

# Banco de Chile

Corporate Affairs and Sustainable Development Department

## Environmental Sustainability Policy

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# **1 Introduction**

Sustainable development is a priority for Banco de Chile, especially environmental impact from direct or indirect consumption of natural resources.

Financial institutions in general and banks in particular have a key role as economic catalysts as they impact people's quality of life. Their products and services respond to the needs and objectives of society.

This purpose of this policy is to advocate for the reduction of environmental impact, thus contributing to financial stability and the achievement of Chile's commitments in environmental matters.

## **1.1 Objective**

This policy defines the framework for environmental management, outlining principles and priorities for the near future.

## **1.2 Scope**

This policy applies to all personnel of Banco de Chile and its subsidiaries.

## **1.3 Responsible Parties**

This policy is managed by the Corporate Affairs and Sustainable Development Department.

## **1.4 Validity and Review**

This policy is valid for a year and must be updated on an annual basis.

## **2 Roles, Responsibilities, Governance and Structure**

Banco de Chile will maintain the following governance structure to properly comply with this policy:

### **2.1 Chief Executive Officer**

In charge of providing guidelines to the Corporate Affairs and Sustainable Development Department, which is part of the People and Organization Division; receiving update proposals and ultimately approving modifications at his/her discretion.

### **2.2 Corporate Affairs and Sustainable Development Department**

Responsible for defining, reviewing and publicizing the policy, monitoring and driving plans and programs that promote compliance in diverse areas of the Bank. Support is provided by the Environmental Sustainability Working Group.

### **2.3 Environmental Sustainability Working Group**

This specialized panel, made up of individuals from the Bank selected by the Corporate Affairs and Sustainable Development Department and external consultants, helps make environmental definitions and plans.

## 3 Environmental Management

### 3.1 Main Processes

**a) Identification, Prioritizing and Measurement:** The main environmental issues are identified and prioritized based on business and stakeholder interests, and finally a metric is defined to quantify environmental impact.

**b) Goal Setting and Responsible Parties:** Goals and the parties responsible for reaching them are identified; assessment of related projects is supported on an ongoing basis and resources are obtained for implementation.

**c) Monitoring and Reporting:** Periodic monitoring and reporting of environmental management in accordance with standards from the Global Reporting Initiative (GRI) and Dow Jones Sustainability Index (DJSI).

**d) Training and Communication:** Tools are provided to our employees to reinforce their environmental competencies.

**e) Reporting to Bank Stakeholders.**

### 3.2 Management Priorities

The main aspects to be managed under this policy are described below:

**a) Legal Compliance**

Verify compliance with current environmental regulations in places where Banco de Chile operates.

**b) Energy and Climate Change**

Identify, quantify, assign responsible parties and set goals related to energy use and greenhouse gas emissions.

**c) Waste and Recycling**

Characterize, quantify, monitor, assign responsible parties and set goals designed to reduce the amount of waste sent to landfills by reducing, revaluing, reusing and recycling waste.

**d) Operational Efficiency, E-commerce and “Green Products”**

Promote operational efficiency, digitization of processes and e-commerce as tools that help substantially reduce the use of resources and lessen the Bank’s environmental impact.

We understand that, as a Bank, our greatest impact comes from the use of our financial products and services by our customers. Therefore, we will evaluate alternative products and/or project financing that are environmentally sustainable.

**e) Banking and Financial Business**

Use additional management processes, to the extent necessary, for financing deals that are inherently more exposed to social and/or environmental factors. These processes may include:

- Verifying and monitoring compliance with laws, regulations and environmental permits by customers.
- Visiting customer facilities and/or projects to be financed.
- Requesting reports from third-party experts on the matter to properly assess possible risk factors and make an informed decision.

**f) Banco de Chile Employees**

Promote, build awareness of and support environmentally friendly conduct among our employees both at work and in their daily lives.

**g) Supplier Management**

Promote among our suppliers a culture of environmental sustainability that favors caring for and acting responsibly towards the environment.

## **4 Penalties and Exceptions**

At this stage, the Environmental Policy calls for disseminating and promoting care for the environment. There are no obligations or penalties and, therefore, no exceptions are considered.

## **5 Record of Modifications**

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