fair and meritocratic assessment of specialist positions;
- Providing training tools based on the technical gaps detected; and
- Identifying existing skills and skills that need to be developed, based on a collaborative process between the employee and the team leader.

Bci Leadership Academy

The Bci Leadership Academy is the cornerstone of leadership development initiatives in the Bank, articulated through four main branches: (1) specialized training to adequately exercise a leadership role, using discussion groups, the *Conecta Líder* platform, webinars, and other tools; (2) consolidation of leadership skills, through team workshops, mentoring, and coaching; (3) formal mechanisms to reinforce and support the sustainability of the Bci leadership style: performance management, engagement, recognition; and (4) modeling, through ongoing communication on team motivation and management, which is the objective of Bci's internal communication channel, *Contacto Líder*.

Mentoring program

Mentoring is a mutual learning relationship between a person with more experience (mentor) and someone with less (mentee), which supports the development of skills and knowledge that enhance the mentee's career. The mentoring program is carried out twice a year, once in each half, and outstanding employees with more and less experience are invited to form mentor-mentee pairs. Mentors and mentees have an initial workshop and then meet about five times during the half. In the first meeting, they define the objectives to be worked on, and these objectives are monitored at subsequent meetings, when activities or tasks are proposed to fulfill them.

INDICATORS

Data coverage: Bci and subsidiaries in Chile, excluding Lider Bci Servicios Financieros

Human capital development	Unit	2020	2019	2018	2017
Average training hours per employee	h	55.3	34.63	35.23	40.1
Amount invested in training and development	CLP	2,340,414,973	2,524,887,701	2,745,244,590	2,651,202,312

Leadership training	Unit	2020
Employees training at the Bci Leadership Academy	No.	35
Continuous training programs	No.	1,025

Indicators for Lider Bci Servicios Financieros

Human capital development	Unit	2020
Average training hours per employee	h	31.72
Amount invested in training and development	CLP	135,000,000

People



HEALTH AND WELL-BEING

CHALLENGES AND OPPORTUNITIES

- Accelerated, unexpected, and constant changes caused by the COVID-19. pandemic
- New habits, behaviors, and challenges as a country

CORPORATE POLICIES AND GUIDELINES

Corporate Health, Safety, and Environmental Policy

- Establishes guidelines for the prevention and control of work-related incidents and environmental impacts, facilitating timely training and the continuous improvement of working conditions, through the detection and elimination of their causes, based on regulatory compliance.

Quality of Life Policy

- In effect since 2012
- Manages and promotes healthy lifestyles in all the Corporation's business processes, to generate healthy, safe work environments, work-family balance, and free time.

New Normal Plan

- Prepared taking into account international best practices, employees' opinions, customers' needs, and protocols established by the health authorities.
- The plan includes specific measures tailored to the national context and the different stages of employees' activities in face-to-face and remote work.

PROGRAMS

Bci Balance Plan

Objective: Generate greater awareness of each employee's responsibility in relation to personal balance, their team, and a close-knit environment.

Commitments: Promote digital disconnection, prioritize and focus, connect emotionally with others, and ensure consistency with the Bank's values.

Actions: Dissemination of practices, habits, and measures, reinforced through newsletters, testimonials, and internal videos.

INDICATORS

Data coverage: Bci and subsidiaries in Chile, excluding Lider Bci Servicios Financieros

Occupational Health and Safety	Unit	2020	2019	2018	2017	2016
Accident rate (number of work-related accidents with lost time, per 100 workers)	%	0.32	0.74	0.79	1.12	0.75
Lost-day rate (number of days lost due to work-related accidents and illnesses, per 100 employees)	No.	18.3	20.0	18.4	21.3	9.6
Frequency rate (accidents in the workplace as a share of hours worked, excluding vacations, leave, sick days, etc.)	%	1.60	5.21	5.24	6.10	3.90
Absentee rate (number of days absent in the year / total scheduled workdays in the year)	%	6.83	6.63	7.22	7.92	n.a.
Number of work-related illnesses (illnesses directly caused by the employee's work)	No.	42	3	5	5	7
Number of fatal accidents (work-related accidents resulting in death)	No.	0	0	0	0	0
Average days lost due to accidents (days lost / number accidents)	No.	26.50	17.17	14.34	10.33	10.18
Days lost due to commuting accidents	No.	1,047	2,322	1,581	1,951	1,765
Days lost due to work-related accidents	No.	824	1,219	1,321	1,378	848
Days lost due to work-related illnesses	No.	916	890	487	860	185
Number of workers who took postnatal leave	No.	221	270	307	323	366
Average days of postnatal leave taken in the year	No.	84	84	84	84	84
Percent of employees with representation on formal joint occupational health and safety committees	%	77	76	75	86	80

Indicators for Lider Bci Servicios Financieros

Occupational Health and Safety	Unit	2020
Accident rate (number of work-related accidents with lost time, per 100 workers)	%	0.48
Lost-day rate (number of days lost due to work-related accidents and illnesses, per 100 employees)	No.	6.7
Frequency rate (accidents in the workplace as a share of hours worked, excluding vacations, leave, sick days, etc.)	%	1.92
Absentee rate (number of days absent in the year / total scheduled workdays in the year)	%	0.01
Number of work-related illnesses (illnesses directly caused by the employee's work)	No.	0
Number of fatal accidents (work-related accidents resulting in death)	No.	0
Average days lost due to accidents (days lost / number accidents)	No.	13.80
Days lost due to commuting accidents	No.	91
Days lost due to work-related accidents	No.	69
Days lost due to work-related illnesses	No.	0

Society



FINANCIAL AND DIGITAL INCLUSION

CHALLENGES AND OPPORTUNITIES

- Access for everyone to quality financial products and services
- Digitalization of business models
- Acceleration of e-commerce growth
- Development of digital capabilities of people and businesses
- Business formalization

CORPORATE POLICIES AND GUIDELINES

Bci Sustainability Plan

- Approved by the Board
- In effect since 2019
- **Objective:** Increase the social and environmental impact of the business's strategic initiatives.
- The plan promotes the financial inclusion of people, through digital instruments, and supports SMEs in their digital transformation.

PROGRAMS AND SOLUTIONS

MACH

The MACH application was created by Bci in 2017 and has evolved toward becoming a fully digital bank. It provides free, easy-to-use financial tools that are accessible to anyone over 18 years of age, requiring only a Chilean ID number and a telephone with internet access.

MACH was developed to address the unmet needs of people without access to the traditional financial system.

Evoluciona Bci

This program was created in 2020 to support the digital transformation of SMEs across the country. On the website, small and medium-sized businesses can access initiatives that help them grow their business through the digital sales channel; professionalize their company, by delivering relevant content; and improve their productivity, by connecting them with strategic partners for the adoption of digital tools.

Bci Entrepreneurs

In the Retail Banking Division, one of Bci's service objectives for the entrepreneur segment (microbusinesses and SMEs) is to contribute to the financial inclusion of women and foreign micro-entrepreneurs.

INDICATORS

Nationality	Unit	2020	2019	2018	2017
Usuarios de MACH	No.	2,746,690	1,833,523	938,390	15,353
MACH Visa virtual card users	No.	2,169,229	1,260,340	547,002	0
Share of micro-entrepreneurs with a checking account who are women	%	55.6	n.a.	n.a.	n.a.
Share of micro-entrepreneurs with a checking account who are foreigners	%	8	n.a.	n.a.	n.a.
Share of FOGAPE COVID-19 loans (number) that correspond to women micro-entrepreneurs	%	53.3	n.a.	n.a.	n.a.
Share of FOGAPE COVID-19 loans (amount) that correspond to women micro-entrepreneurs	%	52.1	n.a.	n.a.	n.a.
Share of FOGAPE COVID-19 loans (number) that correspond to foreign micro-entrepreneurs	%	8.9	n.a.	n.a.	n.a.
Share of FOGAPE COVID-19 loans (amount) that correspond to foreign micro-entrepreneurs	%	8.3	n.a.	n.a.	n.a.

Society



ECONOMIC CONTRIBUTION

CHALLENGES AND OPPORTUNITIES

- Contribute to 2030 Sustainable Development Goals
- Support the economic and social development of the country, meeting the most urgent needs of vulnerable people.

CORPORATE POLICIES AND GUIDELINES

Corporate citizenship strategy

- In effect since 2017
- Defines transfer mechanisms (donations, sponsorship, patronage, memberships, and corporate volunteering), action areas or priorities for channeling contributions, and implementation procedures.

Social Contribution Policy

- In effect since 2018
- Establishes guidelines to ensure that social contributions are in line with the principles and values expressed in the Bci Code of Ethics and in compliance with the laws governing these matters, so that they directly benefit the communities where Bci is located and society as a whole.

PROGRAMS

Corporate citizenship initiatives

In partnership with expert organizations, Bci seeks to contribute to increasing the country's social, cultural, and educational heritage, through initiatives in four areas: childhood, the elderly, quality education, and cultural heritage.

Compromiso País Roundtable

A public-private initiative to train workers in homes run by the child protection services system (SENAME) for children and adolescents. Bci is a leader on this initiative, together with the Catholic University of Chile, the residences board of the Community of Solidarity Organizations (COS), SENAME, the Ministry of Justice and Human Rights, and the Ministry of Social Development.

INDICATORS

Economic value generated and distributed

In 2020, Bci generated economic value of CLP 2,760.336 billion, a decrease of 5.06% relative to 2019 and an increase of 10.32% over 2018. In terms of distributed value, as shown in the following table, the company's operation generated value for its goods and services suppliers, employees, shareholders, creditors, the community, and the Treasury.

Millions of pesos each year, consolidated

	2020	2019	2018
ECONOMIC VALUE GENERATED	2,760,336	2,900,042	2,502,173
OPERATING INCOME	2,760,336	2,900,042	2,502,173
Operating income	2,760,694	2,887,404	2,437,137
Profit (loss) from investments in other companies	(358)	12,638	65,036
DISTRIBUTED ECONOMIC VALUE	(1,893,030)	(2,223,400)	(1,975,905)
OPERATING EXPENSES	(493,159)	(459,564)	(386,939)
Administrative and other expenses	(379,076)	(355,437)	(319,338)
Depreciation and amortization	(114,083)	(104,127)	(67,601)
Employee wages and benefits	(522,080)	(483,886)	(464,558)
Payments to capital suppliers	(832,504)	(1,137,232)	(987,826)
Shareholders (dividends) ¹	(104,138)	(141,616)	(135,892)
Suppliers of financial resources ²	(728,366)	(995,616)	(851,934)
Payments to the government (income tax)	(24,665)	(128,437)	(123,802)
Contribution of the FMC	(14,034)	(11,770)	(10,228)
Contributions to the community	(6,588)	(2,511)	(2,552)
RETAINED ECONOMIC VALUE³	867,306	676,642	526,268

Notes.

(1) Corresponds to the year's dividend, which is paid in the following year.

(2) Interest, indexation, and commissions paid.

(3) Difference between the generated and distributed economic value.

The main contributions that Bci receives from the Chilean government are primarily associated with credit for training expenses, credit for the acquisition of property, plant, and equipment, and credit for donations of various kinds.

Millions of pesos each year, consolidated

Item	2020	2019	2018
Credit for training expenses	2,104	2,009	1,898
Credit for donations	2,064	2,086	1,976
Credit for acquisition of property, plant, and equipment	40	32	32
Total government contribution	4,208	4,127	3,096

Note: The amounts indicated for 2020 will be declared on the tax return for tax year 2021, in the month of April.

MEMBERSHIP FEES

In 2020, Bci made total contributions of CLP 568,829,042.

Annual contributions (CLP)	2020	2019	2018	2017
Membership fees	186,000,788	216,832,916	182,859,707	131,020,866
Research institutions	382,828,254	266,955,026	225,458,935	321,260,485
	568,829,042	483,787,942	408,318,642	452,281,351

Main contributions (CLP)	2020
CLAPES UC	150,000,000
Center for Public Policy, PUC	120,000,000
Guillermo Subercaseaux Institute of Banking Studies	57,347,080

Labor unions

Main topics addressed	2020 Contribution (CLP)
Promotion of free trade, international investment, and commercial alliances between companies from different countries.	61,507,265
Promoting sustainable development and corporate social and environmental responsibility has been an important issue for Bci in the last decade.	45,146,417

SOCIAL INVESTMENT

	Cash donations	In-kind donations	Volunteer work (est. value)	Total 2020
Social Investment	9,153,299,230	556,778,627	32,421,662	9,742,499,519
Management expenses	215,032,422	–	–	215,032,422



Governance Principles



BOARD COMPOSITION

CHALLENGES AND OPPORTUNITIES

- Corporate governance excellence
- Effectiveness of management and strategic control
- Supervision of the ethical framework

CORPORATE POLICIES AND GUIDELINES

Manual on Corporate Governance Practices

- Approved by the Board
- In effect since 2016; updated in 2018.
- The manual outlines the rules and principles of corporate governance, aimed at progressively improving internal self-regulation mechanisms, ensuring full compliance with current regulations, and creating value for the Bank and its shareholders, customers, employees, the community, and the market in general.

GOVERNANCE PRACTICES

Induction of new directors

Bci's Board of Directors has established an induction process for new directors, in order to provide them with sufficient information regarding the company, its principles, values, businesses, stakeholders, risks, policies, procedures, main accounting criteria, the relevant applicable legal framework, etc.

Board training

Every year, the Directors of Bci receive training on specific and relevant management topics, through sessions with experts.

Board Self-Assessment

The Board conducts an annual self-assessment of its functioning and compliance with corporate governance standards, in order to consolidate best practices and propose actions to generate any changes deemed necessary.

INDICATORS

Bci's Board of Directors has nine members, elected at the Ordinary Annual Shareholders' Meeting. They remain in office for a period of three years, after which they can be reelected.

For a presentation of the members of the Board of Directors, see Chapter 7: Additional Information.

Independence	2020	2019
Number of directors who have not been employed by the bank at the executive level in the last five years	9	8
Number of directors who do not have family members who were employed by the Bank or one of its subsidiaries at the executive level in the last three years	8	6
Number of directors who have not been a partner or employee of the company's independent auditor in the last three years	9	9
DIVERSITY		
Number of foreign directors	1	0
Number of directors under 30 years of age	0	0
Number of directors 30 to 40 years of age	0	0
Number of directors 41 to 50 years of age	1	1
Number of directors 51 to 60 years of age	1	1
Number of directors 61 to 70 years of age	6	7
Number of directors over 70 years of age	1	0
EXPERIENCE		
Directors with relevant work experience in the financial sector	9	9
Independent directors with experience in the industry	2	2
Average duration of members of the Board		
Directors with under 3 years in office	2	1
Directors with 3 to 6 years in office	3	4
Directors with 6 to 9 years in office	1	1
Directors with 9 to 12 years in office	2	2
Directors with over 12 years in office	1	1

Governance Principles



ETHICS

CHALLENGES AND OPPORTUNITIES

- Development of an ethical culture consistent with the corporate mission, vision, and values.

CORPORATE POLICIES AND GUIDELINES

Code of Ethics

- Approved by the Board
- Updated in 2018
- The Code of Ethics contains Bci's official statements on its organizational ethical value proposition and how it contributes to the common good. It is made up of the organizational ethical framework and ethical standards.

Bci's Cultural Management Model

The model has four key pillars:

- Leadership by example;
- Promotion of understanding and conviction;
- Reinforcement through formal mechanisms; and
- Talent and skills development.

PROGRAMS

Ethics Plan

Drawn up from internal surveys and mechanisms for receiving inquiries and complaints, Bci's Ethics Plan is developed throughout the year with an emphasis on the most immediate issues. Progress is periodically communicated to the Ethics Committee.

INDICATORS

Bci has four channels designed to receive information, questions, or complaints, confidentially and at any time. Contacts are handled by the Ethics Committee or the respective manager.

Information and advice on ethical behavior

Confidential reporting channels

<i>Bci te escucha</i> (Bci Listens)	<i>¿Qué hago?</i> (What Should I Do?)
<p>This channel for reporting problems related to the work environment, such as abuse of power or harassment, is managed by the Human Resources Division.</p> <p>CONTACTS 2020: 39 2019: 48 2018: 38 2017: 56 2016: 33</p>	<p>This is a mechanism for employees to contact the Ethics Committee with questions or reports. Contacts</p> <p>CONTACTS 2020: 77 2019: 100 2018: 49 2017: 82 2016: 46</p>
Fraud prevention	Criminal Risk Prevention and Free Competition
<p>This channel for reporting bad practices, control weaknesses, and potential internal and external fraud is managed by the Operational Risk Division.</p> <p>CONTACTS 2020: 55 2019: 123 2018: 245 2017: 126 2016: 72</p>	<p>This channel receives complaints and inquiries from employees, customers, and suppliers regarding any breach of the Criminal Risk Prevention Policy.</p> <p>CONTACTS 2020: 52 2019: 27 2018: 47 2017: 47 2016: 107</p>

Governance Principles



TRANSPARENCY

CHALLENGES AND OPPORTUNITIES

- Long-term relationships based on trust
- Social legitimacy of the companies

CORPORATE POLICIES AND GUIDELINES

Code of Ethics

- Transparency is one of the guiding criteria for financial operations and is part of our commitment with shareholders and customers.

Manual on information handling and disclosure

- In effect since July 2018
- The manual establishes the necessary provisions for the rapid disclosure to the general public and to Bci's investors and public shareholders of sufficient information to ensure transparency to the market.

Bci Sustainability Plan

- In effect since 2019
- In relation to transparency, the plan identifies the objective of establishing a single stakeholder agenda that encourages engagement and active co-construction, to promote greater trust and transparency.

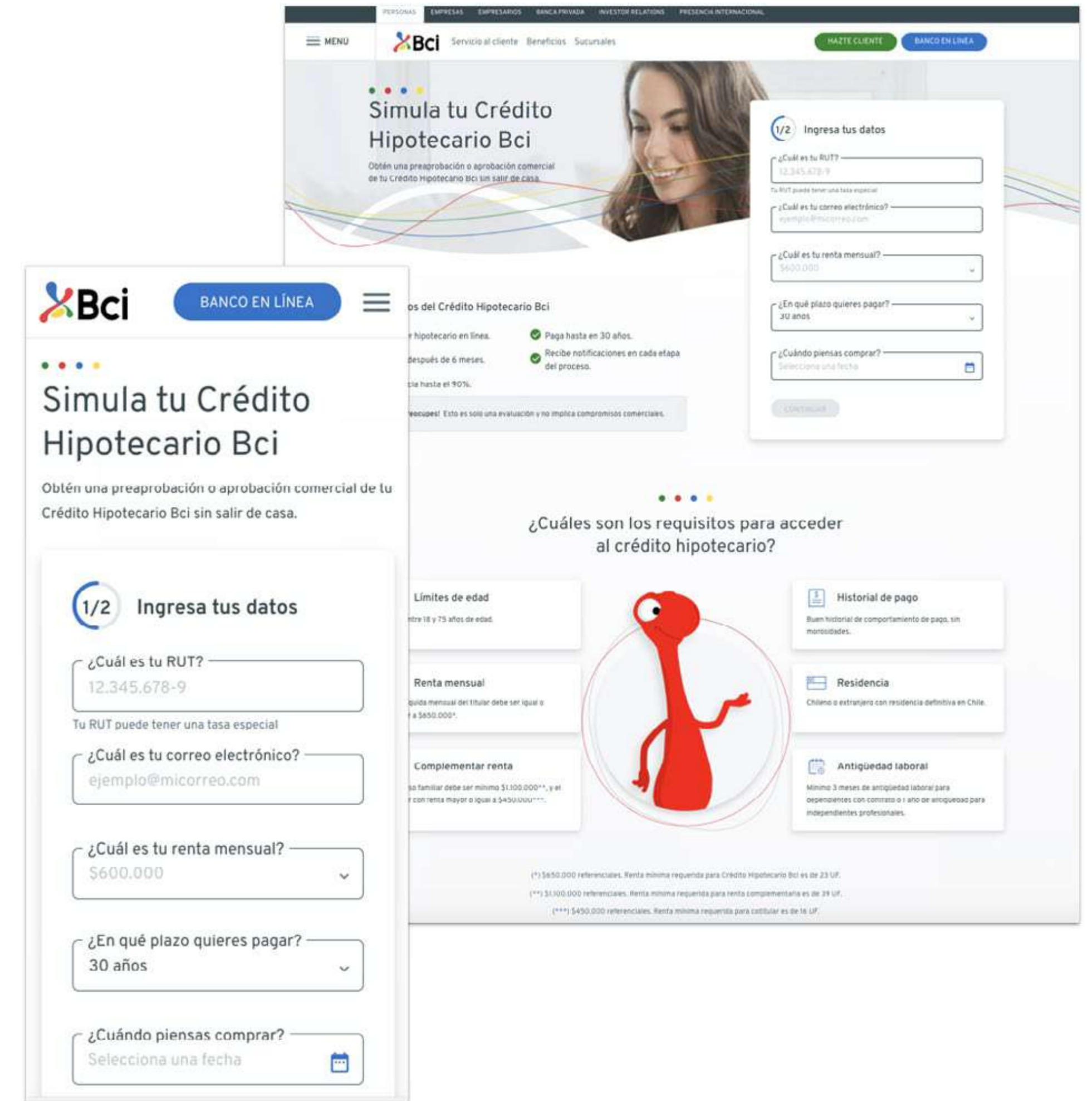
Business Units

Retail Banking

The Retail Banking Division successfully faced the operational challenges of delivering loans and special benefits to support individuals and businesses, the entry into force of the Financial Portability Law, and the pension fund withdrawal authorized in the context of the health crisis. It also continued to innovate in business models and customer experience.

2020 HIGHLIGHTS

- First in Customer Satisfaction, large bank category, Procalidad (shared position)
- Winner of the 2020 World's Best Consumer Digital Bank Award, Latin American region, national level, from Global Finance.
- Best Latin American bank in the Social Media Marketing and Services subcategory, from Global Finance.
- First place for best website and second place best app, in Servitest Personas 2020.
- Best implementation of the Salesforce Platform in Latin America, from Salesforce.
- Launch of virtual financial advisory solutions in the Bci App based on artificial intelligence: Piggy Bank (automatic savings) and Feed (personalized daily alerts).
- Bci's market share in FOGAIN loans grew from 0.7% to 21.0%.
- The launch of a new business model in the home loan area improved customer experience and business effectiveness, which had a significant impact on the Bank's results in home mortgage loans. In 2020, Bci led the growth in loan flows, achieving a market share of 19%.



Wholesale & Investment Banking

From the beginning of the lockdowns, Bci Wholesale & Investment Banking assisted its clients in the migration from physical payments to electronic payments, mainly in mass supplier payments, which drove the growth of cash management agreements and the growth associated with the new payment volumes originating from the Bank.

Despite operating with 70% of the staff working remotely, the Wholesale Banking Division positioned Bci as the bank that contributed the most to channeling the FOGAPE COVID-19 loans promoted by the government to support the business sector, accounting for 23.74% of the total and UF 35 million in loans. Of this amount, CLP 606.850 billion went to large businesses and real estate companies, CLP 384.334 million to businesses, CLP 35.327 million to corporations, and CLP 75 million to Private Banking clients.

This performance was made possible by our knowledge of our client portfolio and the coordination of rapid product development and deployment.

2020 HIGHLIGHTS

- Activation of 100% online commercial loans and letters of guarantee for the large business segment. At year-end, 40% of these products were being sold digitally.
- 30% growth in new agreements in Large Business Banking and 24% in Business Banking.
- Consolidation of International Private Banking. Through the new commercial platform for private bankers at the Bci Miami branch, close to 200 new clients, from Chile and the rest of Latin America, began operating in banking and investment services. This team of bankers operates in conjunction with Private Banking in Chile and uses Bci's international platform, which includes Bci Miami, Bci Securities, and City National Bank of Florida.
- The volume of payments under the new agreements grew 102% in Large Business Banking and 75% in Business Banking.
- Efficiency and speed in processing payment of the 10% pension fund withdrawal for customers.
- Support for customers with international trade financing through COBEX, a state-guarantee program offered by CORFO, for CLP 18.777 billion, for a 19.0% market share.
- Leading position in factoring, with a 32% market share, ensuring customer support and operational continuity through 100% digital channels.
- 28% annual growth in the sale of reverse factoring agreements, a product promoted to support supplier communities, mostly SMEs.
- Corporate Finance and Real Estate Banking led in the Concessions and Infrastructure business, structuring the financing of 75% of new projects in Chile in 2020.

2020 BUSINESS HIGHLIGHTS

Client	Operation	Bci's participation	Amount
ENAP	Corporate bond	Financial adviser	UF 5,000,000
Atacama	Corporate bond	Structuring agent	UF 2,300,000
Inmobiliaria Apoquindo SpA (Toesca)	Underwritten corporate bond	Financial agent and placement agent	UF 2,800,000
Nahuelbuta Highway	Project Finance	Financial advisor, structuring agent, and underwriter	UF 7,860,000
Aleatica (New highway, Sociedad Concesionaria Nogales Puchuncaví)	Project Finance	Financial advisor and structuring agent	UF 4,500,000
Metropolitan Generator	Financing	Financial advisor, structuring agent, and underwriter	CLP 45.763 billion
EnteraGen (Acquisition of solar portfolio)	Financing	Financial advisor and structuring agent	US\$ 50 million
Multiexport Foods (Salmones Multiexport Ltda.)	Corporate loan	Joint structuring agent	US\$ 250 million
Lago Sofía SpA	Financing	Financial advisor and structuring agent	US\$ 17,85 million
TIF Inversiones SpA (Toesca)	Acquisition financing	Structuring agent	US\$ 45 million

Finance Division

The Finance Division achieved solid liquidity management in a year marked by the social crisis, the COVID-19 pandemic, and the major operational efforts necessary to channel customer support programs and the pension fund withdrawal.

The Finance Division participated in various customer support measures, such as mortgage deferrals, flexible loan restructuring, and the channeling of facilities provided by the government and the Central Bank of Chile, in particular, the COVID-19 loans, for which Bci was one of the largest underwriters in the banking industry. This implied the intensive use of the special FCIC lines (Conditional Lending Facility to Increase Loans), which demanded major operational efforts and a clear strategy to successfully finance these measures.

The Division saw a significant increase in the number of credit-related operations, both new and prepaid or refinanced. In addition, the market's demand for fixed-income instruments increased considerably, for the purpose of posting collateral. This context required the ability to perform financial stress analysis and heightened the need for different liquidity buffers, as well as a diversified source of short- and long-term financing.

2020 HIGHLIGHTS

TREASURY

- The entire allocated FCIC line was secured.
- Bci issued its first subordinated debt since 2014. These issues, totaling UF 9 million, not only help finance loans at historically low rates, but also improve the Bank's Basel capital ratios and reduce the required technical reserve.
- Implementation of the first hedge of foreign currency expenses, which reduces earnings volatility in the face of exchange rate fluctuations.

SALES & TRADING

- Award of pre-hedge mandate and ENAP bond placement.
- CCS with physical delivery with a Carozzi subsidiary in Peru.
- Structuring of a forward contract and CCS with Caixabank for the purchase of Bci Seguros by Mutua Madrileña.
- Toesca bond underwriting for UF 2.8 MM.

- Automation of pricing and booking of spot and NDF operations with offshore banks, now 100% self-serviced.
- Record amount traded with fixed-income clients.
- Largest automation ever in Trading Platforms for clients.
- Highest S&T operating margin ever.
- Record share of the electronic FX market, at 12.24%.
- Consolidation of leadership in the PFM market, with 18% market share in FX derivatives and 30% market share (first place) in interest rate derivatives.
- Leading market share in the spot and forward FX market in the corporate sector (non-institutional), with 25% and 27%, respectively.
- 57% market penetration in web forex trading in SME banking.

BCI RESEARCH

- In a particularly complex year, the Research area strengthened its relationship with the Bank's customers through periodic presentations on digital channels, conference calls, and economic reports. An in-depth analysis was carried out of the year's events and their implications for the economic scenario and the forecasting of key decisionmaking variables.
- The Bci Research area maintained a strong media presence, solidifying its position as an authority on economic issues and contributing significantly to the analysis of the unfolding scenario and the national debate on the design of public policies.

International Division

Bci continued to develop its international expansion strategy in 2020, with the purchase of a third bank in the United States and preparations to open a banking subsidiary in Peru once the corresponding authorization is granted.

CITY NATIONAL BANK OF FLORIDA

City National Bank of Florida (CNB) is fundamental in Bci's internationalization strategy. It is currently the second-largest local bank based in the State of Florida and one of the 100 largest in the United States, with assets over US \$ 18.0 billion. In October 2020, it acquired Executive National Bank of Florida, consolidating its presence.

CNB collaborated with programs designed by the United States Government and the Federal Reserve to support small and medium-sized businesses and protect jobs at risk as a result of the COVID-19 pandemic. CNB led the market in the granting of these loans, with a total of US\$ 1.85 billion from the Paycheck Protection Program (PPP) credit line, representing 5.83% of PPP loans to Florida companies. This is triple the bank's market share of total deposits in that state.

2020 HIGHLIGHTS

- 15% increase in the customer base relative to the previous year, after its collaboration with the Paycheck Protection Program (PPP) and Main Street Lending Program (MSLP).
- Acquisition of Executive National Bank of Florida for US\$ 62 million.
- Reduction of annual costs by around US\$ 20 million as a result of efficiency initiatives.
- Implementation of Salesforce, a system that optimizes business management and customer experience.

CNB AT A GLANCE

- Founded in 1946
- Acquired by Bci in 2015
- Headquartered in Miami, Florida
- 867 employees
- 32 branches
- 41 ATMs

ACCOLADES

- Best Bank to Work For 2020, from American Banker Magazine.
- Best Business Bank, Best Bank for Commercial Real Estate Lending, Best Community Bank, Best Bank for Wealth Management, Best Bank for Jumbo Loans, and Best Foreign National Mortgage Lenders; from Daily Business Review.
- Fastest Growing Companies in 2020, from the South Florida Business Journal.
- 5-Star Superior rating by Bauer Financial, the leading bank rating firm in the country.
- Best CEO for Diversity and Best Perks and Benefits, from Comparably.



City National Bank of Florida

31 December 2020

As of December 2020, CNB's assets represented 23.7% of Bci's consolidated assets. This subsidiary contributed 31.4% of final earnings and 25.1% of total loans in the year.

Total assets

US\$ 18.616
billion

+ 18%
annual growth

CNB: KEY FIGURES (excluding Executive National Bank) (US\$ million, 31 December of each year)

	2015	2016	2017	2018	2019	2020
Total assets	6,478	8,257	10,169	14,326	15,841	18,616
Net loans	4,041	5,325	7,062	10,110	10,924	12,320
Deposits	4,483	5,580	7,822	11,287	11,854	14,961
Tangible equity	845	908	982	1,459	1,676	1,840
Net earnings	47 ¹	70	91 ²	146 ³	163	110

1. Net income in 2015 normalized to reflect income for the full year (12 months) and not just income generated after the takeover (in mid-October 2015), which would be US\$10.4 million.

2. Normalized net income in 2017 (does not include the effect of the U.S. tax reform). When the reform is taken into account, accounting net income is US\$52.3 million.

3. Normalized net income in 2018. When the TotalBank acquisition is taken into account, accounting net income is US\$95.8 million.

PERFORMANCE

In 2020, CNB generated profits of US\$ 110 million and had total assets of US\$ 18.616 billion and loans of US\$ 12.32 billion, an increase of 13% over the previous year.

Net income for 2020 was US\$ 110.4 million, a decrease of 32% from the previous year due to provisions of US\$ 101.6 million, versus US\$ 16.3 million in 2019 (up US\$ 85.3 million). Net income before provisions grew 8%, from US\$ 175.1 million in 2019 million to US\$ 188 million in 2020.

COVID-19 RESPONSE

CNB prioritized business continuity and the financial and security needs of employees, customers, and communities.

Operational Resilience

The Bank formulated a business continuity plan in February, operated remotely starting in early March (with the exception of the branch, which remained open), and began its office reopening plan in October, with a third of the staff.

Early and continuously, CNB applied social distancing protocols and health protection measures in workplaces and branches, and it permanently monitored its own operations and those of suppliers.

Customer support

All branches remained open, with modified hours and security protocols, and customer support measures were implemented, including the following:

- 90-day extension on commercial loans and leases;

- 90-day mortgage deferrals and suspension of foreclosures; and
- Option of extending deferrals for an additional 90 days.
- CNB also participated actively in channeling resources from the PPP and MSLP programs.

Employees

- Enhanced health benefits, to include COVID-19 testing for all employees and their families.
- Remote work since the beginning of the pandemic, for employees in high-risk groups.
- Development of a comprehensive plan to safely return to in-person work, with a third of employees working in the office in shifts, starting October 19.

Acquisition of Executive National Bank

On 9 October 2020, Bci completed the acquisition of 100% of Executive National Bank, through City National Bank of Florida, with an investment of US\$ 62 million; that is, US\$ 13 million less than the agreement signed on 25 September 2019, for US\$ 75 million, due to the impact of the pandemic. The transaction was financed with CNB's own funds.

The acquisition of Executive National Bank of Florida translated into immediate asset growth of US\$ 537 million and a contribution of approximately 4% to CNB's earnings. The two banks were merged on December 7 and have operated as one since that day.

BCI MIAMI

The U.S. branch of Bci aims to support Chilean and Latin American customers in their international business and asset diversification, especially in the United States and the countries where Bci has a presence.

Bci Miami marked the beginning of the Bank's internationalization in 1999. Currently, it offers a wide range of financial solutions abroad, offering products and services such as multi-currency checking accounts, deposits, foreign trade services, financing, and, together with Bci Securities, a wide range of investment products and financial advice for individuals and companies.

2020 HIGHLIGHTS

- Over 30% growth in the number of clients.
- Operational continuity based on safe practices such as teleworking, while supporting our customers through a digital onboarding platform, a multi-currency electronic banking platform, videoconferencing, and telephone or in-person assistance, with health protocols.
- A special portfolio management program to ensure the financial strength of the branch.

AT A GLANCE

Established in 1999
81 employees

BCI MIAMI IN 2020

31 December 2020

Key figures

(US\$ million, 31 December of each year)

	2015	2016	2017	2018	2019	2020
Total assets	2,094	2,007	2,445	3,746	4,533	4,196
Net loans	1,283	1,228	1,495	1,858	1,710	1,683
Deposits	1,286	1,375	1,437	1,587	2,024	1,737

BCI IN PERU

Bci is awaiting approval of its multiple banking license, granting authorization to offer all traditional banking products and services in Peru.

COVID-19 RESPONSE

Bci Miami began operating remotely on 16 March 2020, and 95% of the team worked in this modality during the year, with no impact on customer service. At the end of 2020, 90% of employees were teleworking, with no impact on operations or customer service.

The technological structure and organizational capabilities of Bci Miami were prepared for remote operation, because they include contingency plans for operating during hurricanes. Additionally, risk, liquidity, and internal control policies ensured that the bank remained sound under these circumstances.

At year-end 2020, Bci had made progress on both the necessary regulatory authorizations in Chile and Peru and preparations for the new banking subsidiary (planning, systems contracting, offices, people).

This new Bci subsidiary, whose initial capital would be US\$ 60 million, will enhance the Bank's international platform, with a focus on Peruvian firms, Chilean companies with subsidiaries in Peru, and multi-latina corporations. It will offer a wide range of solutions for the corporate and large business segments, taking advantage of Bci's experience and knowledge in this and other markets.

Initial timelines were adjusted due to the pandemic; however, the plan continues to aim for starting operations in the first quarter of 2022.

In the context of the pandemic, the Bank has incorporated remote work methodologies in the technological implementation, and the talent search featured video-call interviews and remote activities. Despite the restrictions on travel and in-person work, a first-rate team has come together in Peru, where the project attracted strong interest from the labor market.

Total assets

US\$ 4.196
billion



Lider Bci Servicios Financieros

BCI SECURITIES

Bci Securities, based in Miami, is a stock brokerage and wealth management business that facilitates access to investment products and services in the U.S. and global securities markets.

Bci Securities has become the main international wealth management platform for Chilean and international high-net-worth clients and companies, to whom it provides investment advisory and execution services.

2020 HIGHLIGHTS

- Launch of a full-service investment platform for managed accounts
- Launch of an online trading platform, where customers invest directly.
- New products: Private placements, municipal bonds, and 529 plan accounts in the United States.

AT A GLANCE

Founded in 2011

Started operations in March 2016

Headquartered in Miami, Florida

Main Products: Stocks, bonds, mutual funds, ETFs, options, structured notes, and margin accounts

Main services: Sales & Trading, wealth and portfolio management, market analysis, and periodic reports.

The service model of Lider Bci Servicios Financieros quickly migrated to the digital channel, due to the pandemic. At year-end, 40% of card applications are submitted online.

Lider Bci Servicios Financieros is the brand that brings together the businesses of five companies acquired by Bci in 2018, dedicated to credit card issuance, insurance intermediation, and complementary services for customers of the Walmart chain, mainly. These are:

- Servicios Financieros y Administración de Créditos Comerciales S.A.
- Administradora de Tarjetas Servicios Financieros Limitada
- Servicios de Comercialización y Apoyo Financiero y de Gestión SSFF Limitada;
- Servicios y Cobranzas SEYCO Limitada; and
- SSFF Corredores de Seguros y Gestión Financiera Limitada.

With a 15.3% share in total credit card loans, the first of these companies ranks third in the industry, with the Lider Bci credit card.

2020 HIGHLIGHTS

- Launch of new digital collection channels.
- Creation of SEYCO Digital, a collection company that operates entirely remotely to ensure continuity.
- Personalized collection strategy.
- Incorporation of a digital credit card application form on the website.
- Migration to contactless and chip cards, closing the year with over 575,000 cards issued with this technology.
- Launch of the new private My Account website.
- More than 500,000 downloads of the BCI Lider Card App.
- Launch of the sale of cash advances and super-advances through the website and the App.

MAIN PRODUCTS

- Credit card, including cash advances and super-advances.
- Credit insurance on credit cards, credit lines, and loans; auto insurance; life and cancer insurance; etc.
- Collection agreements, generated by SEYCO, to provide payment options for customers in arrears.

COVID-19 RESPONSE

Lider Bci Servicios Financieros supported its customers by offering loan rescheduling and payment options, with adequate risk containment. As of 31 December 2020, 14.9% of the loan stock corresponds to this segment, of which 83.4% is up to date.

The company achieved operational continuity of nearly 100%; maintained ongoing communication with customers to notify them of in-person and digital payment and collection channels; monitored critical processes on a daily basis; and established alliances with e-commerce businesses, to provide benefits to their customers in response to mobility restrictions.

Assets under management (AUM)

US\$ 714 billion

+78%

BCI SECURITIES

31 December 2020

Key figures

(US\$ million, 31 December of each year)

	2016	2017	2018	2019	2020
Assets under management (AUM)	79	182	230	400	714
Income	0.107	0.9	1.4	2.4	4.2

MACH

A customer satisfaction index (NPS) of over 70% and annual growth of the user base of 40% confirmed the strength of MACH's strategy and the potential of this Bci innovation.

MACH emerged as a solution to the frictions many Chileans face in money management. Its development has, from the beginning, been customer-centric and driven by disruptive innovation and digitalization, favored by the high penetration of the internet and smartphones in the country (85% and 70%, respectively).

MACH's customer base is complementary to that of Bci: only 10% are clients of both. In the area of credit cards managed by Bci Servicios Financieros, there is a 5% overlap with MACH Visa cards.

Bci's strengths in the areas of compliance, risk, security, and auditing have been fundamental for MACH, a business unit that, in turn, has contributed data analytics capabilities and digital talent to the Bank's traditional processes.

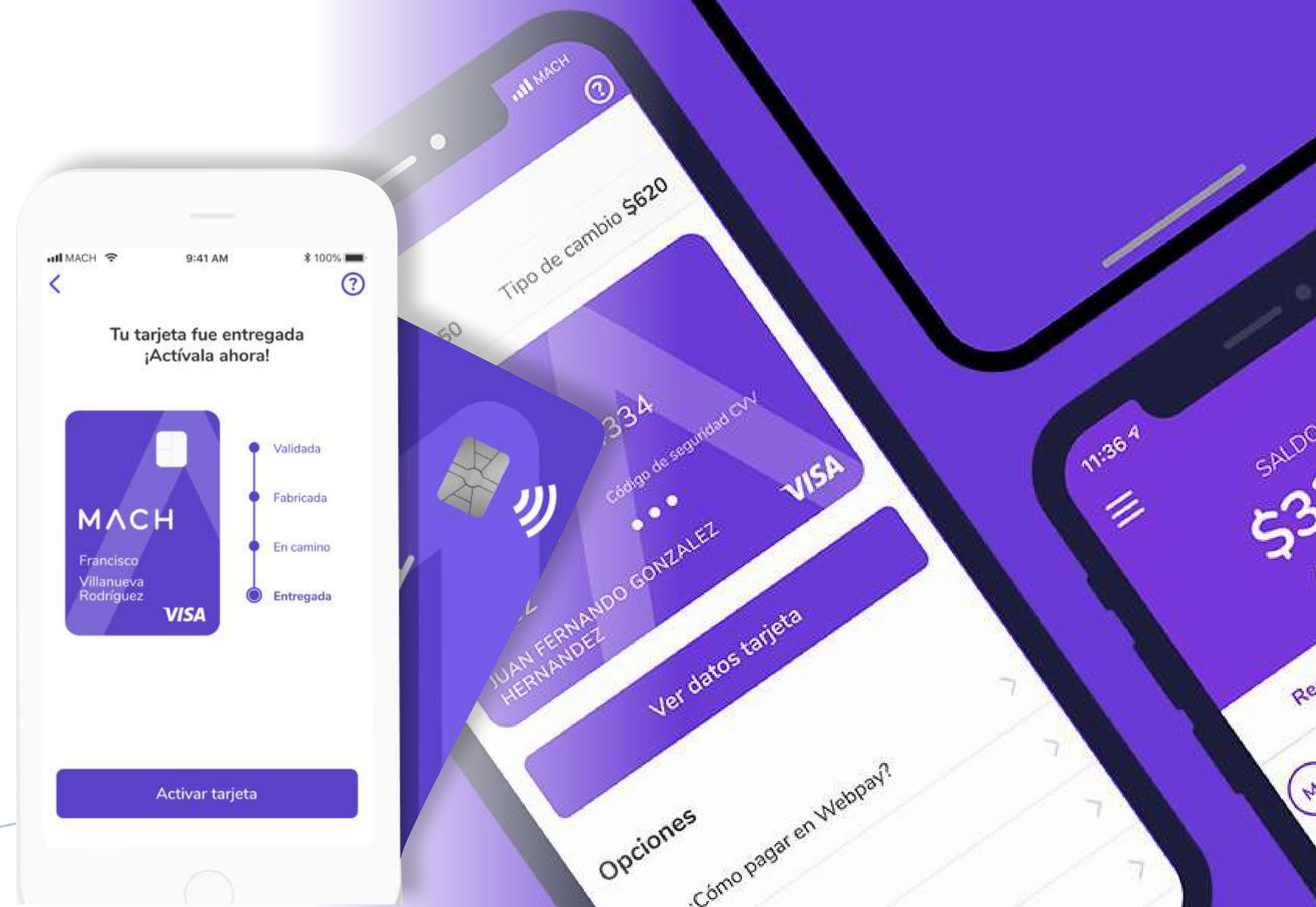
MACH is strongly complemented by Bci Pagos, the joint venture of Bci and EVO Payments that will operate a new acquirer network in the country. Bci Pagos and MACH

can be part of the same payment ecosystem and mutually enhance each other by boosting the number of users and merchants.

MACH aspires to become the leading digital personal bank in Chile. Its value proposition is based on four pillars:

- Digital products that remove frictions;
- Outstanding user experience and service;
- "Freemium" business model available to everyone; and
- Personalized and exclusive benefits.

MACH's operating model is lightweight and efficient: 100% digital (no physical assets), automated operations, and a focus on self-service. This has allowed it to grow exponentially. To reinforce this strength, in 2020 it began the implementation of Mambu, a leading cloud banking platform in the world.



Subsidiaries in Chile



Bci Asset Management Administradora General de Fondos S.A.

ACTIVITIES

Manages 51 mutual funds and 13 public investment funds in operations, four private investment funds, voluntary pension savings (APV) plans through mutual funds, with Collective and Group APV options. Also provides third-party discretionary portfolio management, in accordance with Law 20,712.

2020 HIGHLIGHTS

- Adherence to the Principles of Responsible Investment (PRI)
- 17% average annual growth of managed funds, 59 bp increase in market share by AuM and 21 bp in quota by income.
- Successful operational and business management during remote work, implemented in record time.
- Customer satisfaction rating of 96 points in Wholesale and 92.5 in Digital Channels in December, with recognition as the leading mutual fund website in the market.
- 50% of total operations were carried out online (average of 27,000 monthly operations via the website)
- Bci Balanced Funds grew 48.2%, consolidating its leadership in this category.
- Strong growth of the Bci Asset Management SICAV in Luxembourg (US\$ 270 million) and a corporate agreement for the implementation of managed accounts for the Preferential and Private Banking segments with Bci Securities in the United States.

MARKET SHARE

- **13.88%**
of assets under management
- **13.62%**
of income

INDUSTRY POSITION

• **3**

Bci Corredor de Bolsa S. A.

ACTIVITIES

Securities brokerage, commission agent in the purchase and sale of securities overseas, purchase and sale of foreign currency, interest rate and foreign currency forward contracts, repurchase agreements, simultaneous operations, and securities custody.

2020 HIGHLIGHTS

- Digital enrollment, through Bci
- Launch of online dollar purchases, stock portfolios with automatic rebalancing, and ESG stock portfolio
- Record market share in total volumes
- Increased market share in commissions
- Tripled the number of customers in Retail and International Market operations
- The brokerage has been 100% online and remote since March

MARKET SHARE

- **16.1%**
total share
- **16.7%**
in fixed income
- **9.5%**
in variable income

INDUSTRY POSITION

• **2** by amount traded



Bci Asesoría Financiera S. A.

ACTIVITIES

Investment banking services and products for large companies and corporations: project finance, bonds, syndicated credits, consultancies.

2020 HIGHLIGHTS

- Leader in the infrastructure concessions sector
- Project Finance for the Nahuelbuta Highway Concession
- Project Finance for the Nogales-Puchuncaví Highway Concession

INDUSTRY POSITION

- 1 in infrastructure
- 5 in bonds

Bci Corredores de Seguros S. A.

ACTIVITIES

General and life insurance intermediation for insurance companies present in the local market, selected for their experience, solvency, and service quality. Our team of over 160 people has a high level of expertise in insurance issues, and they are committed to understanding the needs of each client, so as to provide the best advice and support at all times. As a result, the firm is recognized in the market and society for our accessibility, commitment, and transparency in every insurance consultancy.

2020 HIGHLIGHTS

- Implementation of an Experience Plan focused on consultancy, benefit strengthening, process improvements, and internal training.
- Development of new products and improvement of existing products by increasing coverage and reducing exclusions.
- Automotive Insurance Leaders, with 26% growth over the previous year.

MARKET SHARE

• 16.1%

POSITION IN THE INDUSTRY

• 3

Bci Factoring S. A.

ACTIVITIES

Invoice and receivables factoring services for legal and natural persons with business operations, Bci checking accounts, or communities of suppliers to large companies that have a reverse factoring agreement with Bci Factoring.

2020 HIGHLIGHTS

- Implementation of point-to-point digital channels.
- 28% growth in reverse factoring sales, driven by agreements to support suppliers, mostly small and medium-sized enterprises.

MARKET SHARE

• 32%

POSITION IN THE INDUSTRY

• 1

Bci Corredor de Bolsa de Productos S.A.

ACTIVITIES

Brokerage services on the Chilean Receivables Exchange, which complement Bci Factoring, Bci Asset Management AGF, and the Bank's investment business, to deliver an integrated value offer.

2020 HIGHLIGHTS

- Consolidation of leadership in the industry, with market share growth of 4.11 percentage points over 2019.
- All employees of Bci Corredores de Bolsa de Productos S.A. have been working remotely since late March 2020, with no major changes in service.

MARKET SHARE

• **38.8%**
of volume traded

INDUSTRY POSITION

• **1** in volume traded and the main buyer with the most trading during the session.

Servicios de Normalización y Cobranza, Normaliza S. A.

ACTIVITIES

Performs out-of-court and court-ordered debt collection for Banco Bci.

VALUE PROPOSAL

• Normaliza offers each client an effective, simple, agile, and transparent financial solution.

2020 HIGHLIGHTS

- Execution of court approved settlement agreements entirely online (pioneers in the industry).
- Renegotiations with SMEs in which all the necessary documentation is processed via smartphone, either with the customer's advanced electronic signature or by recording.
- 17,000 monthly payments over the internet, with a monthly impact on debt of around CLP 130,000 billion.
- Launch of virtual assistant to improve the user experience.
- High ratings on the organizational climate survey (92%) and employee commitment and satisfaction (93%).

Bci Securitizadora S.A.

ACTIVITIES

Issuance of asset-backed bonds for companies with assets such as receivables or contracts.

2020 HIGHLIGHTS

- New securitization mandate

MARKET SHARE

• **5%**
of current issues in the industry

INDUSTRY POSITION

• **5**

Subsidiary results

Company	Annual earnings			Profit Share in Consolidated Bci		
	31-Dec-2020 CLP MM	31-Dec-2019 CLP MM	31-Dec-2018 CLP MM	31-Dec-2020 %	31-Dec-2019 %	31-Dec-2018 %
Bci Asesoría Financiera S.A.	5,544	5,424	4,285	1.75	1.35	1.08
BCI Asset Management Administradora General de Fondos S.A.	26,790	30,834	28,391	8.44	7.66	7.17
BCI Corredor de Bolsa S.A.	13,933	10,294	8,473	4.39	2.56	2.14
BCI Corredores de Seguros S.A.	22,409	35,561	44,117	7.06	8.83	11.15
BCI Factoring S.A.	9,395	16,283	18,173	2.96	4.09	4.57
BCI Securitizadora S.A.	-48	60	237	-0.02	0.01	0.06
Servicio de Normalización y Cobranza, Normaliza S.A.	7	2,042	841	0.00	0.51	0.21
Bank's credit e Inversiones, Miami Branch	3,915	11,692	11,958	1.23	2.90	3.02
Bci Financial Group, Inc., and Subsidiaries	102,261	121,487	69,368	32.21	30.17	17.53
Bci Securities Inc.	-1,689	-1,943	-1,468	-0.53	-0.48	-0.37
Bci Corredores de Bolsa de Productos S.A.	89	-387	186	0.03	-0.1	0.05
Servicios Financieros y Administración de Créditos Comerciales S.A.	14,487	3,217	4,086	4.56	0.80	1.03
Administradora de Tarjetas Servicios Financieros Limitada	-2,328	-754	-1,319	-0.73	-0.19	-0.33
SSFF Corredores de Seguros y Gestión Financiera Limitada	2,423	2,790	1,231	0.76	0.69	0.31
Sociedad de Servicios de Comercialización y Apoyo Financiero y de Gestión SSFF Limitada	21	-1,361	-2,985	0.01	-0.34	-0.75
Servicios y Cobranzas SEYCO Limitada	-10	1,784	-489	0.00	0.44	-0.12
TOTAL INCOME FROM SUBSIDIARIES	197,197	237,023	185,085			
BCI CONSOLIDATED NET INCOME	317,454	402,645	395,794			

CHAPTER 07

Additional Information

Corporate Information

REGISTERED NAME

Banco de Crédito e Inversiones

MNEMONIC CODE

Bci

TAX ID

97.006.000-6

TYPE OF ENTITY

Bank corporation

LOCATION OF HEADQUARTERS

Santiago, Chile

WEBSITE

www.bci.cl

CONTACT

Head Office

Avenida El Golf 125, Las Condes,
Santiago, Chile

Telephone:

+56 2 692 7000

Website

www.bci.cl

INVESTOR RELATIONS

Andrés Atala Salim-Hanna

Investor Relations Manager
investor_relations_bci@bci.cl
Phone: +56 2 2383 5471

History

Banco de Crédito e Inversiones was founded in 1937 by a group of families who wanted to support small and medium-sized businesses and entrepreneurs who did not have access to bank credit. That same spirit, that desire to solve the problems of others, continues to motivate Bci to this day, and it has become the essential factor differentiating our Bank throughout its 80-year history.

1937

Bci was founded by Juan Yarur Lolas and associates.

1944

Bci was one of the one of the driving forces behind the formation of the Chilean Bank Association.

1956

Bci expanded into Chile's regions, opening its first branch in Valparaíso and, a year later, in Antofagasta.

1959

Inauguration of the corporate building on Huérfanos Street, Santiago.

1978

Bci was the first "online bank," with high-speed electronic transaction processing.

1984

Introduction of the slogan "We're Different" (*Somos Diferentes*).

1998

The first representative office was opened in Peru, followed by Brazil and Mexico.

1999

Inauguration of the first overseas branch of Bci, in Miami, United States.

2000

Opening of a representative office in Peru.

2004

Opening of a representative office in Mexico.

2008

Bci was the first Latin American Bank to issue banker's acceptances in Hong Kong.

2012

Opening of a representative office in Colombia.

2015

Acquisition of City National Bank of Florida (CNB).
Opening of a representative office in China.

2016

Creation of Bci Securities, in the United States.

2017

Acquisition agreement for TotalBank, for US\$528 million, and Walmart's financial business in Chile.

2018

Change in the corporate slogan to "Let's Be different" (*Seamos Diferentes*).
Merger of CNB and Total Bank.

2019

Initiation of the process to establish a bank in Peru; and acquisition agreement for Executive National Bank in the United States.

2020

Merger of Executive National Bank into CNB, following the acquisition of US\$ 62 million.

Ownership and Control

MAIN SHAREHOLDERS OF BCI, 31 DECEMBER 2020

Shareholder	Number of shares	Ownership interest
Empresas Juan Yarur SpA	82,356,919	55.36%
Banco de Chile, on behalf of nonresident third parties (Banco de Chile Por Cuenta de Terceros C.A. 7,903,241 shares)	7,903,241	5.31%
Yarur Bascuñán Jorge Juan	4,916,919	3.31%
Banco Santander, on behalf of foreign investors	3,869,509	2.60%
Bci Corredor de Bolsa S.A.	3,709,455	2.49%
AFP Habitat S.A.	3,532,781	2.37%
AFP Provida S.A.	2,891,507	1.94%
LarrainVial S.A. Corredora de Bolsa	2,597,592	1.75%
AFP Capital S.A.	2,570,090	1.73%
Inversiones Cerro Sombrero Financiero SpA	2,531,269	1.70%
Banchile Corredores de Bolsa S.A.	2,247,127	1.51%
IMSA Financiera SpA	2,220,465	1.49%
AFP Cuprum S.A.	2,090,561	1.41%
Inversiones Tarascona Corporation, Agency in Chile	1,807,326	1.21%
Inversiones VyR SpA	1,695,786	1.14%
Inversiones Nueva Altamira SpA	1,484,801	1.00%
Yarur Rey, Luis Enrique	1,471,380	0.99%
Inversiones Meyar SAC	1,104,880	0.74%
Bolsa de Comercio de Santiago Bolsa de Valores	962,989	0.65%
AFP Modelo S.A.	863,228	0.58%
Empresas JY S.A.	818,301	0.55%
Credicorp Capital S.A. Corredores de Bolsa	753,546	0.51%
Inversiones Colibrí Financiera S.A.	694,729	0.47%
BTG Pactual Chile S.A. Corredores de Bolsa	675,833	0.45%
Compañía de Seguros de Vida Consorcio Nacional de Seguros S.A.	652,752	0.44%
Subtotal	136,422,986	91.70%
SUMMARY		
Main shareholders	136,422,986	91.70%
Other shareholders	12,344,954	8.30%
Total	148,767,940	100.00%
Subscribed and paid-in shares	148,767,940	100.00%
Authorized share capital	148,767,940	

SHAREHOLDERS' AGREEMENT

On 7 October 2015, the shareholders related to the Yarur family—which, on 31 December 2020, held 63.556% of the duly subscribed and paid-in shares issued by Bci—signed a new shareholders’ agreement, which replaced the agreement in effect since 30 December 1994. In the agreement, the signing shareholders reaffirmed their commitment to maintaining their traditional coalition and control of Banco de Crédito e Inversiones and reiterated their desire to preserve the current management principles.

In accordance with the provisions of Article 14 of the Chilean Corporations Law, the aforementioned shareholders’ agreement is kept in the Bank’s Shareholders Register, which is available to the other shareholders and interested third parties.

Empresas Juan Yarur SpA is the principal shareholder of Bci with 82,356,919 shares, equivalent to 55.359% of the total shares issued. Given that Luis Enrique Yarur Rey is the controlling shareholder of Empresas Juan Yarur SpA, he is therefore also the controlling shareholder of Bci.

The 7 October 2015 shareholders’ agreement and its later modifications were signed by the following natural and legal persons. In the case of corporations, the majority owners are identified:

Shareholders' agreement	Shareholder	Tax ID	Direct or indirect ownership interest (1)
EMPRESAS JUAN YARUR SpA	Luis Enrique Yarur Rey	5.196.456-K	27.9%
INVERSIONES CERRO SOMBRERO FINANCIERO SpA	Carlos Juan Yarur Ready	12.069.987-3	29.0%
	Gonzalo Ignacio Yarur Ready	7.517.825-5	29.0%
	Patricia Andrea Yarur Ready	6.378.077-4	18.5%
	Virginia Yarur Ready	6.378.078-2	18.5%
	IMSA FINANCIERA SpA	María Paulina Yarur Chamy	7.010.880-1
	José Luis Yarur Chamy	7.010.879-8	19.1%
	Rodrigo Alberto Yarur Chamy	9.578.628-6	19.1%
	Sebastián Andrés Yarur Chamy	9.604.685-5	19.1%
INVERSIONES VYR SpA	Victoria Inés Yarur Rey	4.131.984-4	97.8% %
INVERSIONES NUEVA ALTAMIRA SpA	Luis Enrique Yarur Rey	5.196.456-K	25.0%
Luis Enrique Yarur Rey		5.196.456-K	100.0%
INVERSIONES MEYAR SAC	María Eugenia Said Yarur	Domiciled in Peru	31.8%
	Luis Alberto Said Yarur		31.8%
	Andrés Ignacio Said Yarur		18.2%
	Pablo Horacio Said Yarur		18.2%
INVERSIONES COLIBRI FINANCIERA S.A.	María Paulina Yarur Chamy	7.010.880-1	19.8%
	José Luis Yarur Chamy	7.010.879-8	19.8%
	Rodrigo Alberto Yarur Chamy	9.578.628-6	19.8%
	Sebastián Andrés Yarur Chamy	9.604.685-5	19.8%
	RECOMSA S.A.	Carlos Juan Yarur Ready	12.069.987-3
	Gonzalo Ignacio Yarur Ready	7.517.825-5	19.3%
NUEVA CHOSICA UNO SpA	María Eugenia Yarur Rey	Domiciled in Peru	19.7%
	María Eugenia Said Yarur		80.3%
NUEVA CHOSICA DOS SpA	María Eugenia Yarur Rey	Domiciled in Peru	19.7%
	Luis Alberto Said Yarur		80.3%
NUEVA CHOSICA TRES SpA	María Eugenia Yarur Rey	Domiciled in Peru	19.7%
	Andrés Ignacio Said Yarur		80.3%
NUEVA CHOSICA CUATRO SpA	María Eugenia Yarur Rey	Domiciled in Peru	19.7%
	Pablo Horacio Said Yarur		80.3%
INVERSIONES LOS CORRALES SpA	Carlos Javier Massu Yarur	6.376.768-9	54.0%
	Maria Cecilia Massu Yarur	6.376.769-7	36.8%
	María Eugenia Said Yarur	Domiciled in Peru	25.0%
LUANPAMA SAC	Luis Alberto Said Yarur		25.0%
	Andrés Ignacio Said Yarur		25.0%
	Pablo Horacio Said Yarur		25.0%
JUAN CARLOS YARUR REY		4.131.982-8	100.0%

(1) Over 15% ownership interest.

CAPITAL RESOURCES

In 2020, Bci's core capital over total assets was 6.85%, while regulatory capital over risk-weighted assets was 13.39%. Both values are substantially higher than the minimum requirements established by the General Banking Law: 3.0% and 8.0%, respectively.

On 31 December 2020, common equity Tier 1 capital is composed of:

Paid-up capital (148,767,940 shares)	3,655,827,696,002
Other equity accounts	15,573,632,983
Net income for the year	317,454,284,059
Dividend provisions	(95,236,285,218)
CET1 capital	3,893,619,327,826

(1) CET1 capital is equivalent to the net amount that must be shown on the financial statements as shareholders' equity, as established in the Compendium of Accounting Regulations issued by the Financial Market Commission (FMC).

Regulatory capital, which acts as a regulator of the different operating limits established in the General Banking Law, is composed of the following items:

CET1 capital	3,893,619,327,826
ADDITIONS	
Additional provisions	117,500,058,856
Subordinated bonds	1,110,827,920,805
Equity attributable to minority interest	1,085,311,614
DEDUCTIONS	
Goodwill	(151,512,073,470)
Consolidated minority investment surplus	
REGULATORY CAPITAL	4,971,520,545,631

Note: In Chilean pesos.

DIVIDENDS

At the Ordinary Shareholders' Meeting held on 8 April 2020, a dividend payout of CLP 1,000 per share was approved, with a charge to net income in the 2019 financial year. This amounts to CLP 141,616,409,000, equivalent to 35.17% of total net income.

This amount was distributed and charged to taxable profits subject to the first-category income tax rate under Chilean Income Tax Law. This tax qualifies as a credit against the global complementary or additional tax that shareholders must declare annually.

Shareholders are informed of the dividend taxation scheme through a certificate that provides the necessary information for filing the respective annual tax declaration.

The Bank's shareholders must take into account that the dividend distributed in April 2020 was charged to taxable income that is eligible for a first-category tax credit, with an effective rate of 27% (factor 0.369863), which is subject to the tax obligation of returning 35% of the credit where applicable.

DISTRIBUTION OF BONUS SHARES

At the Extraordinary Shareholders' Meeting held on 8 April 2020, an agreement was reached to increase the company's capital by CLP 261,029,022,356, through the capitalization of reserves from 2019 earnings. Of the total, CLP 261,028,993,054 was capitalized through the issue of 7,151,531 bonus shares with no par value, at a ratio of 0.05049931 bonus share for each share held on the date that the right to receive these shares was acquired.

It is important to bear in mind that in accordance with Law No. 21,210 on tax reform, the current income tax law stipulates that with respect to totally and partly paid-up shares, in the event of a future sale, partly paid-up shares will not be valued at the purchase price and will not have the benefit of being classified as tax-exempt income under Article 107 of the same law, with respect to the higher value in their sale.

Members of the Board of Directors

LUIS ENRIQUE YARUR REY

Chairman

Mr. Yarur holds a degree in law from the University of Navarra, Spain, as well as a master's degree in economics and business administration from the IESE Graduate Business School, University of Navarra, Spain.

He joined the Bci Board of Directors on 21 October 1991.

Other Current Positions

- CEO, Empresas Juan Yarur SpA., Empresas JY S.A., Empresas Jordan S.A., and Empresas SB S.A.
- Vice-president, Chilean Association of Banks and Financial Institutions (ABIF), Inversiones Belén S.A., and Empresas Lourdes S.A.
- Member, Business Advisory Board of the ESE Graduate Business School of the University of Los Andes
- Board Member, Center for Public Studies (Centro de Estudios Públicos, CEP)

Past Positions

- CEO of Bci for eleven years
- Board Member, Bci Seguros de Vida S.A. and Bci Seguros Generales S.A.
- Board Member, Banco de Crédito del Peru (BCP)

Committees

- Executive Committee of the Board
- Finance and Corporate Risk Committee
- Innovation and Technology Committee
- Sustainability and Corporate Social Responsibility Committee
- People and Culture Committee
- Ethics Committee

JUAN EDGARDO GOLDENBERG PEÑAFIEL

Vice-Chairman

Mr. Goldenberg holds a degree in law from the University of Chile.

He joined the Bci Board of Directors on 31 January 2018.

Other Current Positions

- Partner, Goldenberg & Lagos Abogados Ltda.
- Member, Chilean Bar Association and its Tax Committee
- Founding Member, Chilean Institute of Tax Law
- Member, International Section of the American Bar Association
- Member, Chilean-North American Chamber of Commerce (AmCham)
- Board Member, Empresas Copec S.A. and AntarChile S.A.

Past Positions

- Professor of civil law, Catholic University of Chile.
- Professor of tax law, Catholic University of Chile and University of Los Andes
- Director of Bci, 30 March 2010 to 16 October 2012

Committees

- Executive Committee of the Board
- Finance and Corporate Risk Committee
- Sustainability and Corporate Social Responsibility Committee
- Ethics Committee

JOSÉ PABLO ARELLANO MARÍN

Director

Mr. Arellano has a bachelor's degree in economics from the Catholic University of Chile and a master's and Ph.D. in economics from Harvard University.

He joined the Bci Board of Directors on 16 March 2011.

Other Current Positions

- Senior Economist, Latin American Studies Corporation (CIEPLAN)
- Professor, University of Chile and the Catholic University of Chile
- Board Member, several businesses and social and educational foundations

Past Positions

- National Budget Director
- Minister of Education
- CEO, Codelco
- Chairman, Fundación Chile

Committees

- Executive Committee of the Board
- Directors Committee
- Sustainability and Corporate Social Responsibility Committee
- Ethics Committee

MARIO GÓMEZ DUBRAVCIC

Director

Mr. Gómez holds a bachelor's degree in business administration from the Catholic University of Chile and conducted graduate studies at the University of Los Andes.

He joined the Bci Board of Directors on 24 May 2011.

Other Current Positions

- Board Member, Administrador Financiero del Transantiago S.A. (AFT)
- Chairman, Artikos Chile S.A.
- Board Member, Empresas JY S.A.
- Board Member, Inmobiliaria JY
- Board Member, Central Securities Depository (DCV)
- Board Member, Sociedad Interbancaria de Valores

Past Positions

- Chief Financial Officer, Bci
- Commercial Director, Bci Commercial Banking Division
- Chairman of the Board, Bci Asset Management Administradora General de Fondos S.A, Bci Asesoría Financiera S.A, and Sociedad de Recaudación y Pago de Servicios Limitada (Servipag)
- Board Member, Bci Corredor de Bolsa, Bci Factoring, Bci Securitizadora, Bci Seguros Generales, Bci Seguros de Vida S.A, Bci Corredora de Seguros S.A., and Financiera Solución Perú

Committees

- Executive Committee of the Board
- Finance and Corporate Risk Committee
- Sustainability and Corporate Social Responsibility Committee
- People and Culture Committee

HERNÁN ORELLANA HURTADO

Director

Mr. Orellana has a degree in electrical civil engineering from the Federico Santa María Technical University.

He joined the Bci Board of Directors on 24 January 2017.

Other Current Positions

- Board Member, Highservice S.A., IZIT SpA, and Diseño de Servicios UNIT SpA
- Business innovation and digitalization transformation consultant
- Advisory Board, PROhumana

Past Positions

- Executive Director, Telefónica R&D Center in Chile
- Dean, Engineering Department, Andrés Bello University
- CEO, Microsoft Chile
- CEO, Compaq Chile
- Board Member, CAP S.A., Fashion's Park S.A., Belltech S.A., IConstruye, and others

Committees

- Innovation and Technology Committee
- People and Culture Committee

MIGUEL ÁNGEL NACRUR GAZALI

Independent Director

Mr. Nacrur holds a degree in law from the Catholic University of Chile.

He joined the Bci Board of Directors on 3 April 2019.

Other Current Positions

- Professor of Law, Catholic University of Chile Law School
- Civil Service Professional Expert and Representative on the Senior Public Management Council (Consejo de Alta Dirección Pública) on hiring processes for second-tier management positions
- Board Member, Colegio Árabe Educational Corporation
- Director of Legal Research, Nacrur Abogados Asociados law firm
- Member, Committee on the New Commercial Code

Past Positions

- General Counsel and Authentication Officer, Central Bank of Chile
- General Counsel, Banco Santander-Chile
- Chief Counsel, Superintendence of Banks and Financial Institutions
- Advisor, Catholic University of Chile Law School
- Professor of Corporate Law, Catholic University of Chile Law School
- Member, Investigatory Committee for the New Commercial Code, Fifth Subcommittee on Securities and Securities Market Regulation

Committees

- Directors Committee
- Innovation and Technology Committee
- People and Culture Committee

CLAUDIA MANUELA SÁNCHEZ MUÑOZ

Director

Ms. Sánchez has a bachelor's degree in business administration from Adolfo Ibáñez University and an MBA from Harvard University.

She joined the Bci Board of Directors on 22 March 2016.

Other Current Positions

- Board Member, Mall Plaza S.A.
- Board Member, Luksic Foundation, Make a Wish Chile Foundation, Corporación del Patrimonio Cultural de Chile, and Los Anhelos Foundation
- Strategic Consultant; participates on Spencer Stuart Chile's Advisory Board, the LatinAmerican Center Advisory Board of Tsinghua University, and the Finance Ministry's Capital Market Advisory Council
- Member, Icare Finance and Business Circle and the International Women's Forum

Past Positions

- Dean, Business School, Adolfo Ibáñez University
- Analyst, McKinsey & Co., Buenos Aires
- Partner, Latin American Mergers and Acquisitions Division, Goldman Sachs & Co., New York
- Partner, Amadeus Capital Partners
- Senior Manager, Strategy Division, Deloitte UK

Committees

- Executive Committee of the Board
- Innovation and Technology Committee
- People and Culture Committee

KLAUS SCHMIDT-HEBBEL DUNKER

Independent Director

Mr. Schmidt-Hebbel has a Ph.D. in economics from MIT. He earned his bachelor's and master's degrees in business administration at the Catholic University of Chile (PUC).

He joined the Bci Board of Directors on 22 November 2016.

Other Current Positions

- Full Professor, University of Development
- Consultant, advisor, and board member for numerous national and international corporations, associations, and foundations
- Columnist and speaker

Past Positions

- Chairman, Fiscal Advisory Council of Chile
- Full Professor, Catholic University of Chile
- Chief Economist, OECD, Paris
- Economic Research Director, Central Bank of Chile
- Senior Economist, World Bank, Washington
- Chairman, Financial Committee of the Chilean Sovereign Wealth Funds
- General Director, Grupo Res Publica Chile
- President, Economics Society of Chile
- President, Monetary Club

Committees

- Directors Committee
- Finance and Corporate Risk Committee

JORGE BECERRA URBANO

Director

Mr. Becerra has a bachelor's degree in industrial engineering from the University of Buenos Aires, Argentina, and an MBA from the University of Navarra, Spain. He also participated in the International Exchange Program of the Kellogg Graduate School of Management, Northwestern University, USA.

He joined the Bci Board of Directors on 23 June 2020.

Other Current Positions

- Board Member, City National Bank of Florida, Miami, USA
- Board Member, TECHO Internacional, since 2017
- Member, Icare Innovation Circle
- Member, Young President Organization (YPO) Gold Latin America

Past Positions

- Managing Director and Senior Partner, Boston Consulting Group
- Member, Endeavor Global International Advisory Board
- Member, Endeavor Chile Advisory Board
- Assistant Professor, Financial Planning Chair, Department of Engineering, University of Buenos Aires.

Committees

- Finance and Corporate Risk Committee
- Innovation and Technology Committee
- Sustainability and Corporate Social Responsibility Committee

Board Compensation

The Ordinary Shareholders' Meeting held on 8 April 2020 approved the compensation structure of the Board of Directors, under a mixed scheme that includes both fixed and variable components. The Directors that sit on the Directors Committee receive a fixed monthly retainer of 50 UTM (*unidades tributarias mensuales*, an inflation-indexed unit of account), over and above their board retainer, plus one-third of the amount of their corresponding variable compensation.

In 2020, total Board remuneration expense was CLP 2,651,184,010, of which 54% corresponded to retainers and fees and the rest to profit sharing (average of the last three years).

Director	Compensation		Provision for Variable Compensation		Board and Committee Meeting fees		Total	
	2019	2020	2019	2020	2019	2020	2019	2020
Luis Enrique Yarur Rey	498,081,300	461,547,280	233,968,496	223,178,724	24,688,815	24,650,545	756,738,611	709,376,549
Juan Edgardo Goldenberg Peñafiel	87,896,700	81,449,520	116,984,248	111,589,362	23,951,780	24,151,506	228,832,728	217,190,388
Claudia Manuela Sánchez Muñoz	87,896,700	81,449,520	116,984,248	111,589,362	25,403,650	27,116,595	230,284,598	220,155,477
Hernán Orellana Hurtado	87,896,700	81,449,520	116,984,248	111,589,362	26,135,205	27,116,595	231,016,153	220,155,477
Jorge Becerra Urbano	0	42,331,582	0	58,538,682	0	13,786,448	0	114,656,712
José Pablo Arellano Marín	117,195,600	108,599,360	155,978,997	148,785,816	27,116,655	27,116,595	300,291,252	284,501,771
Klaus Schmidt-Hebbel Dunker	117,195,600	108,599,360	155,978,997	148,785,816	21,263,195	22,775,741	294,437,792	280,160,917
Lionel Olavarría Leyton	87,896,700	39,117,934	116,984,248	53,050,680	20,021,800	11,069,823	224,902,748	103,238,437
Mario Gómez Dubravcic	87,896,700	81,449,520	116,984,248	111,589,362	24,421,760	25,705,279	229,302,708	218,744,161
Máximo Israel López	29,646,745	0	39,315,254	0	5,318,350	0	74,280,349	0
Miguel Ángel Nacrur Gazali	87,548,855	108,599,360	116,663,743	148,785,816	21,805,355	25,618,945	226,017,953	283,004,121
Total	1,289,151,600	1,194,592,956	1,286,826,727	1,227,482,982	220,126,565	229,108,072	2,796,104,892	2,651,184,010

Note: The provision for variable compensation in 2020 (CLP 1,227,482,982) will be paid in 2021, once the balance sheet and financial statements have been approved by the Ordinary Shareholders' Meeting.

MAIN ACTIVITIES OF THE BOARD COMMITTEES IN 2020

EXECUTIVE COMMITTEE

- Examined large loan operations.
- Reviewed the necessary actions for the implementation of legal and administrative regulatory changes, with special emphasis on the regulations issued in response to the pandemic.
- Analyzed the current situation and evolution of the country's economic sectors; set credit and financial exposure limits for each sector.
- Approved the annual branch plan and the opening, relocation, and closure of offices.
- Examined and gave preliminary approval of the monthly balance sheet results.
- Granted general and special powers.
- Determined and approved the resources allocated to loan loss provisions and write-offs.
- Authorized specific donations.
- Examined and approved Bci's different international financing plans.
- Approved general policies and modifications related to credit, market, and operational risk and set respective limits.
- Approved risk models.
- Established limits on country risk exposure, based on credit rating

analysis and other variables that affect external financing.

- Examined the situation of different economic sectors and the Bank's corporate clients.
- Studied various issues related to customer experience, advances, opportunities, gaps, and improvements.

FINANCE AND CORPORATE RISK COMMITTEE

In the area of finance:

- Reviewed trading exposures and market risks of the money desk.
- Studied and controlled the strategies of the Asset-Liability Committee (ALCO) based on market variables.
- Reviewed the asset and liability structure of the balance sheet.
- Monitored the short- and long-term funding strategy and the currency and term mismatches.
- Received market information and forecasts (inflation, rates, and currencies).
- Reviewed the interest rate, inflation, and currency strategies and the current trading positions.
- Reviewed the local and foreign investment portfolio strategy and current positions, the capital budget, and the capital adequacy forecast.

- Monitored the Basel indicators, based on the respective models to be implemented.

In the area of corporate risk,

- With respect to the Bank and its national and foreign subsidiaries, including the consolidated analysis by country:
- Examined the evolution of the risk tolerance indicators defined for the Bank and its subsidiaries.
- Examined the evolution of the main credit, financial, operational, and regulatory risk management indicators.
- Reviewed the situation at the sub-portfolio level by economic sector, geographic sector, concentrations, or other relevant breakdowns, as well as the situation of some specific client groups or segments, such as main debtors and main deteriorations.
- Studied the results of regulatory risk models.
- Reviewed the behavior of loan loss provisions and write-offs, in terms of profit and risk, by product, by bank, and in comparison with the competition.
- Verified compliance with internal policies and limits and analyzed the main variations in financial, credit, regulatory, and operational risk and their alignment with policies established by the parent company.

- Analyzed the results of capital and liquidity stress tests, among others, and compliance with regulatory capital ratios, as well as any necessary actions deriving from the results.
- Verified and reviewed compliance with liquidity policies and levels.
- Verified and reviewed regulatory compliance, including AML/BSA and financial compliance.

DIRECTORS COMMITTEE

In 2020, the activities undertaken by the Directors Committee included the following:

- Examined the audit plan for the Bank and its subsidiaries, the annual report, making recommendations to improve administrative-accounting procedures, and the individual and consolidated financial statements.
- Examined and approved the Audit and Compliance plans.
- Examined the external auditing firms and credit rating agencies that were put for consideration by the shareholders and made recommendations to the Board.
- Analyzed progress on compliance with observations made by the Financial Market Commission (FMC), the external auditors, the Audit and Compliance Office, and, for the Miami Branch, the Federal Reserve Bank of Atlanta.

- Reviewed the Audit and Compliance Office's activities in the prevention of money laundering and other financial crimes.
- In the area of operational risk, studied the policies, plans, and procedures associated with technology risk, information security, business continuity, fraud prevention, and regulatory risk.
- Examined related-party transactions.
- Reviewed the Financial Market Commission's observations, following their annual visit, and discussed actions to take to achieve compliance.
- Analyzed and approved the results of the 2020 self-assessment process.
- Studied the risks associated with judicial and administrative proceedings that could affect the Bank.
- Examined the results of the tender process for the procurement of insurance by the Bank.
- Examined compensation policies, especially for senior executives.

PEOPLE AND CULTURE COMMITTEE

- Examined and approved the 2020 Compensation Strategy.

- Analyzed the implementation of the compensation strategy and the achievement of specific objectives in 2020.
- Reviewed and analyzed all aspects of the employee plan implemented in the year due to the COVID-19 contingency, including safety, health, and hygiene measures and new ways of working (in-person, remote, hybrid, etc.).

SUSTAINABILITY COMMITTEE

- Analyzed and reviewed the 2020 strategy, sustainability model, and associated plans, including the stakeholder strategy on sustainability.
- Examined the status of various sustainability programs in the areas of customers, employees, suppliers, environment, and community commitment.
- Analyzed the results of the Dow Jones Sustainability Index (DJSI).

INNOVATION AND TECHNOLOGY COMMITTEE

- Reviewed the Bank's technological strategy and architecture and its technology master plan.
- Reviewed the IT security strategy and plan.

- Reviewed the innovation and digital transformation plan and ecosystem.
- Studied issues related to information security, technological risks, the Bank's technological infrastructure and capacity, etc.

ETHICS COMMITTEE

- Analyzed and resolved issues raised by employees and suppliers in relation to practical situations, especially with regard to conflicts of interest, in accordance with the stipulations of the Code of Ethics and their adequate interpretation.
- Reviewed and resolved information and complaints associated with possible violations of Bci principles and values and the provisions of the Code of Ethics.
- Managed the communication and diffusion of ethical content for all members of the Corporation, with recommendations from the Corporate Compliance Committee.

Credit Rating

Bci has received national credit ratings from Feller Rate and Fitch Ratings and international ratings from Fitch Ratings, Moody’s, and Standard & Poor’s (S&P).

LOCAL RATING

Feller Rate	Fitch Ratings		
Solvency	AAA	Short term	N1+
Outlook	Stable	Long term	AAA
Time deposits over one year	AAA	Bonds	AAA
Bonds	AAA	Subordinated bonds	AA
Subordinated bonds	AA+	Shares	1ª class level 1
Shares	1ª class level 1	Outlook	Stable

INTERNATIONAL RATING

Moody's		Standard & Poor's		Fitch Ratings	
Long term	A2	Long-term issuer rating, foreign currency	A	Long-term debt in foreign currency	A-
Deposits	A2	Long-term issuer rating, local currency	A	Long-term debt in local currency	A-
Bonds	A2	Short-term issuer rating, foreign currency	A-1	Short-term debt in foreign currency	F2
		Short-term issuer rating, local currency	A1	Short-term debt in local currency	F2
				Viability	a-
Outlook	Stable	Outlook	Negative	Outlook	Negative

In the local market, Feller Rate maintained its credit rating of Bci’s long-term deposits, mortgage bonds, bank bonds, and bond series at AAA, with a stable outlook. The confirmation of the rating is based on the Bank’s very strong business profile and income generation capacity; a strong risk profile and solid funding and liquidity; and adequate capital backing. The stable outlook reflects our highly diversified operations and strong positioning, which were key factors in our performance under the heightened uncertainty of the COVID-19 pandemic.

Fitch Ratings, in turn, held Bci’s national solvency rating at AAA, with a stable outlook. This decision was based on the Bank’s long-term viability rating, due to its solid profile and operating environment, attenuated by the relatively higher risk appetite of the Bank vis-à-vis its market peers, which reflects its objective of achieving faster organic and inorganic growth in recent years. Fitch will continue evaluating the Bank’s capacity to maintain its capitalization and profitability metrics in light of future growth, whether organic or inorganic.

At the international level, Fitch Ratings lowered the Bank’s rating from A to A–, the same as the country’s sovereign rating, and the outlook was lowered to negative. This was based on the significant deterioration in the operating environment in the short term, due to the risks associated with the economic impact of COVID-19 on banks’ financial profiles. The agency noted that the bank’s franchise has gradually strengthened over the years and is now the largest bank in Chile, measured by total consolidated loans, while the bank’s profile and the operating environment both remain strong.

Moody’s maintained Bci’s rating at A2, with a stable outlook. This is based on adequate profitability, which reflects the diversified business mix and efficient operations, and the Bank’s commitment to maintaining stable capitalization. At the same time, the deterioration in asset quality and profitability, related to the economic consequences of the COVID-19 pandemic, is expected to be mitigated by the Bank’s proactive and effective risk management and

monitoring, as well as by various government measures to support the Chilean and Florida economies. The bank benefits from a strong retail deposit franchise, although dependence on market funding remains high amid relatively modest liquidity buffers.

Standard & Poor’s (S&P) held the Bank’s long-term rating at A, but the outlook was adjusted from stable to negative. This decline in outlook reflects the agency’s view of the risks deriving from the prolonged adverse economic conditions due to COVID-19 and social unrest in the country, which could translate into consistently higher economic and credit risk for companies operating in Chile. The bank’s rating reflects its solid competitive position, given its strong presence in the Chilean financial system, and its business diversification by sector, segment, and geographic location, all of which provide business stability. Furthermore, in the last five years the Bank has increased its presence in the U.S. market (Florida) through the acquisition of City National Bank (CNB), TotalBank, and Executive

National Bank, reinforcing its growth strategy outside of Chile. The Bank has maintained good portfolio quality indicators, which have been relatively stable despite the economic contraction, aided by measures taken by the country’s authorities, including the deferral of existing loans and the incorporation of government-backed loans, along with a focus on containing growth of risk.

The agency further considers that the Bank has an adequate funding structure, which is mainly based on a stable low-cost deposit base, and a liquidity profile that provides a comfortable cushion for handling unexpected cash outflows in the next 12 months.

Risk factors

CREDIT RISK

DEFINITION

Credit risk is the potential loss assumed by the Bank when it lends money, due to the possibility that the borrower could default on the loan.

MANAGEMENT

Credit risk management entails a series of policies and procedures developed in a risk tolerance framework, through which Bci evaluates, assumes, manages, classifies, controls, and mitigates credit risk. These include not only the calculation of loan loss provisions to cover expected losses, but also the constant assessment of hypothetical and historical scenarios to estimate unexpected losses, to ensure that the capital level provides the necessary safeguards to face such losses without affecting normal operational continuity.

Our credit approval and monitoring processes are based on international and local best practices and the use of statistical models in the different portfolio segments.

At Bci, the responsibility for managing credit risk resides in its three lines of defense. (1) The

commercial areas and other front-line areas have the closest direct contact with customers and their operations and records. They have the primary responsibility for understanding customers' financing needs and payment capacity; determining and continually monitoring portfolio quality, risks, and opportunities; establishing adequate controls; and properly recording and reporting the status of all their operations, portfolios, and work in general. (2) The Corporate Risk Division advises the commercial areas with regard to risk assessment, approval, structuring, administration, monitoring, classification, collateral valuation, active portfolio management, and loan collection, within the regulatory and risk tolerance framework defined by Bci. In addition to providing support, this division constructively challenges the positions of the commercial areas, so that the two parties work together to ensure that their decisions are fully in tune with Bci's corporate objectives—in terms of customer satisfaction, employee engagement and satisfaction, regulatory compliance, and, in general, our commitment to society—and with the achievement of the financial objectives defined in Bci's strategic plan. (3) Finally,

the Audit and Compliance Office undertakes risk-based monitoring and auditing, to ensure that both of the aforementioned groups are adhering to current regulations, internal policies and procedures, and best practices.

2020 ACHIEVEMENTS

The main highlights of the year in this area include the following:

- Early, proactive, and ongoing understanding of the possible effects of the pandemic and the associated control measures, in relation to our customers and loan portfolios.
- Implementation of proactive measures to support affected customers:
 - Early restructuring and deferral of consumer loans.
 - Interest-free loan with a 12-month grace period, and four-year principal amortization on the deferral of six consecutive mortgage payments.
 - Processing of new loans up to 4 years at very low rates, under the government-

backed FOGAPE COVID-19 loan program for affected micro, small, and medium-sized businesses.

- Six-month deferral of existing payment obligations for customers who took FOGAPE COVID-19 loans.
- Restructuring of commercial loans, either under other government programs promoted by FOGAPE and FOGAIN or negotiated bilaterally between the Bank and its business customers independently of the state programs.

FINANCIAL RISK

DEFINITION

Financial risk is the probability of loss due to an adverse shift in market variables or the institution's inability to meet its contractual obligations.

MANAGEMENT

Financial risk management is defined in terms of risk tolerance and is closely supervised by the Board and senior management of Bci, through a policy framework that establishes the criteria, measures, and procedures that must be observed by the institution in meeting its business objectives.

The Board, through the Executive Committee, is responsible for approving the policy framework and limit structure that govern financial risk management. The Finance and Risk Committee reviews the financial strategies that are being executed, supervises compliance with the Bank's internal policies, and sets the financial risk tolerance level.

The CEO chairs the Asset-Liability Committee (ALCO), the highest executive body within the Bank responsible for financial risk

management. The ALCO supervises compliance with the guidelines established by the Board and provides strategic direction on market and liquidity risk management, taking into account current financial market conditions.

The direct management of these risks is carried out by the Finance Division, which is tasked with implementing investment and financing strategies that generate value for the institution. The Financial Risk unit supervises compliance with the established policies and limits, using indicators and measures to identify and control the risks assumed by the Bank and its business partners.

Bci manages the following financial risks:

Liquidity risk: The ability of an entity to finance the increase in its volume of assets and at the same time meet its payment obligations, without incurring unacceptable losses.

Liquidity risk is very relevant, since its correct management contributes to the Bank being able to permanently and competitively finance commercial activity, avoid regulatory sanctions, and liquidate positions without significant losses.

Market Risk: The possibility of loss due to changes in financial asset prices and volatility, exchange rates, interest rates, inflation, commodity prices, etc.

Counterparty Risks: The possibility that one of the counterparties in a transaction will not comply with its obligation.

2020 ACHIEVEMENTS

In accordance with international best practices, and in line with the regulatory requirements by the local regulator, the FMC, regarding Basel III, the Bank began the early implementation of the adjustment and alignment of its risk management tools. These include the following:

- Incorporation of periodic forecasting and stress scenarios into the short-term liquidity measures (liquidity coverage ratio, LCR).
- Limits and alerts on the net stable funding ratio (NSFR) to complement structural risk control measures.
- Convergence of the liquidity barrier to international standards.

OPERATIONAL RISK

- Improvements in the financial risk control and information system, which support and increase productivity in this area. This system, which is widely used by different units in the Bank, incorporates access control and management reporting, monitors limits and alerts, provides analytical reports, and is broadly applicable. The new processes include the automation and management of benchmarks and rates under the new International Organization of Securities Commissions (IOSCO) standards, which contributes to mitigating operational risk, through contingency protocols, security and backup processes, database records, and a record maintenance system.

DEFINITION

Operational risk is the risk of losses deriving from human error, inadequate or defective internal processes, or system failures resulting from external events.

Operational risk is inherent in all the Bank's activities, products, systems, and processes. The origins vary widely and include cybersecurity events, internal and external fraud, internal and supplier processing errors, inadequate business practices, labor conflicts, technological failures, human error, and natural disasters.

MANAGEMENT

At Bci, operational risk management is the responsibility of the Corporate Operational Risk Committee and specific committees in the different business lines: namely, the Information Security and Technology Risk Committee, the Business Continuity Committee, the Outsourced Services Risk Management Committee, and the Operational Risk Committees for each Business Line. These governance committees meet periodically and are responsible for

ensuring that risks are managed and maintained within acceptable levels for Bci, overseeing the execution of the risk management program, and managing the root causes of potential incidents.

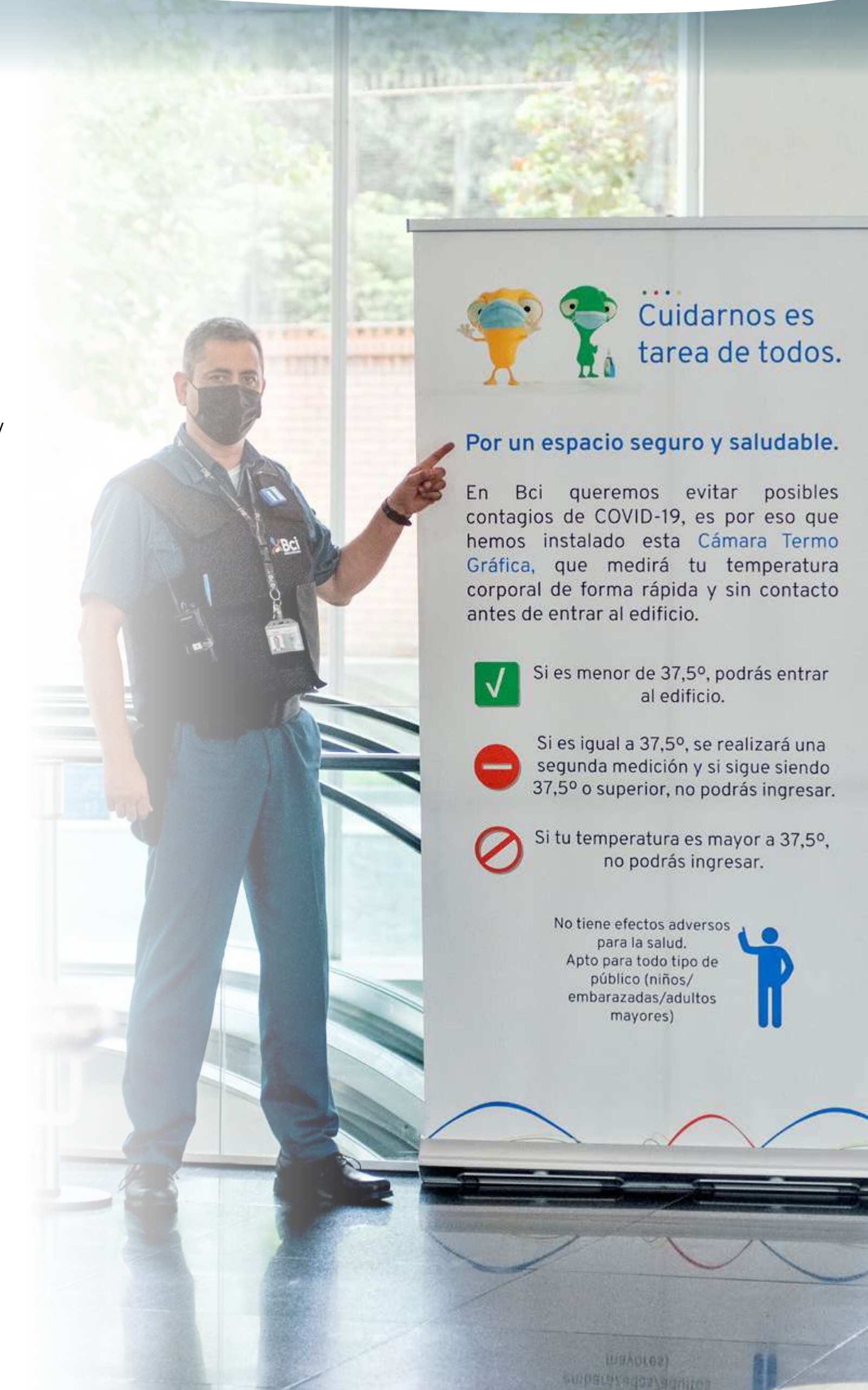
Work in this area is performed by specialists in cybersecurity and information security management, internal and external fraud prevention, business continuity and crisis management, outsourced services risk management, process and project risk management, policy development, and compliance review.

Bci has specialized teams dedicated to cybersecurity, digital fraud prevention (cybercrime), and business continuity and crisis management. These professionals are duly trained, and their job is to identify emerging threats and risks as early as possible, to implement effective risk management strategies, and to avoid losses, incidents, and complaints.

2020 ACHIEVEMENTS

Although the past year brought major challenges for operational risk management, Bci was able to overcome the obstacles and keep moving forward. The main achievements include the following:

- Operational and technological continuity during the health crisis, through robust crisis management governance and the implementation of contingency plans, using scenario analysis to continuously model highly uncertain situations over an extended period of time.
- Strengthening of cybersecurity and information security controls:
 - enabling remote work with controlled risk;
 - implementation of an intense cybersecurity culture program for remote work;
 - ISO 27001 certification of the information security management system;
 - strengthening of incident response management in Bci and the banking industry; and
- strengthening of controls to anticipate and reduce security incidents.
- Implementation of new capabilities for the detection and prevention of digital fraud, through real-time monitoring tools, analytical models for the detection of suspicious card and merchant transactions and cardholder fraud, control of the customer's digital identity using behavior biometrics, robotization, and improvements in customer service.
- Strengthening of the behavioral risk management program for business practices, supported by analytical models for detecting signs of abnormal or suspicious behavior; investigation and formalization of the governance practices for disciplinary decisions.
- Formation and management of an operational risk and compliance team dedicated to MACH, to enable the business to grow safely.



Information on employees

INDICATORS

Bci and subsidiaries in Chile, excluding Lider Bci Servicios Financieros

		2020	2019	2018	2017	2016
Total number of employees	No.	9,262	9,524	9,451	9,929	10,473
Women with a permanent contract	No.	4,720	4,813	4,876	5,246	5,659
Men with a permanent contract	No.	4,352	4,326	4,286	4,428	4,601
Total employees with a permanent contract	No.	9,072	9,139	9,162	9,674	10,260
Women on a fixed-term contract	No.	91	194	172	156	136
Men on fixed-term contract	No.	99	191	117	99	77
TOTAL EMPLOYEES WITH A PERMANENT CONTRACT, BY REGION						
Arica y Parinacota	No.	46	47	50	50	50
Tarapacá	No.	134	147	148	164	185
Antofagasta	No.	270	285	292	307	330
Atacama	No.	89	92	102	106	123
Coquimbo	No.	135	144	162	176	206
Valparaíso	No.	421	439	464	483	522
Metropolitan Region	No.	6,900	6,855	6,786	7,117	7,512
O'Higgins	No.	136	151	154	163	171
Maule	No.	163	169	171	185	197
Biobío	No.	234	248	298	345	365
Araucanía	No.	129	136	142	153	151
Los Ríos	No.	53	52	57	62	68
Los Lagos	No.	214	224	221	239	250
Aysén	No.	39	38	39	41	45
Magallanes	No.	70	73	76	83	85
Ñuble	No.	39	39	n.a.	n.a.	n.a.

PERSONNEL

Bci and subsidiaries

		2020	2019	2018	2017	2016
Total	No.	11,675	12,171	12,083	10,613	11,088
Bank	No.	8,089	8,330	8,275	8,734	9,234
Subsidiaries in Chile	No.	1,173	1,194	1,176	1,195	1,239
Lider Bci Servicios Financieros		1,423	1,685	1,759		
Chile	No.	10,685	11,209	11,210	9,929	10,473
Overseas subsidiaries	No.	990	962	874	684	615

		2020	2019	2018	2017	2016
TOTAL EMPLOYEES ON A FIXED-TERM CONTRACT, BY REGION						
Arica y Parinacota	No.	0	4	1	2	—
Tarapacá	No.	9	1	5	4	1
Antofagasta	No.	12	6	14	9	13
Atacama	No.	2	3	5	6	2
Coquimbo	No.	4	5	5	2	4
Valparaíso	No.	16	21	20	13	6
Metropolitan Region	No.	130	311	187	181	153
O'Higgins	No.	0	3	5	3	2
Maule	No.	2	3	8	7	1
Biobío	No.	6	10	12	11	16
Araucanía	No.	2	0	9	4	8
Los Ríos	No.	0	3	3	2	1
Los Lagos	No.	4	9	11	6	5
Aysén	No.	0	2	1	3	—
Magallanes	No.	3	1	3	2	1
Ñuble	No.	0	3	n.a.	n.a.	n.a.
TOTAL NUMBER OF EMPLOYEES, BY TYPE OF EMPLOYMENT CONTRACT AND BY GENDER						
Women with a full-time contract	No.	4,804	4,990	5,024	5,367	5,732
Men with a full-time contract	No.	4,447	4,501	4,394	4,522	4,664
Total employees with a full-time contract	No.	9,251	9,491	9,418	9,889	10,396
Women with a part-time contract	No.	7	17	24	35	63
Men with a part-time contract	No.	4	16	9	5	14
Total employees with a part-time contract	No.	11	33	33	40	77
Unionized employees (percent of total)	%	5.83	5.37	4.75	5.67	7.53



INDICATORS

Lider Bci Servicios Financieros

		2020
Total number of employees	No.	1,423
Women with a permanent contract	No.	916
Men with a permanent contract	No.	407
Total employees with a permanent contract	No.	1,323
Women on a fixed-term contract	No.	55
Men on fixed-term contract	No.	45
Total employees on a fixed-term contract	No.	100
Total employees with permanent contract, by region	No.	1,323

		2020
Arica y Parinacota	No.	11
Tarapacá	No.	18
Antofagasta	No.	37
Atacama	No.	12
Coquimbo	No.	39
Valparaíso	No.	111
Metropolitan Region	No.	841
O'Higgins	No.	46
Maule	No.	43
Biobío	No.	64
Araucanía	No.	25
Los Ríos	No.	14
Los Lagos	No.	44
Aysén	No.	0
Magallanes	No.	9
Ñuble	No.	9
Total employees with a fixed-term contract, by region	No.	100

		2020
Arica y Parinacota	No.	0
Tarapacá	No.	1
Antofagasta	No.	3
Atacama	No.	2
Coquimbo	No.	1
Valparaíso	No.	12
Metropolitan Region	No.	51
O'Higgins	No.	4
Maule	No.	5
Biobío	No.	3
Araucanía	No.	4
Los Ríos	No.	0
Los Lagos	No.	13
Aysén	No.	0
Magallanes	No.	0
Ñuble	No.	1
Unionized employees (percent of total)	%	5.83

Information on subsidiaries

Registered name	Bci Asesoría Financiera S.A.
Date established	23 October 1992
Legal nature	Closed corporation
Corporate purpose	Provision of advisory services on the study, analysis, evaluation, and search for alternative sources of financing; liability restructuring; negotiations to acquire, capitalize, sell, or merge companies; the issuance and placement of bonds and debentures; and the placement of funds in the capital market.
Subscribed and paid-in capital	CLP 113,939,153
Direct and indirect ownership by Bci	99.00%
Share of investment in Bci's Assets	0.015%
Board of Directors	Eugenio von Chrismar Carvajal, Gerardo Spoerer Hurtado, Alejandro Alarcón Pérez, Antonio Le Feuvre Vergara, Patricio Rojas Ramos, Mario Farren Risopatrón
CEO	Felipe González Holmes

Registered name	Bci Corredor de Bolsa S.A.
Date established	24 July 1987
Legal nature	Closed corporation
Corporate purpose	Securities intermediation and brokerage and, in general, all activities that are legally permissible for stock brokers.
Subscribed and paid-in capital	CLP 4,994 MM
Direct and indirect ownership by Bci	99.95%
Share of investment in Bci's Assets	0.25%
Board of Directors	José Luis de la Rosa Muñoz (Chairman), Pedro Pablo Del Fávero Valdés, Roberto Guerrero Valenzuela, Hernán Díaz Peñafiel, José Miguel Ried Undurraga
CEO	Tomás Flanagan Margozzini

Registered name	Bci Asset Management Administradora General de Fondos S.A.
Date established	7 January 1988
Legal nature	Closed corporation
Corporate purpose	Management of all types of mutual funds, investment funds, and individual portfolios regulated by Law 20,712, including the development of voluntary pension savings plans (APV and APVC), other complementary activities authorized by the FMC through Circular No. 1,566 of 2001, and the management of third-party investment funds and portfolios, authorized by Circular No. 1,897 of 2008.
Subscribed and paid-in capital	CLP 20.408 MM
Direct and indirect ownership by Bci	99.90%
Share of investment in Bci's Assets	0.27%
Board of Directors	Gerardo Spoerer Hurtado, Abraham Romero Pequeno, Álvaro Emilio Pezoa Bissieres, Cristian Andrés Fabres Ruiz, Jorge Farah Taré, José Alberto Isla Valle, Jorge Barrenechea Parra
CEO	Patricio Romero Leiva

Registered name	Bci Corredores de Seguros S.A.
Date established	15 January 1997
Legal nature	Closed corporation
Corporate purpose	General and life insurance intermediation with any insurance company located in the country, and the provision of advisory and other services related to insurance contracting.
Subscribed and paid-in capital	CLP 1,052 MM
Direct and indirect ownership by Bci	99.00%
Share of investment in Bci's Assets	0.036%
Board of Directors	Abraham Romero Pequeño (Chairman) Rodrigo Corces Barja Jose Isla Valle Ignacio Yarur Arrasate Germán Acevedo Campos
CEO	Eric Recart Balze

Registered name	Bci Factoring S.A.
Date established	13 December 1994
Legal nature	Closed corporation
Corporate purpose	Provision of all kinds of factoring services, including acquiring and discounting invoices and receivables and, in general, developing and exploiting the factoring business in all its forms; investing, reinvesting, and acquiring equity shares or rights in all types of tangible or intangible movable property, real estate, and companies, whether civil, commercial, community, or takeovers, and in all kinds of movable securities; and managing and exploiting said assets in whatever capacity so as to perceive the benefits.
Subscribed and paid-in capital	CLP 51,895,816,077
Direct and indirect ownership by Bci	99.97%
Share of investment in Bci's Assets	0.41%
Board of Directors	José Alberto Isla Valle, Antonio Le Feuvre Vergara, Carlos Budnevich Le Fort, Diego Yarur Arrasate, Eugenio von Chrismar Carvajal, Juan Pablo Stefanelli Dachena, Patricio Canales Lardiez
CEO	Renato Andrés Maturana Alvarado

Registered name	Bci Securitizadora S.A.
Date established	1 March 2001
Legal nature	Closed corporation
Corporate purpose	Acquisition of the credits covered under Article 135 of Law 18,045 or any associated future regulations or amendments, and the issuance of short- or long-term debt securities, in each case originating a separated equity component from the common equity of the corporation, which is under the supervision of the Chilean Financial Market Commission (FMC).
Subscribed and paid-in capital	CLP 417,753,999
Direct and indirect ownership by Bci	99.90%
Share of investment in Bci's Assets	0.005%
Board of Directors	Eugenio Leonardo von Chrismar Carvajal, Gerardo Spoerer Hurtado, Alejandro Enriques Alarcón Pérez, Felipe González Holmes, Fernando Basil Carmash
CEO	Juan Pablo Donoso Cocq

Registered name	Servicios de Cobranzas y Normalización, Normaliza S.A.
Date established	8 June 1990
Legal nature	Closed corporation
Corporate purpose	Provision of extrajudicial collection services, directly by the company or by contracted third parties, for any type of debt, as well as background checks on natural or legal persons, the preparation of commercial reports, and any other business that the partners agree to execute.
Subscribed and paid-in capital	CLP 146 MM
Direct and indirect ownership by Bci	99.90%
Share of investment in Bci's Assets	0.004%
Board of Directors	Antonio Le Feuvre Vergara (Chairman), Juan José Valenzuela, Rodrigo Corces Barja, Juan Pablo Stefanelli, Francisco Mendoza
CEO	Paula García Cuesta

Registered name	Bci Corredores de Bolsa de Productos S.A.
Date established	16 April 2015.
Legal nature	Closed corporation
Corporate purpose	Brokerage operations for agricultural products, covered under Articles 4 and 5 of Law No. 19,920, in its capacity as an agricultural commodity broker, including the purchase or sale of agricultural commodities on the Chilean receivables exchange (<i>Bolsa de Productos</i>), on its own account with intention to transfer the rights, and the complementary activities authorized by the Financial Market Commission, for which it may perform all actions and enter into all contracts and transactions permissible for agricultural commodity brokers, in accordance with current for future regulations.
Subscribed and paid-in capital	CLP 1.290 MM
Direct and indirect ownership by Bci	99.00%
Share of investment in Bci's Assets	0.002%
Board of Directors	Andrés Maturana Alvarado (Chairman), Sergio Benavente Riobo, Sergio Acevedo Campos
CEO	Francisco García Pinochet

Registered name	Servicios Financieros y Administración de Créditos Comerciales S.A.
Date established	4 November 1997, as a limited liability company (acquired by Bci in December 2018)
Legal nature	Closed corporation
Corporate purpose	Issuance of credit cards and the performance of complementary activities related to this line of business, as authorized under the general regulations for credit card issuers published and maintained by the Financial Market Commission or any future supervisory body, and the granting of bulk credit in its capacity as a bank affiliate.
Subscribed and paid-in capital	\$95,676,753,125
Direct and indirect ownership by Bci	99.984%
Share of investment in Bci's Assets	0.17%
Board of Directors	Eugenio von Chrismar Carvajal, Ignacio Yarur Arrasate, Rodrigo Corces Barja, Jerónimo Ryckeboer Rovaletti, Eduardo Nazal Saca, Mario Farren Risopatrón, Diego Peralta Valenzuela
CEO	Michel Awad Bahna

Registered name	Administradora de Tarjetas Servicios Financieros Limitada
Date established	6 August 1998 (Acquired by Bci in December 2018)
Legal nature	Limited liability company
Corporate purpose	Provision of services and the performance of all activities related to the operation of debit, credit, and prepaid cards, issued in accordance with the Compendium of Financial Regulations of the Central Bank of Chile and other applicable regulations, including but not limited to (i) the provision of services related to physical card issuance or any other material or immaterial support for all types of payment cards; and (ii) the provision, maintenance, and administration of computer systems and channels for the issuance and operation and all other types of related, complementary, necessary, or convenient activities for the issuance or operation of payment cards, to the extent that said services and activities do not involve settlement and/or payment of the debt owed to affiliated entities for the use of the cards.
Subscribed and paid-in capital	CLP 12,849,049,905
Direct and indirect ownership by Bci	99.996%
Share of investment in Bci's Assets	-0,007%
Board of Directors	Fernando Carmash Cassis, Rodrigo Corces Barja, Jerónimo Ryckeboer Rovaletti
CEO	Michel Awad Bahna

Registered name	SSFF Corredores de Seguros y Gestión Financiera Limitada
Date established	17 November 2004 (acquired by Bci in December 2018)
Legal nature	Limited liability company
Corporate purpose	General and life insurance intermediation with any national insurance entity located in the country, and the provision of advisory services inherent to this type of contract, for all classes of natural and legal persons. The company may also develop products such as home assistance, road and travel assistance, legal and medical assistance, extended warranty on goods and services sold or provided by third parties, etc.; and provide pension advisory services, in accordance with the provisions of Decree Law No. 3,500, subject to Article 70 bis of the General Banking Law or subsequent legislation. To meet its objective, the company may enter into any and all contracts necessary for performing the above activities, developing its business or trade, and investing the company's available funds.
Subscribed and paid-in capital	CLP 30,000,000
Direct and indirect ownership by Bci	99.00%
Share of investment in Bci's Assets	0.016%
Board of Directors	Fernando Carmash Cassis, Luis Felipe Hirane Sarkis, Eduardo Nazal Saca
CEO	Pillar Pérez Carmona

Registered name	Sociedad de Servicios de Comercialización y Apoyo Financiero y de Gestión SSFF Limitada
Date established	6 April 2005 (acquired by Bci in December 2018)
Legal nature	Limited liability company
Corporate purpose	Provision of administration, after-sales, and customer services, related to the granting, operation, and maintenance of products contracted with banks, banking affiliates, and banking support services corporations. Provision of product marketing and distribution services for banks, banking affiliates, and banking support services corporations. All activities outlined in the corporate purpose may be carried out directly by the company or by contracted or delegated third parties. In general, the company may also carry out any other commercial activity that the partners determine, to complement or enhance the corporate object.
Subscribed and paid-in capital	CLP 30,000,000
Direct and indirect ownership by Bci	99.99%
Share of investment in Bci's Assets	-0,009%
Board of Directors	Rodrigo Corces Barja, Eduardo Nazal Saca, Fernando Carmash Cassis.
CEO	Michel Awad Bahna

Registered name	Servicios y Cobranzas SEYCO Limitada
Date established	31 March 2010 (acquired by Bci in December 2018)
Legal nature	Limited liability company
Corporate purpose	<p>Provision of pre-judicial and judicial collection services for all types of payment obligations, whatever their cause or origin.</p> <p>Provision of collection and payment services in general, including, but not limited to, collection and payments on behalf of third parties for the payment of all types of accounts and obligations.</p> <p>Provision of custody services for all types of documents, as well as administrative procedures in general.</p> <p>Provision of marketing services, planning or execution of collection campaigns, and preparation of databases, in all existing or possible future forms and means created for this purpose, as far as it is conducive, necessary, or recommended for the adequate provision of credit collection services.</p> <p>Provision of services for the collection, storage, custody, administration, processing, study, and analysis of data, personal records, or any other information that is related to, derives from, has been provided for, or is necessary for the execution of credit collection services, regardless of the type of element or support material.</p> <p>Acquire all or part of other companies, subject to the requirements and limitations established in current regulations. All the activities outlined in the corporate objective may be carried out by the company itself or by contracted or subcontracted third parties. To meet this objective, the company may execute all contracts necessary for the stated purposes or for the development of its business.</p>
Subscribed and paid-in capital	CLP 10,000,000
Direct and indirect ownership by Bci	99.00%
Share of investment in Bci's Assets	0.003%
Board of Directors	Jerónimo Ryckeboer, Eduardo Nazal Saca, Fernando Carmash Cassis.
CEO	Michel Awad Bahna

Registered name	Analysis y Servicios SA (in liquidation)
Date established	19 August 1996. Its dissolution was requested by Bci on 12 December 2019, and the termination of business activity was authorized by the Chilean IRS in January 2021.
Legal nature	Closed corporation
Corporate purpose	Act on behalf of financial institutions in the pre-evaluation of financial products and services, as requested by the institution, including the performance of all actions or operations necessary for that purpose.
Subscribed and paid-in capital	CLP 47,174,185
Direct and indirect ownership by Bci	99.00%
Share of investment in Bci's Assets	0.000%
Board of Directors	Rafael Aldunate Valdés, Fernando Salamanca Rojas, Fernando Román Díaz
CEO	José Assadi Zaror

CHAPTER 08

2020 GRI Content Index

Independent Assurance Report



Independent assurance of a selection of sustainability indicators in the 2020 Integrated Annual Report of Banco de Crédito e Inversiones (Bci): ISAE 3000 Report

Nature of the Assurance

This is a report by Corporate Citizenship for the Communications and Sustainability Division of Banco de Crédito e Inversiones (Bci).

Corporate Citizenship has undertaken a limited assurance engagement of a selection of sustainability indicators reported in Bci's 2020 Integrated Annual Report, in accordance with the GRI Principles for defining the quality of the report. The carbon emissions data were prepared in line with the GHG Protocol Corporate Accounting and Reporting Standard and the appropriate GHG conversion factors.

Our work has included a review of the data and respective statements related to the following selected indicators:

Social indicators

- Absentee rate (%)
- Gender diversity metrics:
 - Share of women in the total labor force (%)
 - Share of women in lower and middle management positions (%)
 - Share of women in upper management positions (%)

- Share of women in management positions with income-generating functions (%)
- Financial inclusion metrics:
 - Share of FOGAPE COVID-19 financing operations that went to women microentrepreneurs (%)
- Total value of FOGAPE COVID-19 financing operations that went to women microentrepreneurs (CLP)
- Share of FOGAPE COVID-19 financing operations that went to foreign microentrepreneurs (%)
- Total value of FOGAPE COVID-19 financing operations that went to foreign microentrepreneurs (CLP)

Environmental indicators

- Total energy use (kWh) and energy intensity (kWh/m2)
- Total water use (m3) and water use intensity (m3/m2)
- Total waste eliminated (kg) and share of waste sent to landfills (%)

- Carbon footprint:
 - Total Scope 1 GHG emissions (tCO1e)
 - Total Scope 2 GHG emissions (tCO2e)
 - Total Scope 3 GHG emissions (tCO3e)

The assurance engagement covers the period from 1 January 2020 to 31 December 2020.

The data correspond to operations in Chile in which Bci has a majority ownership. It excludes operations of the Bci Servicios Financieros subsidiary in Chile and Bci subsidiaries in other countries.

Bci is wholly responsible for the production and publication of the assured data, while Corporate Citizenship is responsible for its assurance.

GHG quantification is subject to inherent uncertainty due to factors such as incomplete scientific knowledge about the global warming potential of different GHGs and uncertainty around the models and parameters used in estimating GHG emissions.

This engagement was performed in accordance with the International

Standard on Assurance Engagement (ISAE) 3000 (Assurance Engagements other than Audits or Reviews of Historical Financial Information) and the relevant subject-matter-specific ISAE for greenhouse gas (GHG) data (ISAE 3410, Assurance Engagements on Greenhouse Gas Statements).

Corporate Citizenship has complied with the requirements for independence, professional ethics, and quality control as stipulated by ISAE 3000.

Assurance Work Performed

The assurance work was commissioned in December 2020 and completed on 11 March 2021. Detailed records were kept of meetings, assurance visits, and correspondence relating to the assurance. The assurance process was carried out by a multidisciplinary team of three people, including a Consultant, a Senior Analyst, and a Director, who acted as supervisor.

The limited assurance engagement involved the following activities:

- Interviews and follow-up meetings with those responsible for the different areas of Bci's sustainability performance

included in the assurance (operational eco-efficiency, financial inclusion, and human resources), in order to understand the internal management, data collection, verification, and reporting processes;

- Review of the procedures and systems used to record and analyze the sustainability performance data, in order to assess their soundness;
- Verification of a sample of consolidated data and the underlying records, in order to verify the consistency and precision of the reports;
- Review of the year-on-year performance trends, in order to identify any significant changes and investigate the underlying reasons;
- Review of the GHG calculations for precision and consistency, following the GHG Protocol and the GRI standards, including a review of the emission and conversion factors;
- Examination of the 2020 Integrated Annual Report, to assess the reporting of selected sustainability indicators and the respective statements, in relation to the GRI Principles for Defining Report Quality.

Our Experience and Independence

Corporate Citizenship is a global consultancy specializing in strategic sustainability, which advises corporations that aspire to improve their economic, social, and environmental performance, and a leader in assurance services for corporate responsibility and sustainability.

This is the fourth year that Corporate Citizenship has provided independent assurance of the corporate sustainability information in the Bci Integrated Annual Report. During the review period, Corporate Citizenship also advised Bci on the completion and submission of the 2020 CSA questionnaire for the Dow Jones Sustainability Index (DJSI), in addition to providing consulting services related to the implementation of the TCFD Recommendations and the development of the Bank's corporate citizenship and philanthropy strategy.

Conclusion

Based on the scope of the work and assurance procedures performed, nothing has come to our attention that causes us to believe that the sustainability data described above were not prepared, in all material aspects, in accordance with the GRI Principles for Defining Report Quality and the WRI/WBCSD GHG Protocol Corporate Accounting and Reporting Standard (revised edition).

Corporate Citizenship Limited
Santiago, Chile
11 March, 2021

GRI Content Index

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	102-3	Location of headquarters	9
	102-4	Location of headquarters	9
	102-5	Ownership and legal form	103
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	STRATEGY		
	102-14	Statement from senior decisionmakers	4
	102-15	Main impacts, risks, and opportunities	111
	ETHICS AND INTEGRITY		
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	102-23	Chair of the highest governance body	
	102-26	Role of the highest governance body in setting purpose, values, and strategy	25
	102-27	Collective knowledge of the highest governance body	30
	102-28	Evaluating the highest governance body's performance	30
	102-29	Identifying and managing economic, environmental, and social impacts	29
	102-30	Effectiveness of risk management processes	35
	102-31	Review of economic, environmental, and social topics	29

GRI Standard	Content	Page	Direct Response
GENERAL DISCLOSURES			
GRI 102 General Disclosures 2020	102-32	The highest governance body's role in sustainability reporting	The Board of Directors approves the Integrated Annual Report.
	102-33	Communicating critical concerns	89
	102-34	Nature and total number of critical concerns	89
	102-35	Remuneration policies	108
	102-36	Process for determining remuneration	108
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	102-46	Defining report content and topic boundaries	76
	102-47	List of material topics	77
	102-48	Restatements of information	No
	102-49	Changes in reporting	No
	102-50	Reporting period	1 January 2020 to 31 December 2020
	102-51	Date of most recent report	2019
	102-52	Reporting cycle	Annual
	102-53	Contact point for questions regarding the report	Antonella Sassi, Head of Sustainability, Communications and Sustainability Division, antonella.sassi@bci.cl
	102-54	Claims of reporting in accordance with the GRI Standards	GRI Standards: Core option
	102-55	GRI Content Index	119
	102-56	External assurance	120

ECONOMIC TOPICS

GRI Standard		Content	Page	Direct Response
ECONOMIC TOPICS				
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	201-2	Financial implications and other risks and opportunities due to climate change	55	
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GRI 103: Management Approach 2020	103-1	Explanation of the material topic and its scope	62-3 and 85	
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GRI 103: Management Approach 2020	103-1	Explanation of the material topic and its scope	53	
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GRI 204: Procurement practices	204-1	Proportion of spending on local suppliers	54	
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GRI 103: Management Approach 2020	103-1	Explanation of the material topic and its scope	33	
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GRI 205: Anti-corruption	205-1	Operations assessed for risks related to corruption		
	205-2	Communication and training about anti-corruption policies and procedures	33	

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	103-3	Evaluation of the management approach	55 and 79	
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GRI 103: Management Approach 2020	103-1	Explanation of the material topic and its scope	55-56	
	103-2	The management approach and its components	55-56	
	103-3	Evaluation of the management approach	57 and 58	

GRI Standard		Content	Page	Direct Response
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	103-3	Evaluation of the management approach	59 and 60	
GRI 301: Materials	301-1	Materials used by weight or volume	59	
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GRI 103: Management Approach 2020	103-1	Explanation of the material topic and its scope	60 and 80	
	103-2	The management approach and its components	60 and 80	
	103-3	Evaluation of the management approach	60 and 80	
GRI 302: Energy	302-1	Energy consumption within the organization	60 and 80	
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	302-3	Energy intensity	80	
	302-4	Reduction of energy consumption	59 and 80	
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GRI 103: Management Approach 2020	103-1	Explanation of the material topic and its scope	59 and 79	
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	103-3	Evaluation of the management approach	59 and 79	
GRI 305: Emissions	305-1	Direct (Scope 1) GHG emissions	59 and 79	
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	103-3	Evaluation of the management approach	59 and 80	
GRI 306: Waste	306-1	Waste generation and significant waste-related impacts	59 and 80	
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	403-8	Workers covered by an occupational health and safety management system	84	
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GRI Standard		Content	Page	Direct Response
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CHAPTER 09

Consolidated Financial Statements

