



2Q21 Earnings Presentation

Aug 6th, 2021

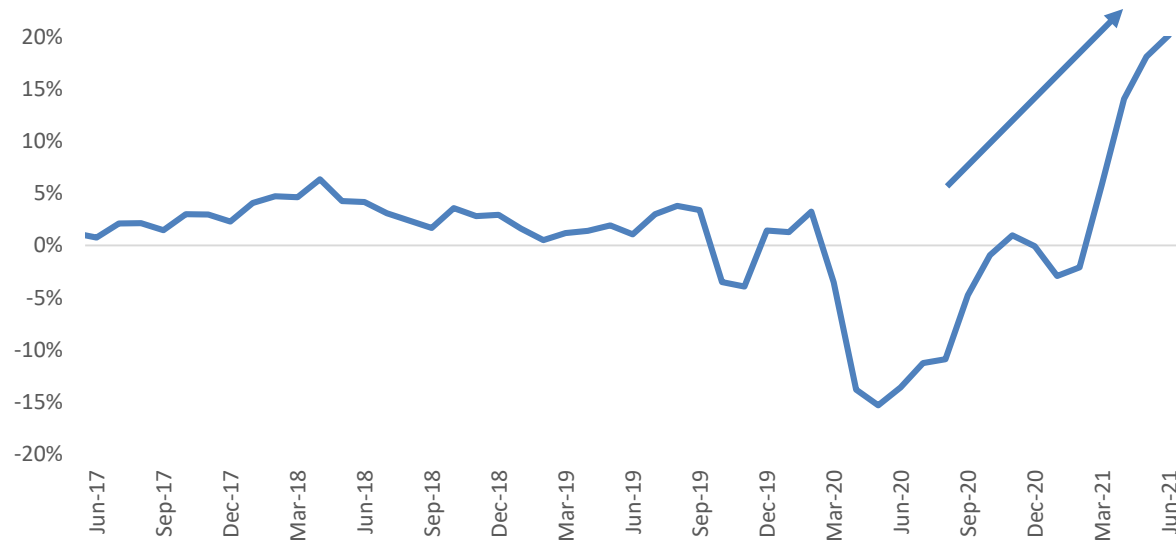


Economic & Banking Industry Overview

| The consolidation of a positive trend...

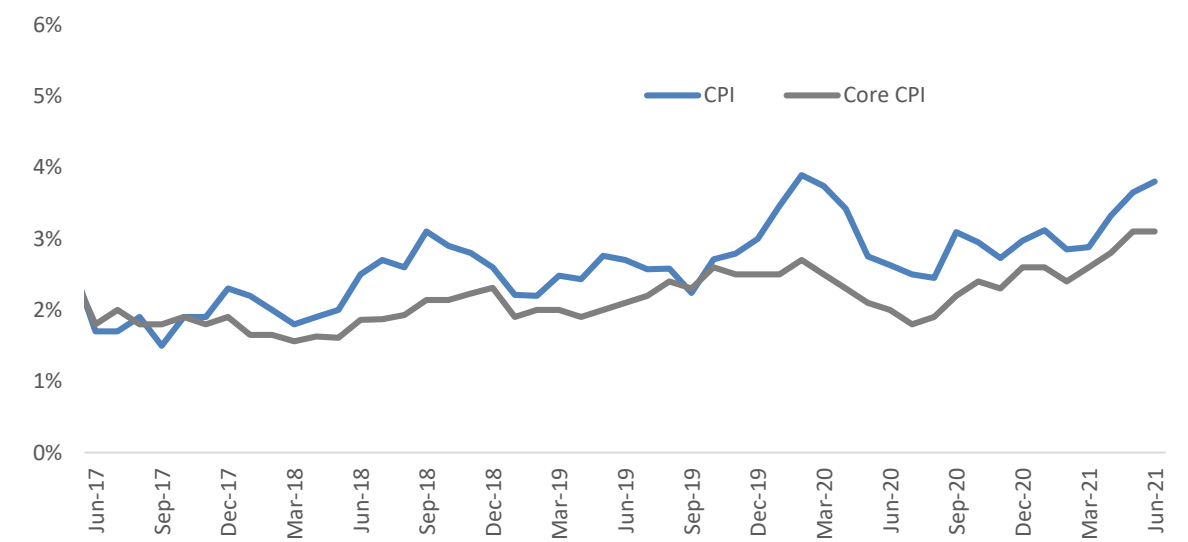
Monthly Economic Activity

YoY



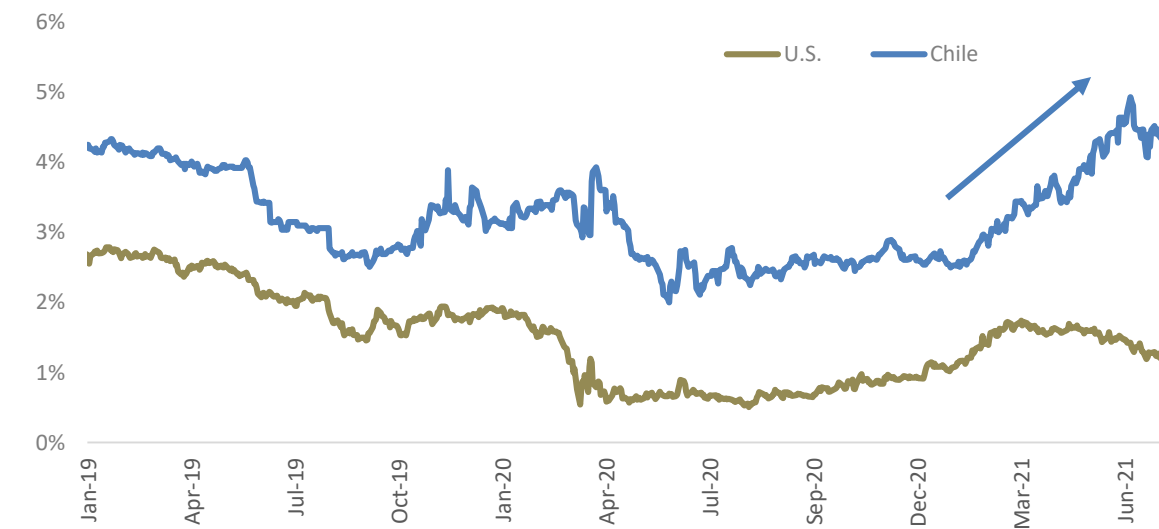
Headline and Core inflation

YoY



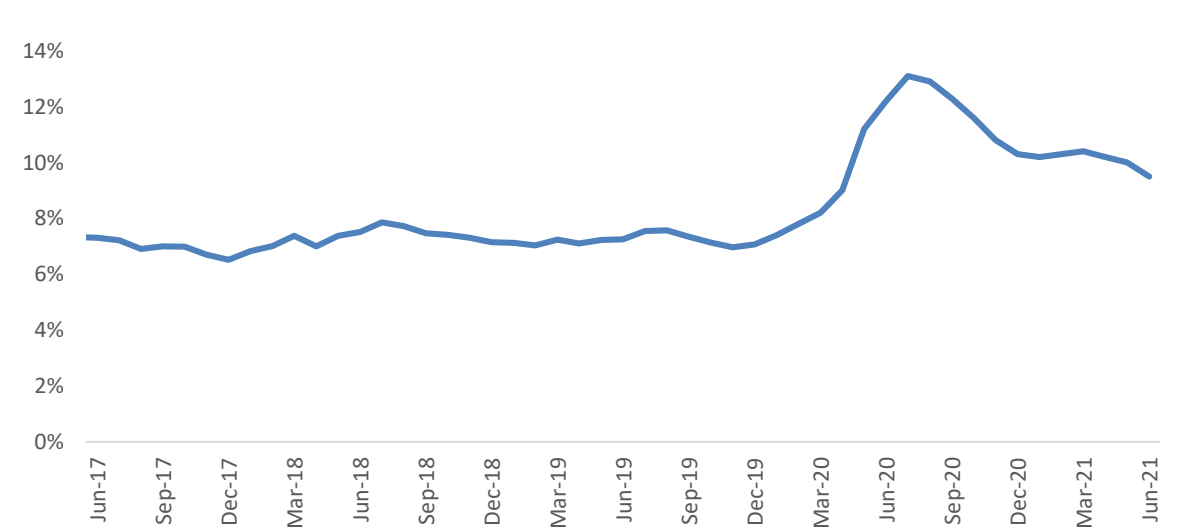
Long Term Interest Rate

10 Year Treasury Bond Rate



Unemployment Rate

% of Labor Force

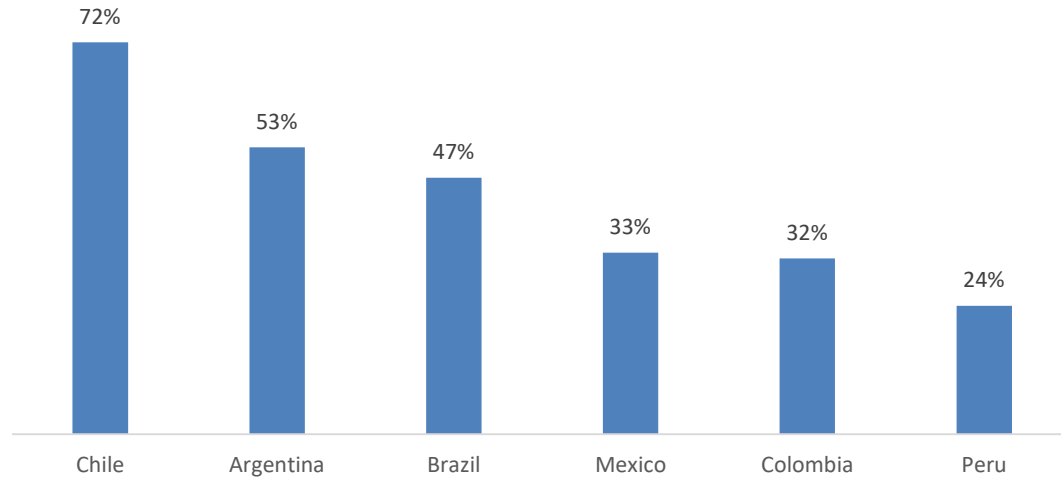




...led by the improvement in sanitary conditions and sound policies

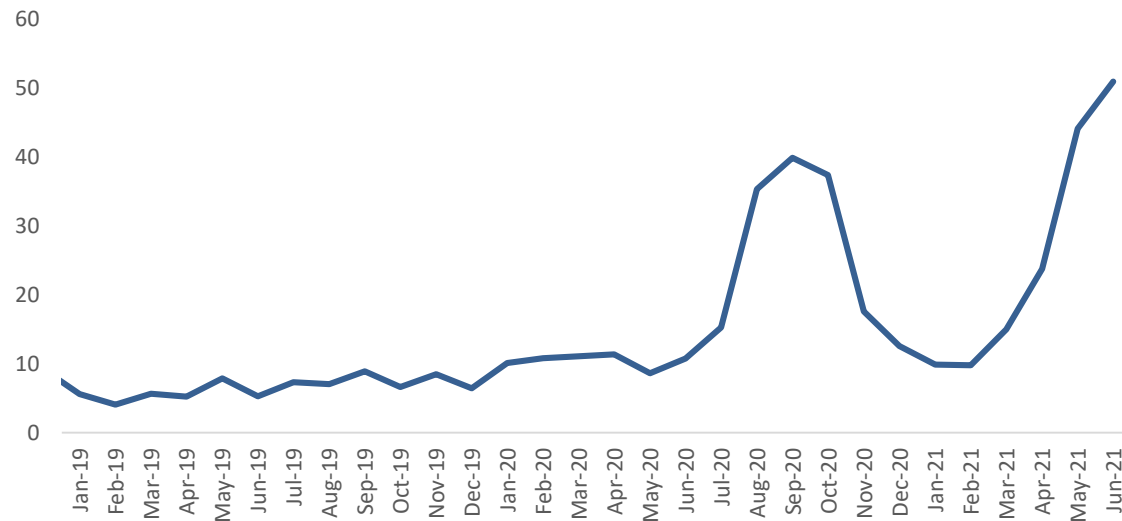
Evolution of Vaccination

Share of population that received at least one dose, as of July 26th, 2021.



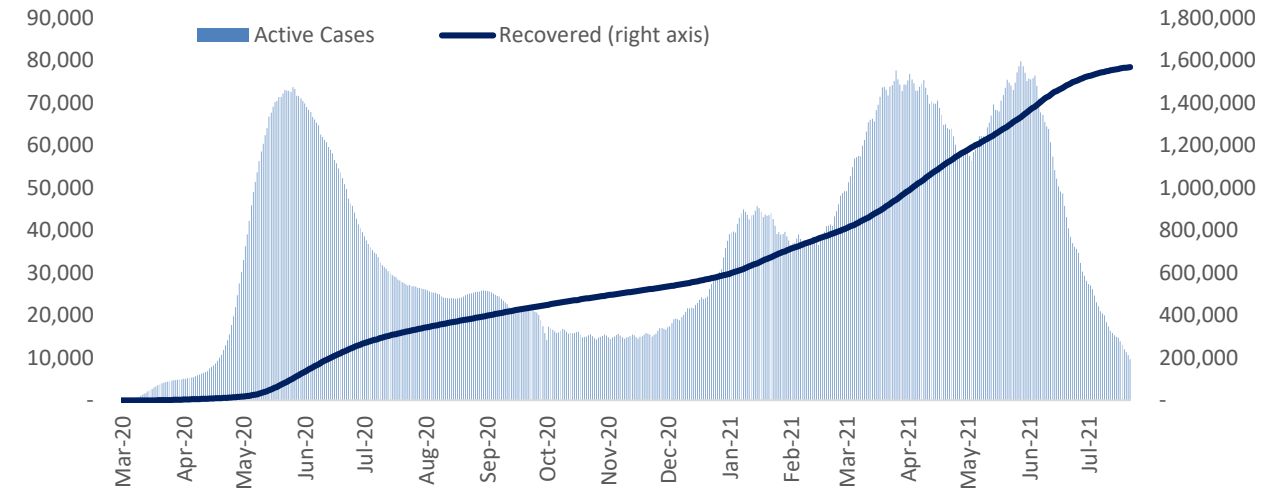
Fiscal spending Growth

MA3, YoY %



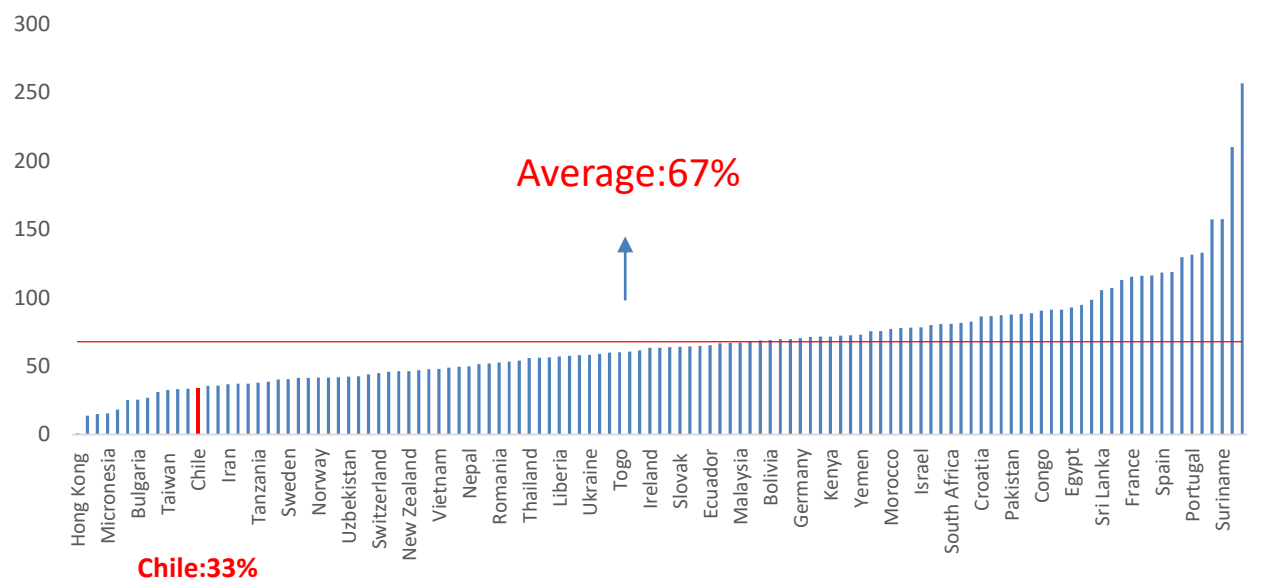
Evolution of Covid-19 in Chile

Total of Cases



Gross fiscal Debt in 2020

Debt/GDP, %





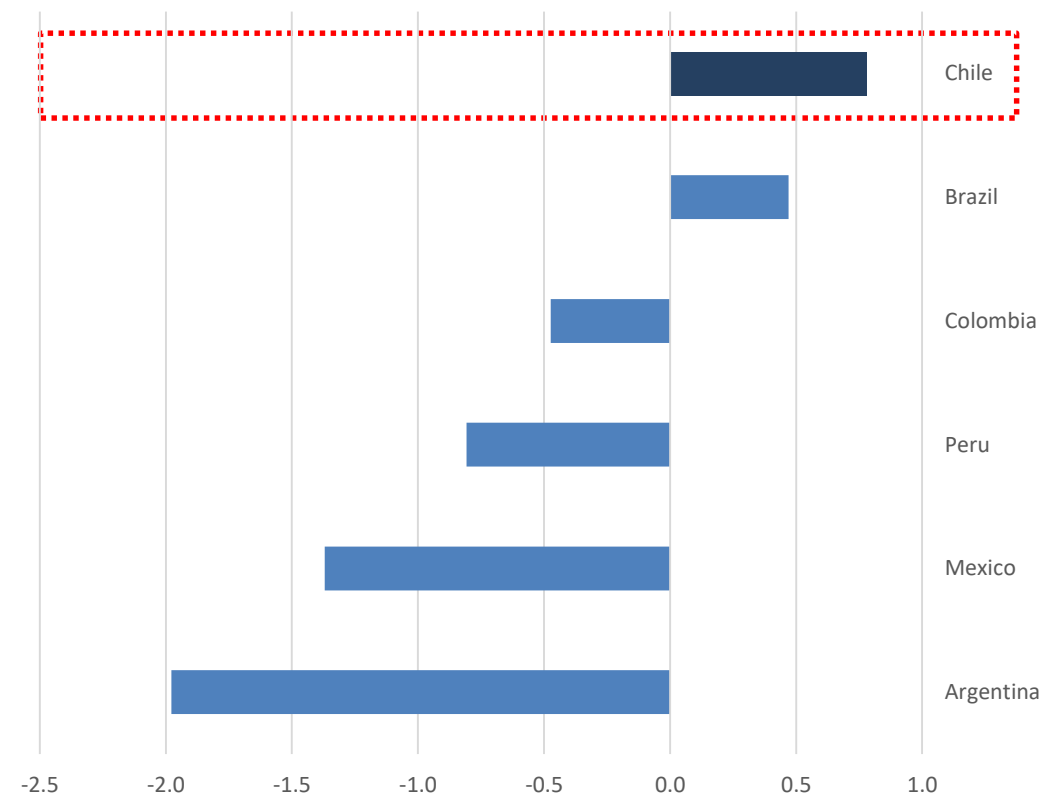
Our view of the Chilean economy

(YoY, %)

	2018	2019	2020	2021f	2022f
GDP	3.7	0.9	-5.8	8.4	3.0
Consumption	3.7	0.8	-6.8	14.5	2.8
Gross investment	5.1	4.4	-11.5	9.0	3.1
Exports	5.3	-2.6	-1.0	4.5	4.0
Imports	8.1	-2.4	-12.7	14.0	3.3
CPI	2.6	3.0	3.0	4.4	3.0
Monetary Policy Rate (eop)	2.75	1.80	0.50	1.5	2.75
Fiscal Balance (% GDP)	-1.5	-2.6	-7.4	-6.0	-4.0
Current Account (% GDP)	-4.0	-3.8	1.4	-1.0	-1.5

Average Expected Growth 2020 - 2021

Bloomberg consensus, June 2021

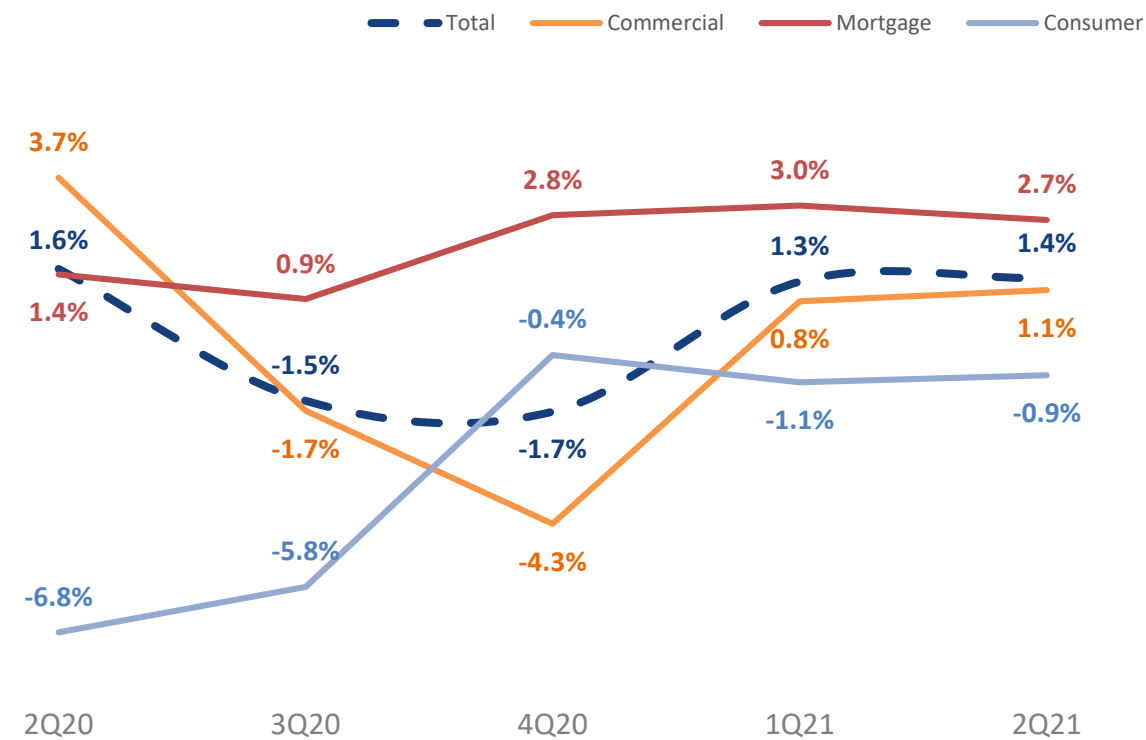




Positive industry profitability despite weak portfolio growth

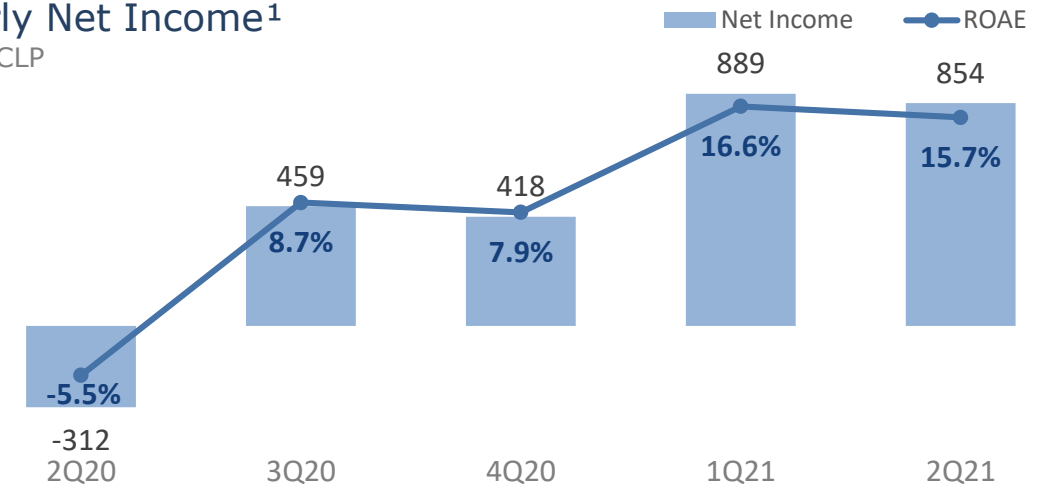
Nominal Loan Growth

QoQ



Quarterly Net Income¹

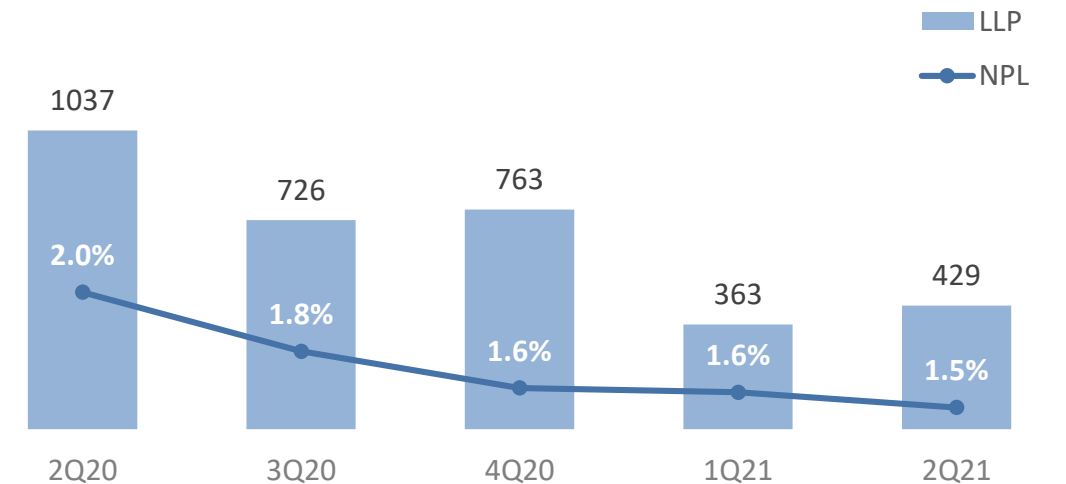
Billions of CLP



Inflation (Δ UF)	0.3%	0.0%	1.3%	1.1%	1.1%
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Asset Quality

LLP in billions of CLP and NPL Ratio in %



Cost of Risk	2.0%	1.4%	1.5%	0.7%	0.8%
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1. Net income attributable to equity holders.



Our Strategic Priorities and Advances



Key Pillars of our Strategy



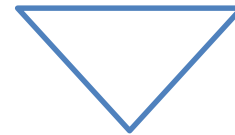
LEVERAGING
DIGITAL BANKING



IMPROVING EFFICIENCY
& PRODUCTIVITY



STRENGTHENING
SUSTAINABILITY

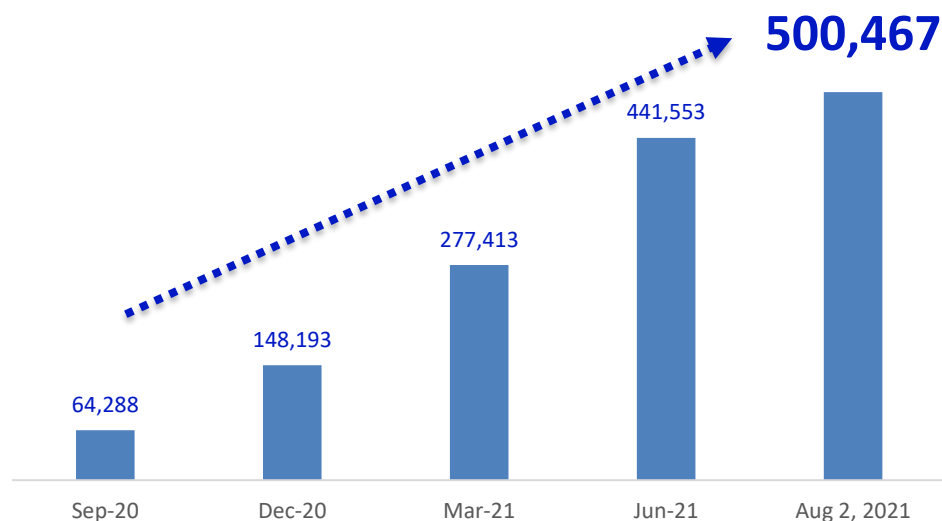


LONG-TERM PROFITABILITY



Advances in Digital Banking

FAN Customer Base Evolution



Digital Banking

- **+10,000 Fogape Reactiva** loans granted online.
- **+44,000** downloads of App **Mi Banconexión** for business launched in Feb-21.
- New **online foreign payments** functionality that allows transactions in **diverse currencies** is attracting new customers.



Cuenta FAN

- **Digital bank** account launched in Sep-20.
- Highest **average balance** among similar products.
- Customers across **all regions** of Chile.
- **~10 million** purchases through FAN debit card.
- **~10 million** transfers.



Digital Payments

- Smart Pay: payments through smartphone or smartwatch.
- **+423,000** Smart Pay transactions in e-commerce.
- **+6,000** stores enabled to receive QR code payments through the app Mi Pago.



**Innovative
Digital Bank**

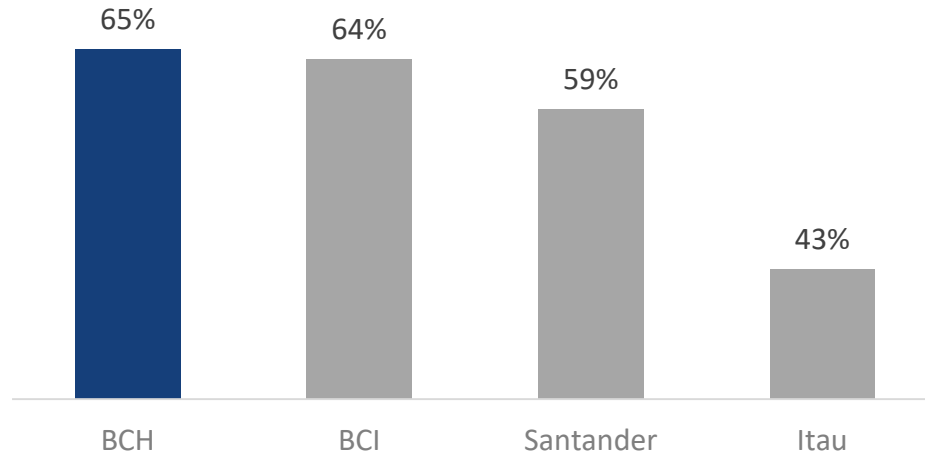
The European, 2021



The best option for customers

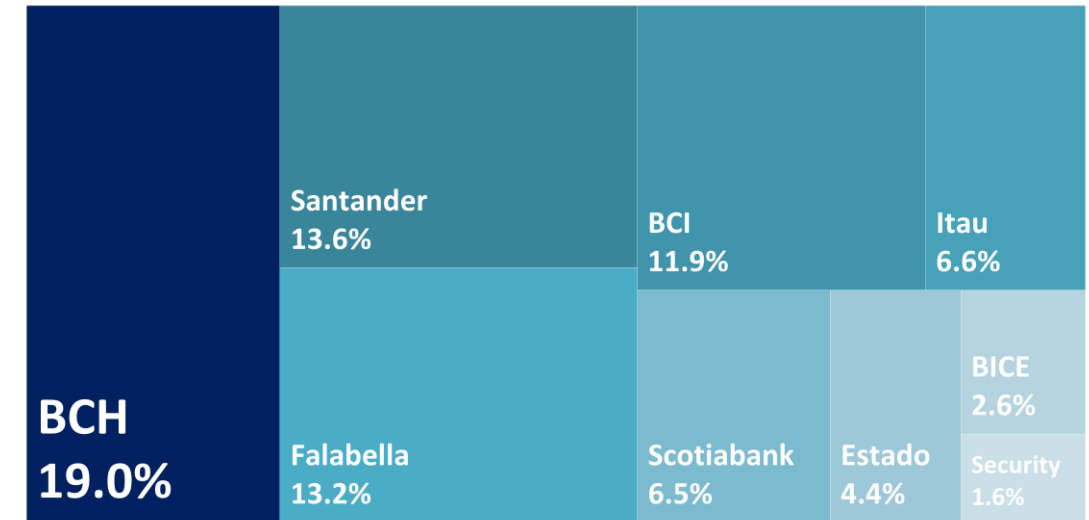
Net Promoter Score²

% total mentions, 2Q21



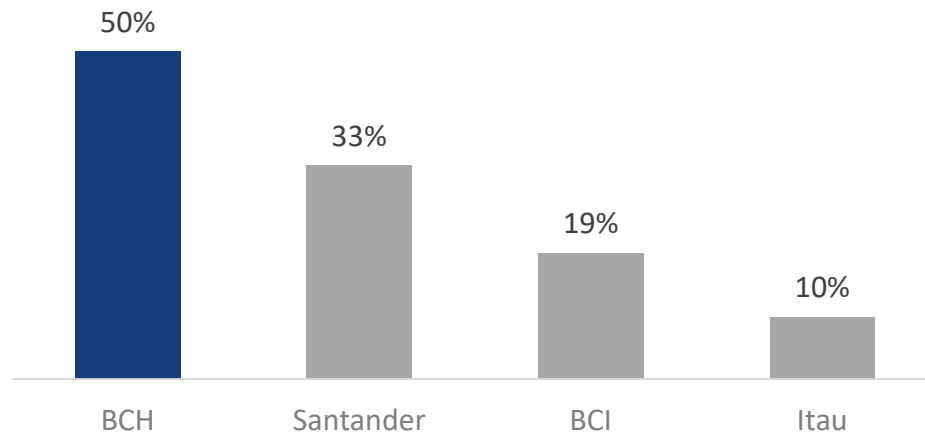
Preferred bank to change to?¹

% total mentions, 2Q21



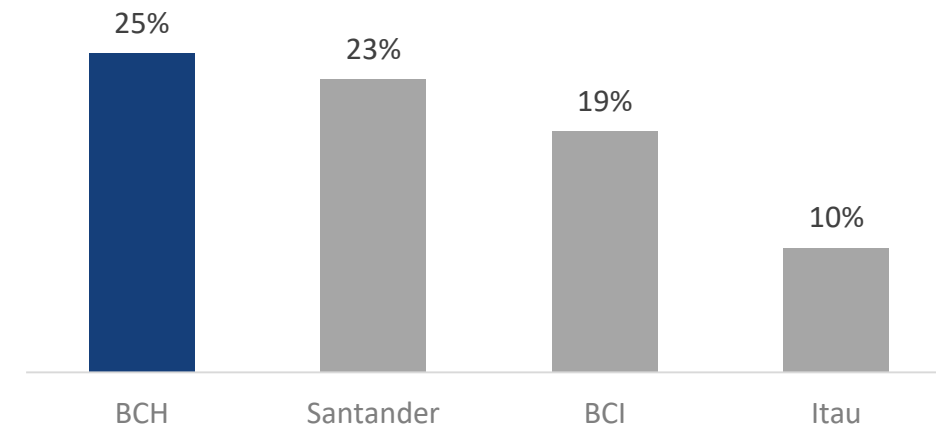
The bank with the best security and solvency¹

% total mentions, 2Q21



The most transparent and reliable bank¹

% of total mentions



| A continuous improvement in efficiency...

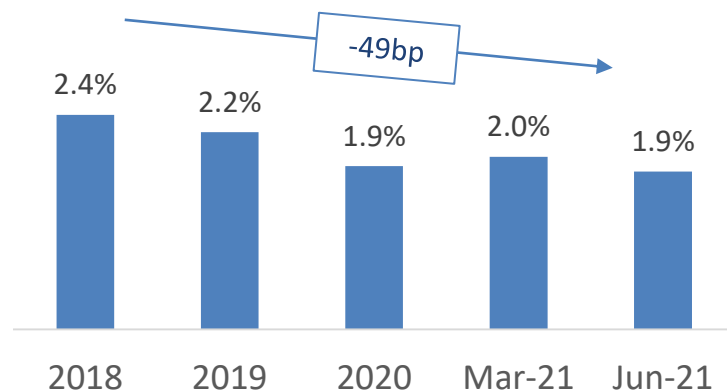


Streamlining and automating processes by leveraging technology and simplifying procedures



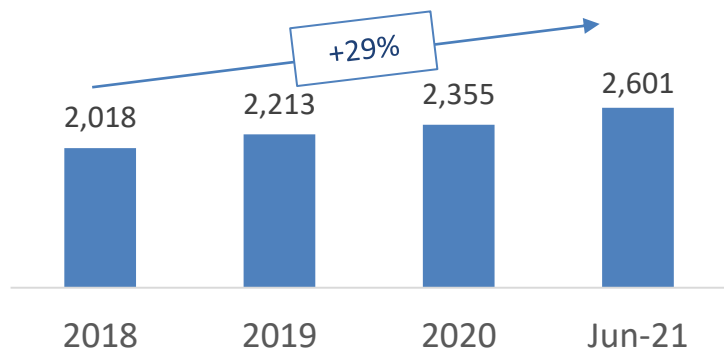
Optimizing branch network with a new service model and combining consumer finance offices with Banco de Chile locations

Total Expenses to Assets



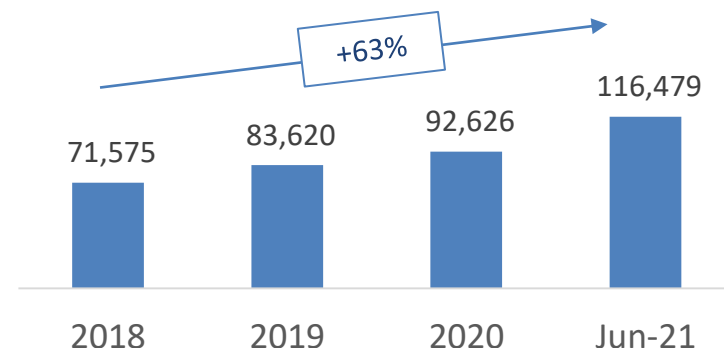
Loans per Employee

Millions of CLP



Loans per Branches

Millions of CLP



Productivity and Efficiency Division accelerating the implementation of optimization projects to reduce overall expenses

Created in 2020 with a well-crafted strategic and cross-enterprise strategy

Incorporating high standards and advanced market practices

Promoting optimization throughout procurement value chain to provide customers with high quality products and at the best overall value



Becoming a more sustainable bank



Support to SMEs

- **Leader in Fogape Reactiva**, granting **US\$1.5 billion¹** in loans to support SMEs.
- **Technology Adoption Conference for SMEs**: supporting the digitization of SMEs businesses
- **Entrepreneurship Academy**: radio education program with Accounting, Technology, Marketing and Legal courses.



Community

- **Financial Education**: free courses for high school students benefiting **2,625 students**.
- Donation of computers to an Educational Center to improve the **connectivity of 800 students**.
- **Women who inspire**: recognition to 35 women entrepreneurs and leaders of social organizations.

Environmental

- **Sustainable customer kits** that includes **biodegradable bags** and **recycled plastic cards**.
- **Green Leasing**: benefits for solar projects and electric cars.
- **SASB**: adoption of disclosure framework to provide relevant sustainability information.



Recognitions 2021

- **Bank of The Year**
- **Innovative Digital Banking**
- **Best Bank for Financial Inclusion**



Member of
Dow Jones Sustainability Indices
Powered by the S&P Global CSA



1. Source: Fogape, as of June 29th, 2021.

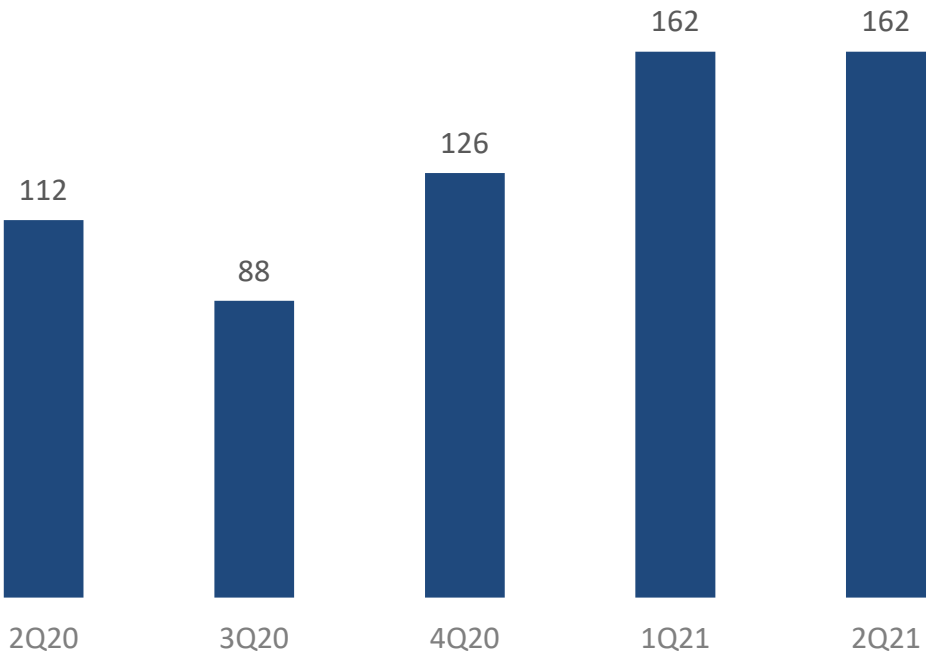


Banco de Chile

2Q21 Financial Results

Quarterly Net Income¹

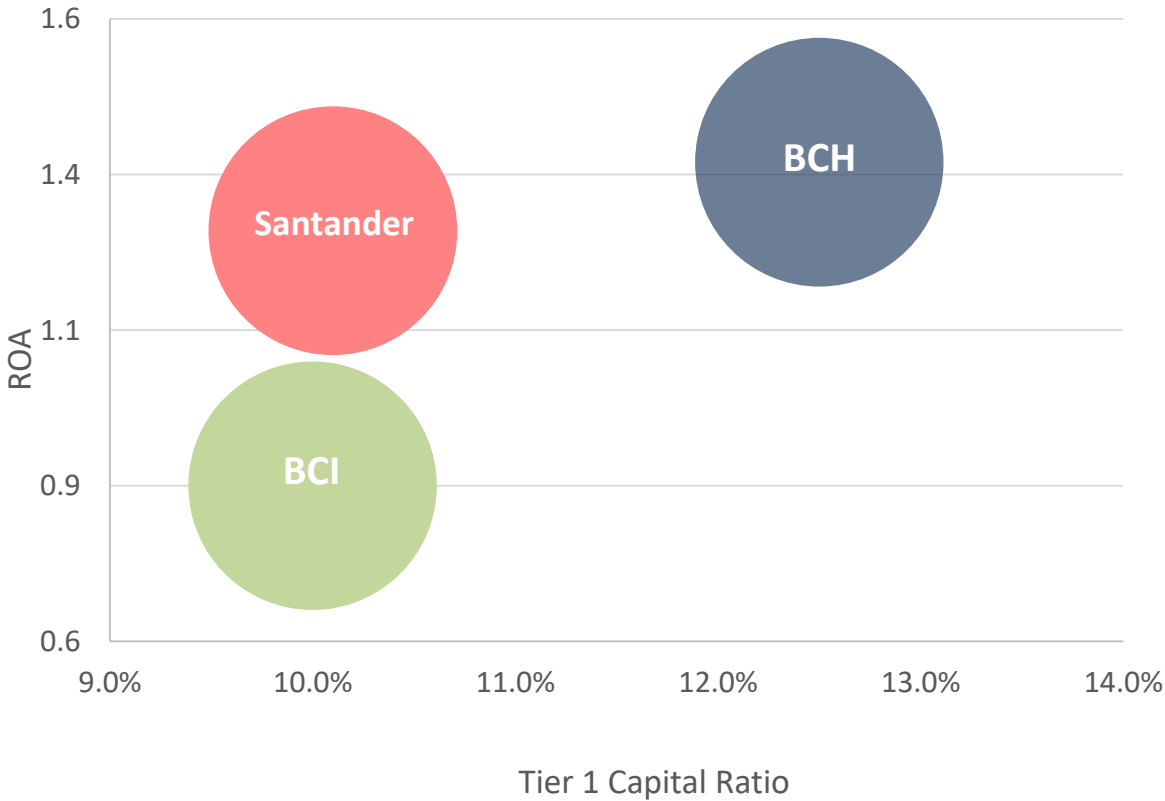
Billions of CLP



ROAE ¹	12.5%	9.8%	13.7%	17.3%	16.8%
ROA	1.0%	0.8%	1.1%	1.4%	1.4%

Leader in Profitability and Capital

2Q21



1. Net income attributable to equity holders.

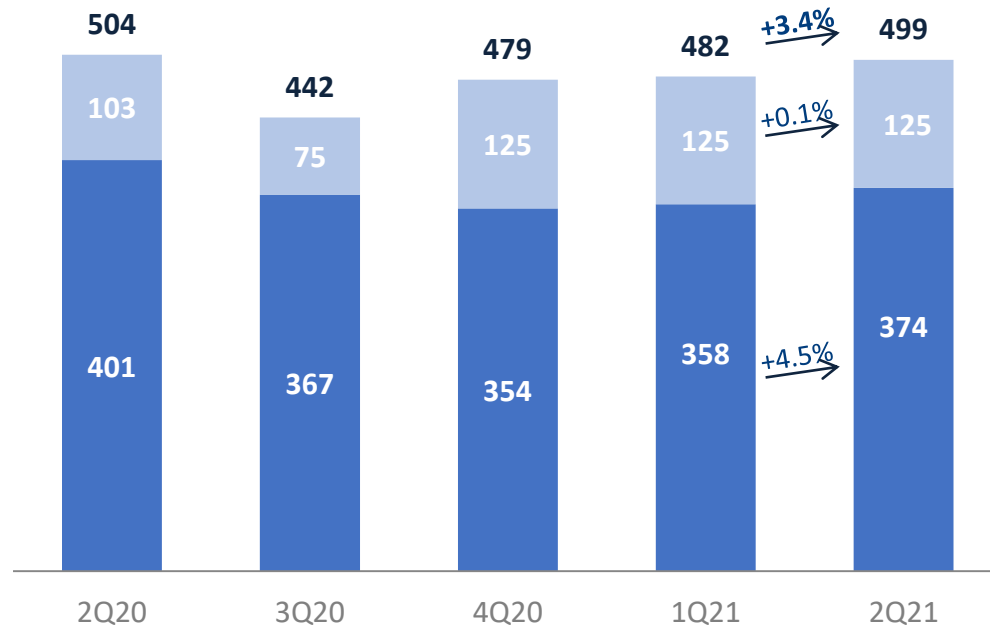


Recovering pre-pandemic revenues

Quarterly Operating Revenues

Billions of CLP

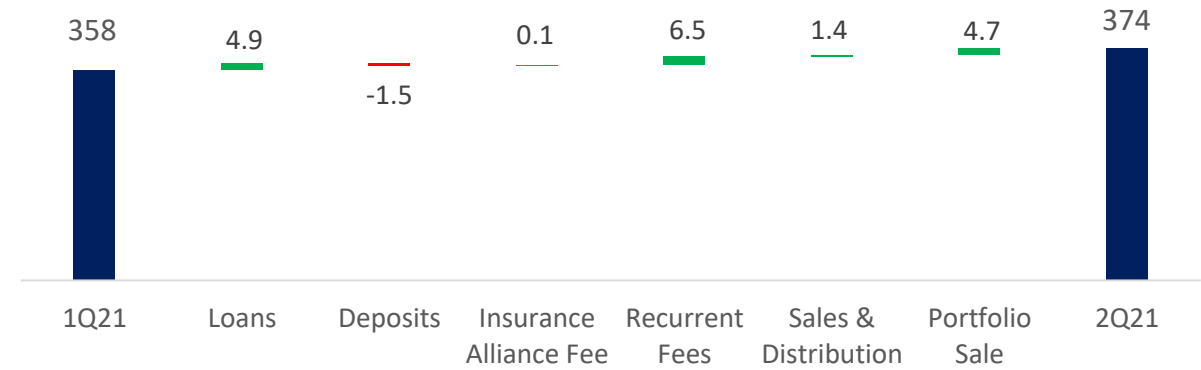
■ Customer Income ■ Non-customer Income



ΔUF	2Q20	3Q20	4Q20	1Q21	2Q21
	0.3%	0.0%	1.3%	1.1%	1.1%

Customer Income Breakdown

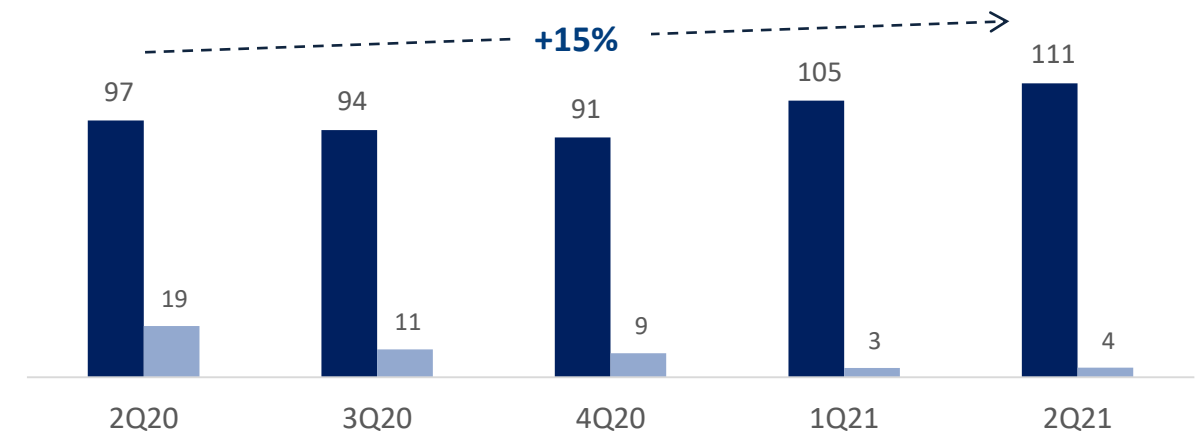
Billions of CLP



Net Fees Income Evolution

Billions of CLP

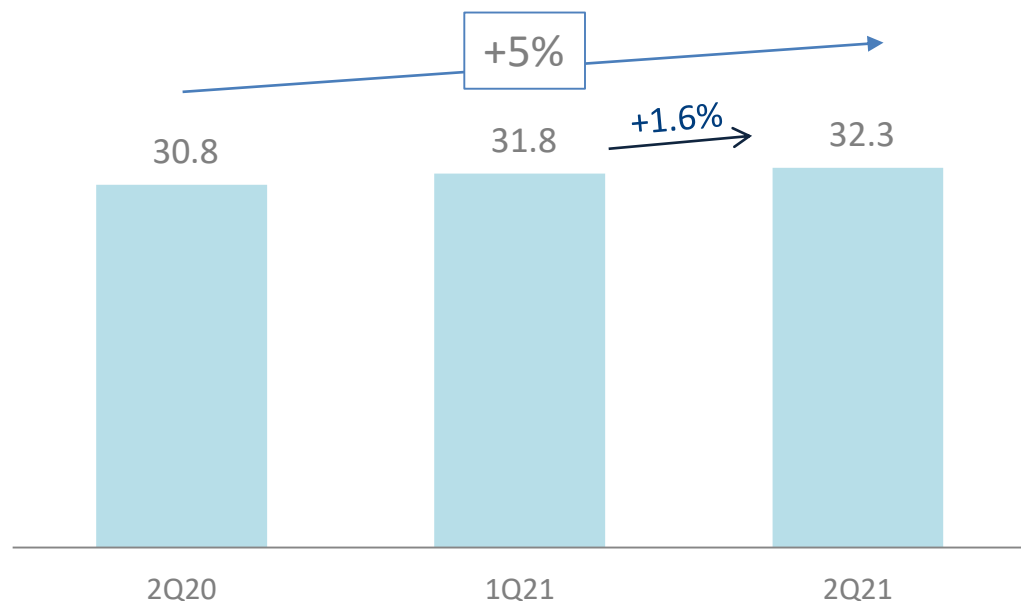
■ Recurrent Fees ■ Insurance Alliance Fee



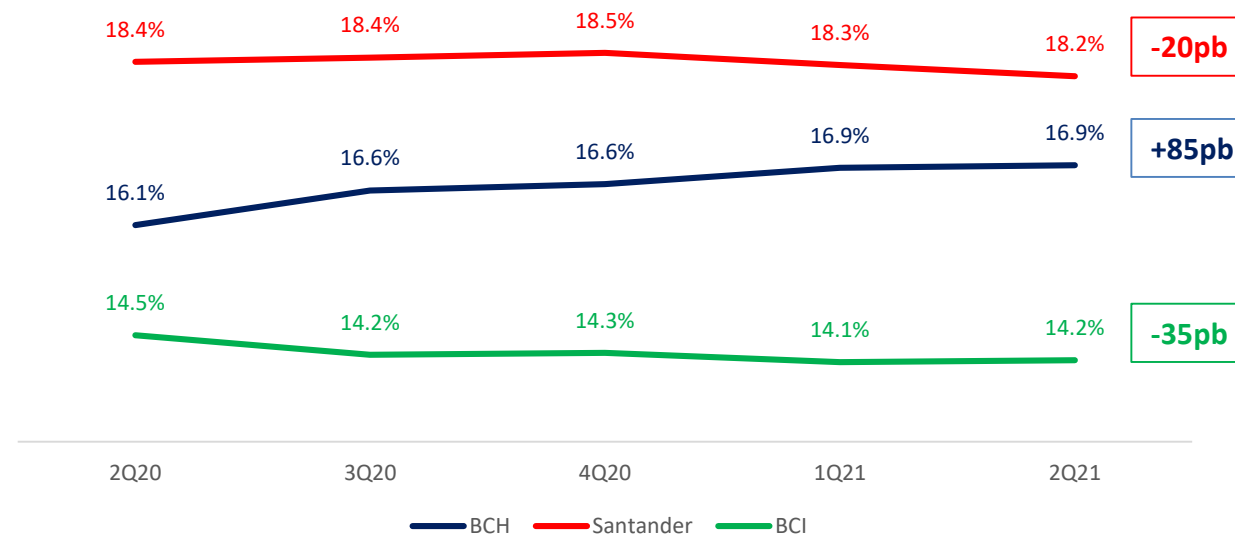


Loan growth driven by retail segments

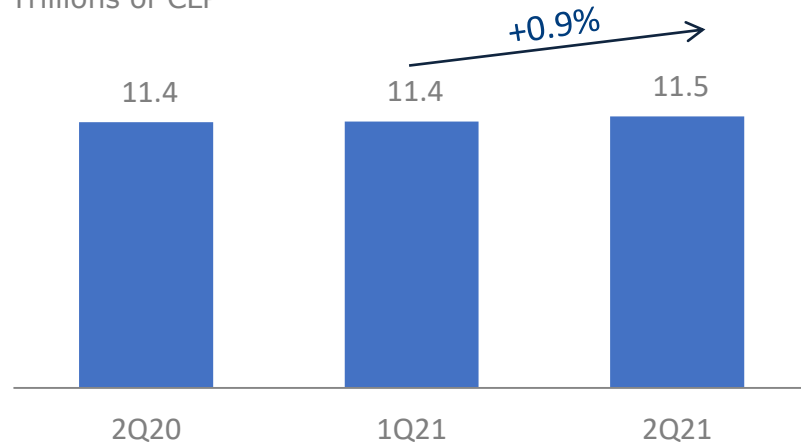
Total Loans
Trillions of CLP



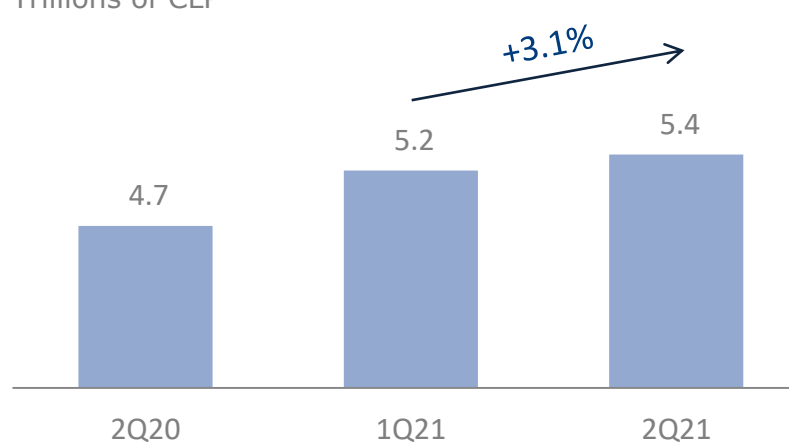
Loan Market Share Evolution¹



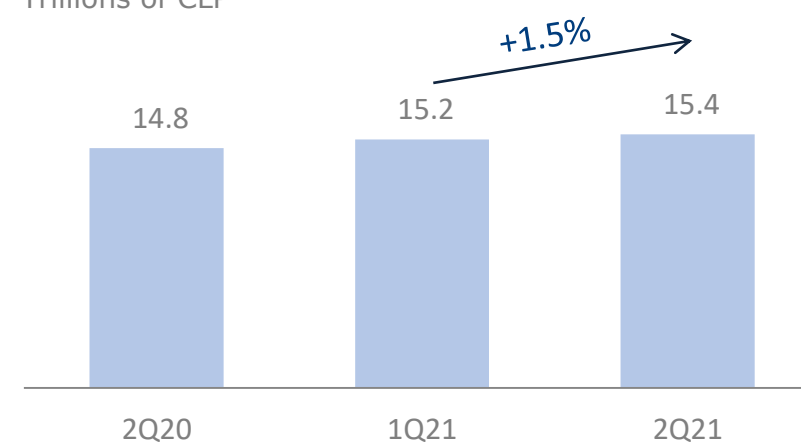
Wholesale Banking Loans
Trillions of CLP



SME Banking Loans
Trillions of CLP



Personal Banking Loans
Trillions of CLP



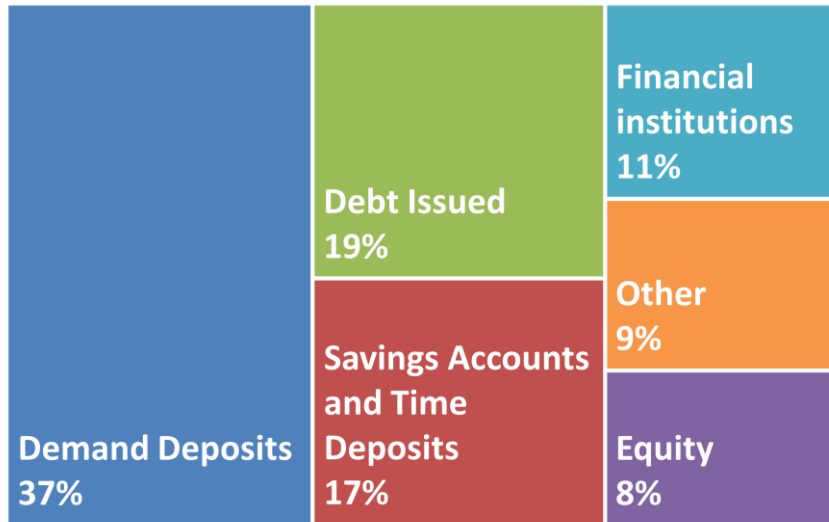
1. Excludes foreign subsidiaries.



Superior funding for the interest rate tightening cycle

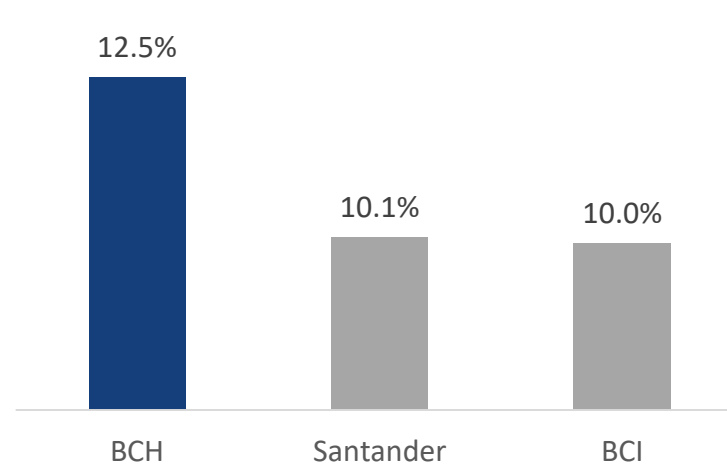
Liability Structure

% Over Total Assets, as of June 2021



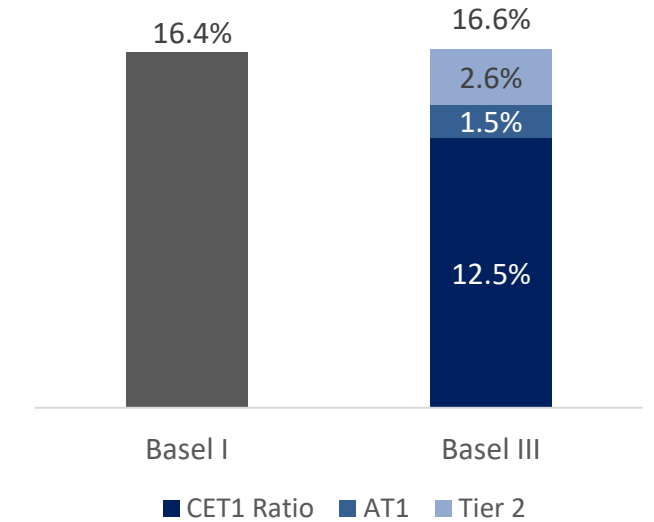
Tier I Capital Ratio

2Q21



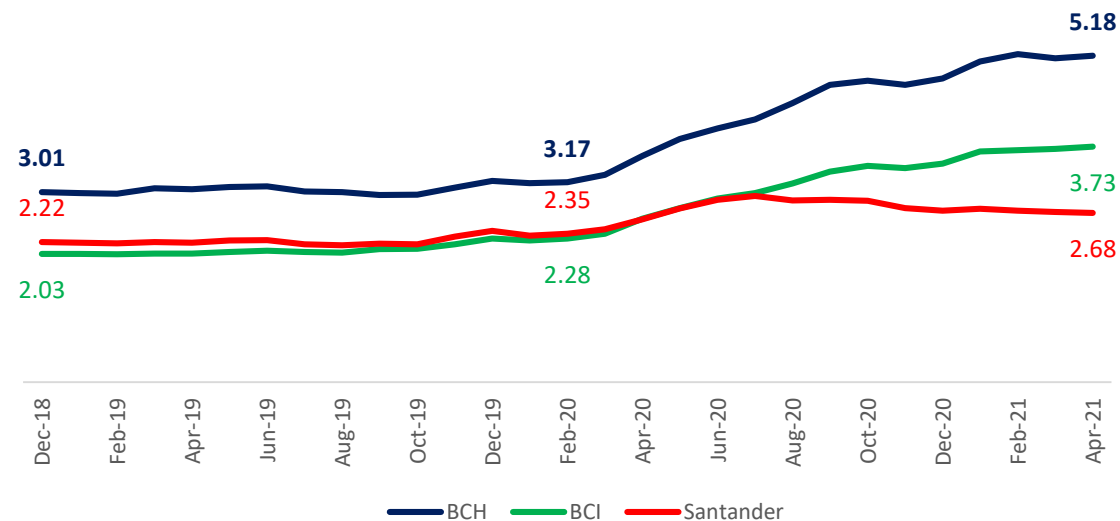
Basel Ratio

2Q21



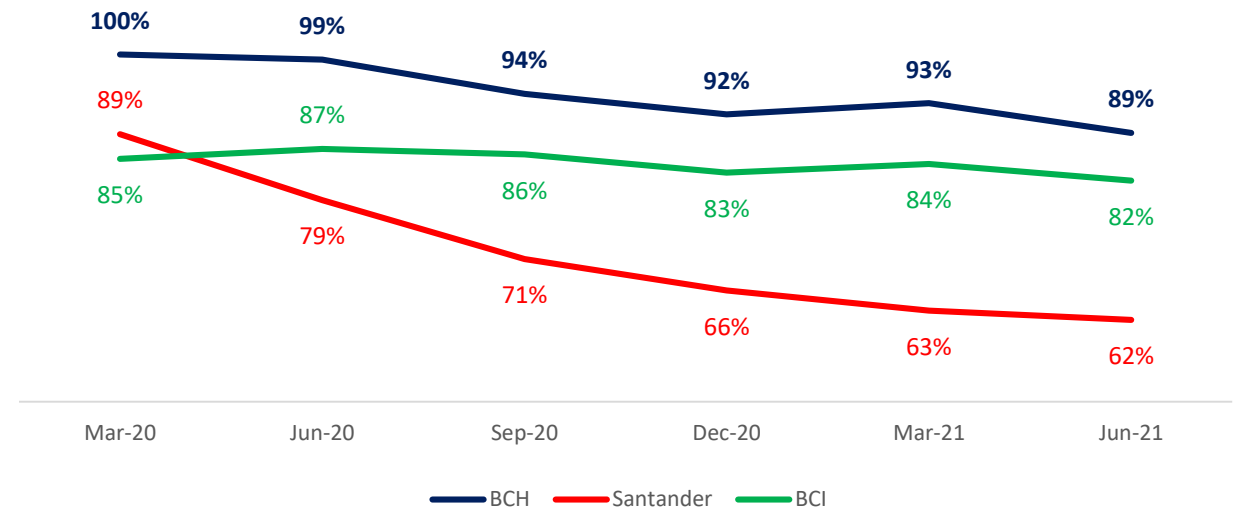
Personal Banking Current Accounts

Average balance per account, millions of CLP



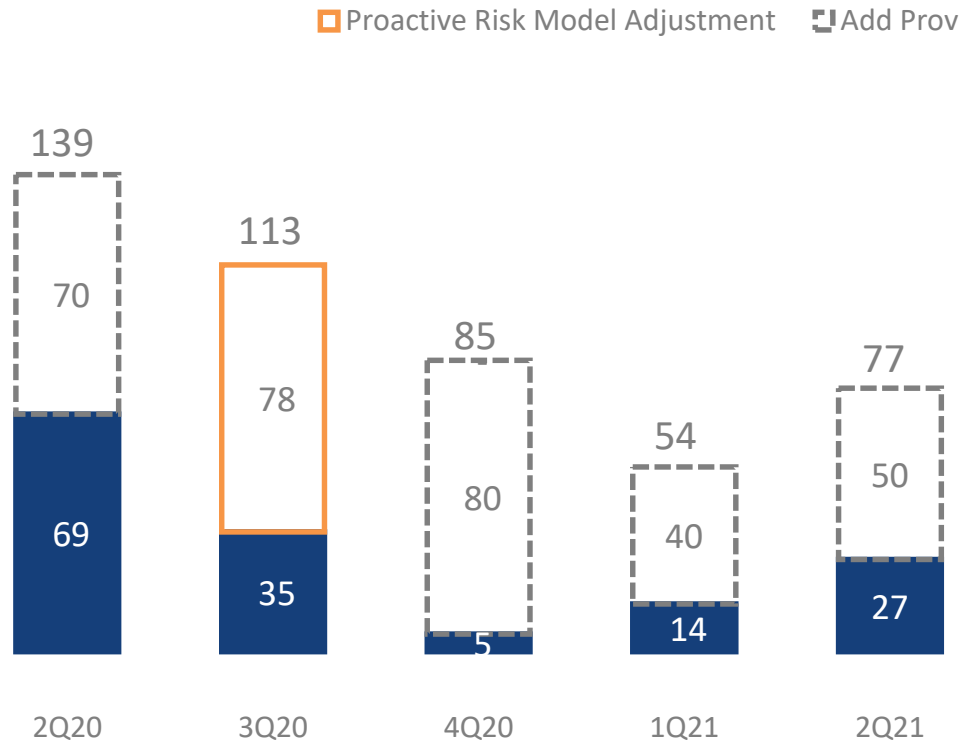
Mortgage Loan Funding Gap

Bonds/Mortgage

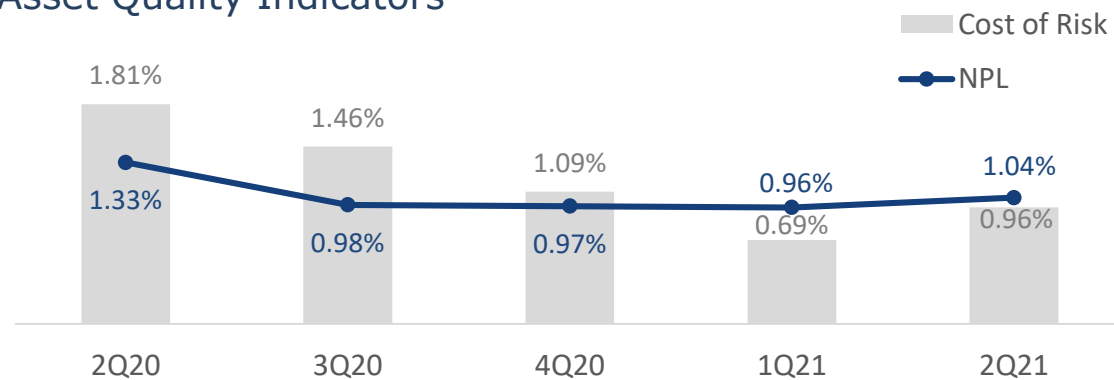


Loan Loss Provisions

Billions of CLP

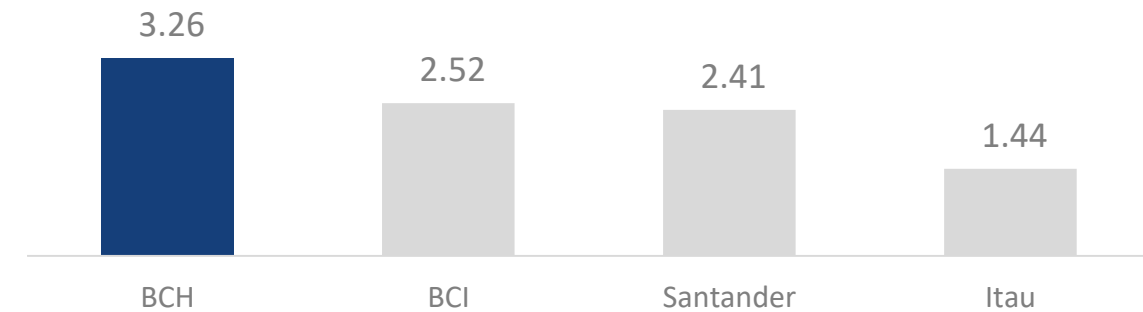


Asset Quality Indicators



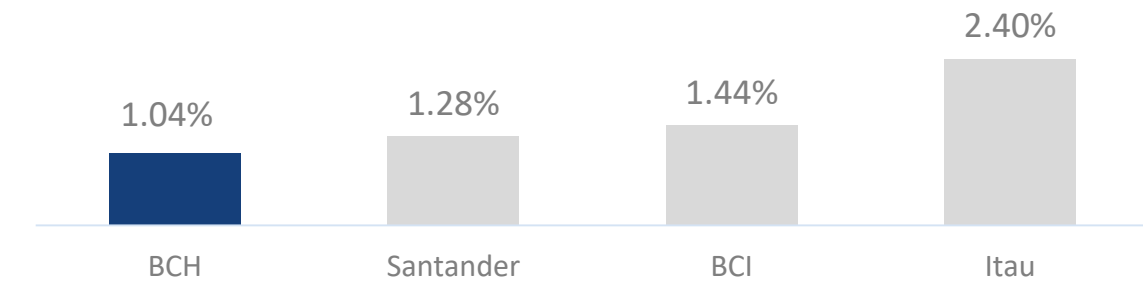
Coverage Ratio

Allowances for loan losses + Additional Provisions to NPLs, June 2021



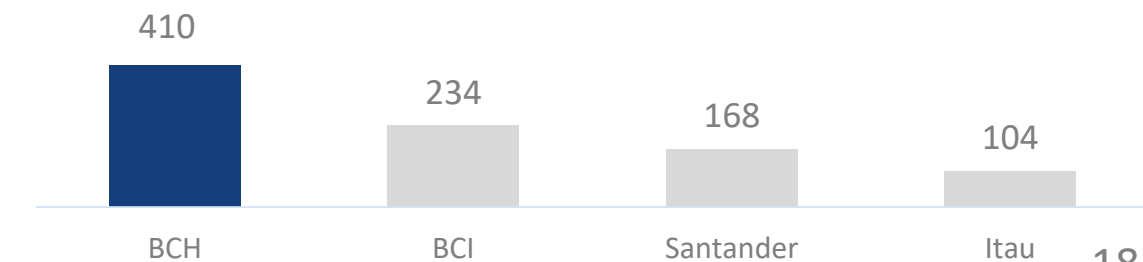
Delinquency Ratio

NPLs to Total Loans, June 2021



Additional Provisions

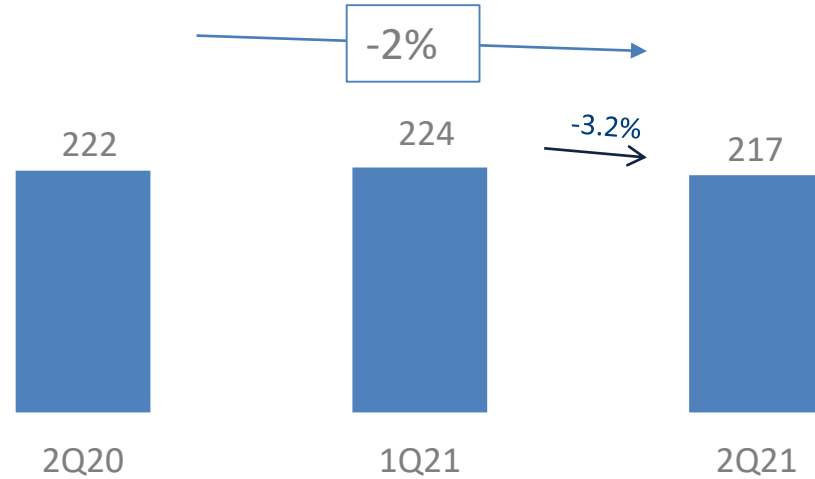
Billions of CLP, June 2021



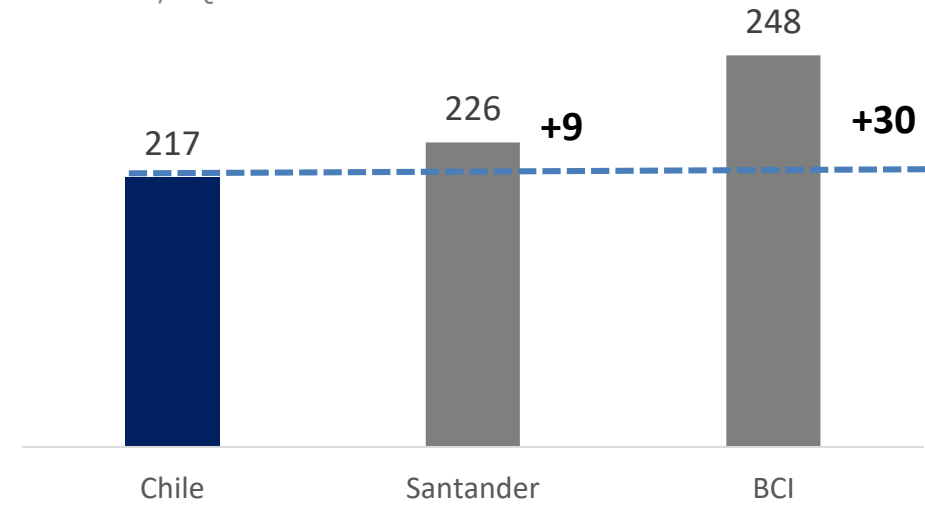


Cost control initiatives bearing fruit

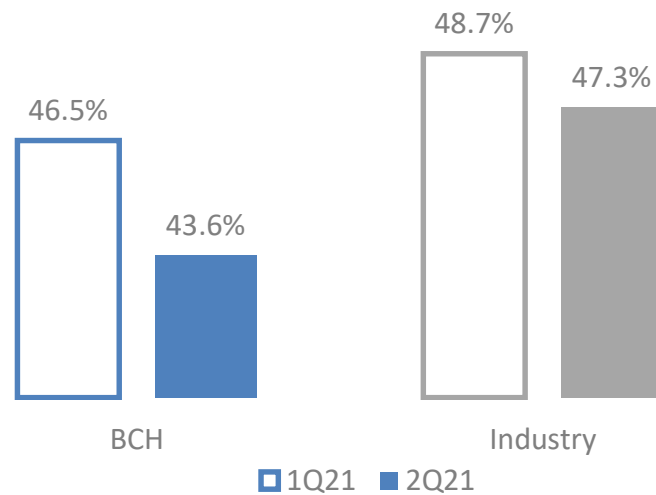
Total Expenses
Billions of CLP



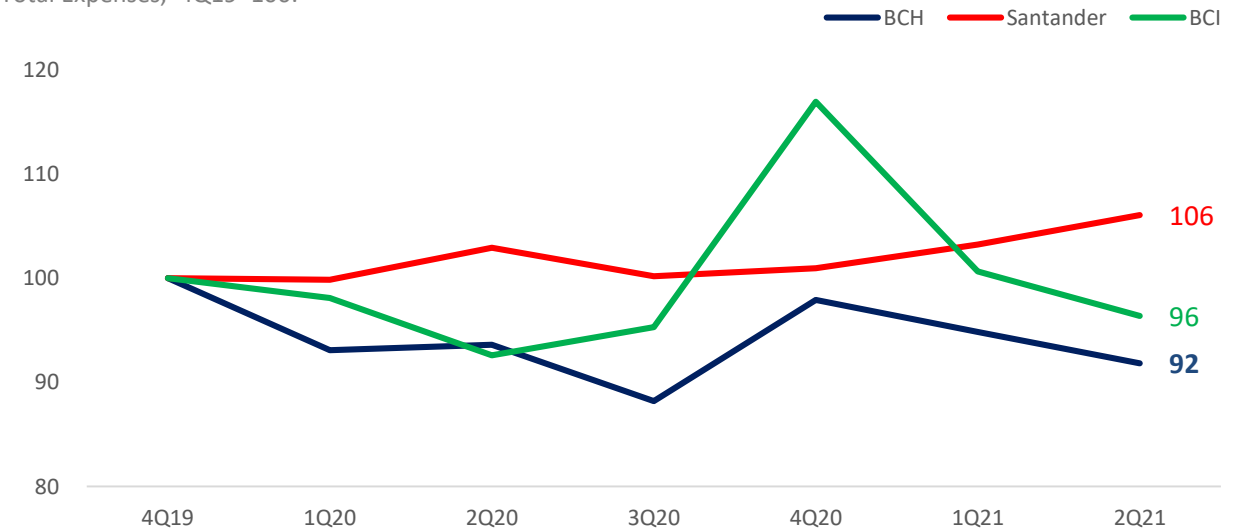
Total Expenses
Billions of CLP, 2Q21.



Efficiency Ratio
Cost to Income



Comparison to Peers
Total Expenses, 4Q19=100.

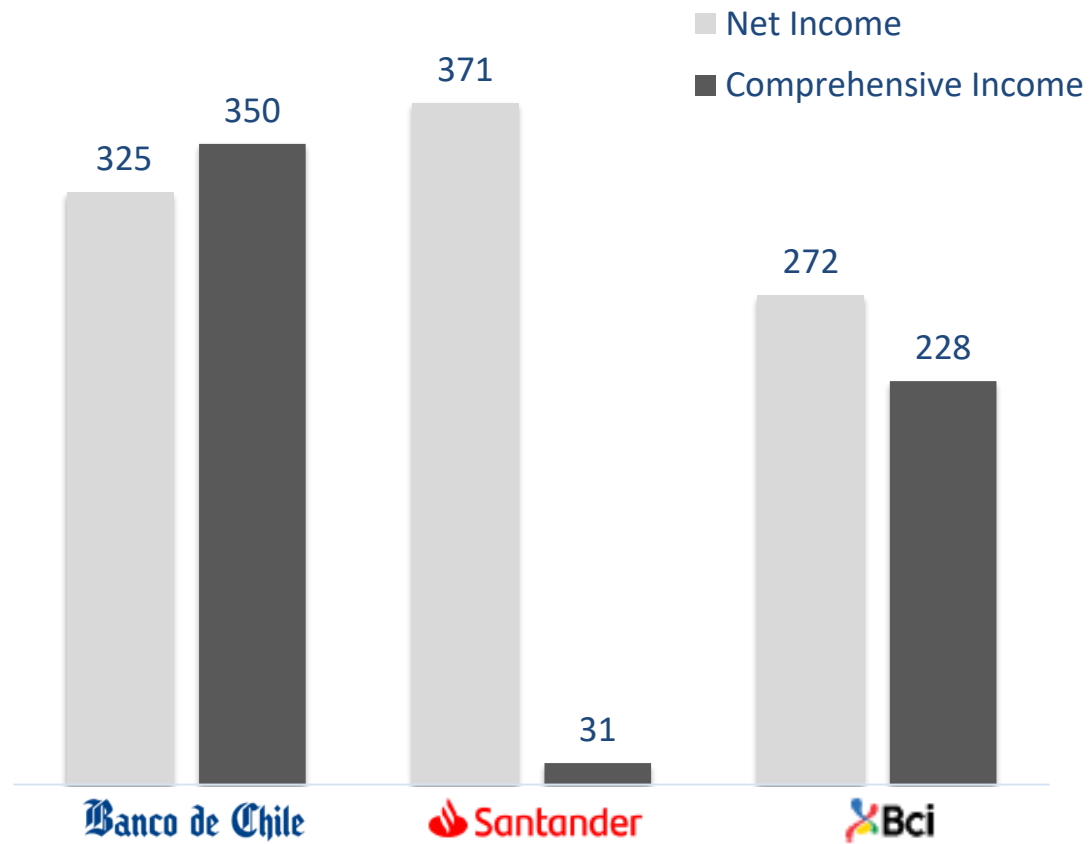




Outperforming our peers in total profitability for shareholders

Net Income and Comprehensive Income

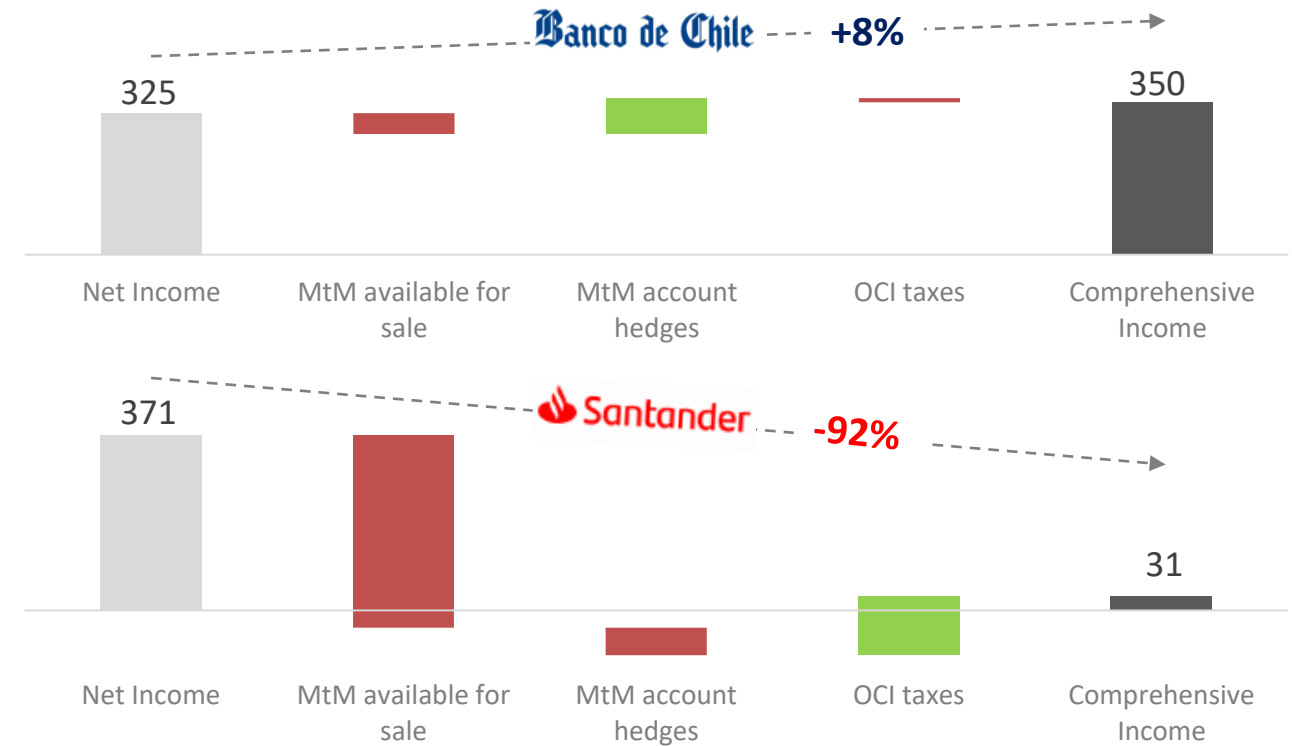
Billions of CLP, YTD



ROE Net Income	17%	22%	13%
ROE Comprehensive Income	18%	2%	12%

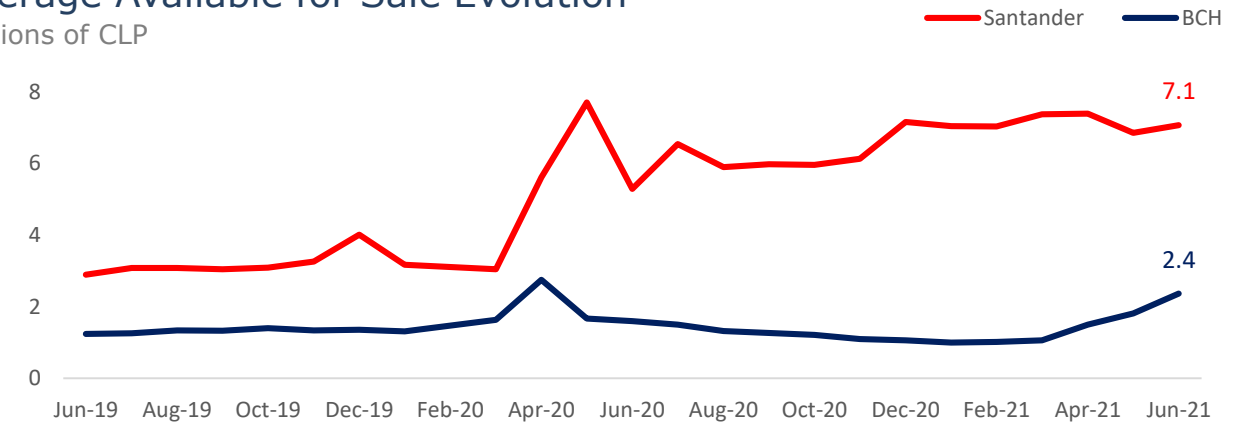
Breakdown of Comprehensive Income

Billions of CLP, YTD



Average Available for Sale Evolution

Trillions of CLP





| Key Takeaways



- Consumption driving GDP recovering in 2021 to ~8.4%.
- **Inflation** for 2021 at ~4.4%.
- **Highest profitability** amongst peers in comprehensive income with a **OCI ROAE** of **18%** in 1H21.
- **Strongest Capitalization** among peers.
- **Lowest NPL** ratio among peers of **1.0%**.
- 2021 industry **loan growth** of ~7%. We expect to **pick up market share**.
- Medium term sustainable level of **Cost of Risk** ~1.1%
- Long-term **ROAE** should return to similar levels of **prior the pandemic**, once health crisis effects disappears.



Appendix: Main Financial Indicators

Key Performance Ratios	Quarter			Year Ended		
	2Q20	1Q21	2Q21	Jun-20	Mar-21	Jun-21
Earnings per Share ^{(1) (2)}						
Net income per Share (Ch\$)	1.11	1.61	1.61	2.46	1.61	3.22
Net income per ADS (Ch\$)	221.16	321.71	321.48	492.16	321.71	643.20
Net income per ADS (US\$)	0.27	0.45	0.44	0.60	0.45	0.88
Book value per Share (Ch\$)	35.43	37.82	38.94	35.43	37.82	38.94
Shares outstanding (Millions)	101,017	101,017	101,017	101,017	101,017	101,017
Profitability Ratios ^{(3) (4)}						
Net Interest Margin	3.50%	3.43%	3.39%	3.81%	3.43%	3.41%
Net Financial Margin	4.05%	3.73%	3.71%	4.21%	3.73%	3.72%
Fees & Comm. / Avg. Interest Earnings Assets	1.24%	1.10%	1.14%	1.34%	1.10%	1.12%
Operating Revs. / Avg. Interest Earnings Assets	5.36%	4.92%	4.94%	5.64%	4.92%	4.93%
Return on Average Total Assets	0.97%	1.45%	1.41%	1.12%	1.45%	1.43%
Return on Average Equity	12.49%	17.25%	16.76%	13.86%	17.25%	17.00%
Capital Ratios						
Equity / Total Assets	7.76%	8.49%	8.31%	7.76%	8.49%	8.31%
Tier I (Basic Capital) / Total Assets	7.42%	7.91%	7.72%	7.42%	7.91%	7.72%
Tier I (Basic Capital) / Risk-Weighted Assets	10.86%	12.28%	12.51%	10.86%	12.28%	12.51%
Total Capital / Risk-Weighted Assets	14.61%	16.11%	16.42%	14.61%	16.11%	16.42%

(1) Figures are expressed in nominal Chilean pesos.

(2) Figures are calculated considering nominal net income, the shares outstanding and the exchange rate existing at the end of each period.

(3) Ratios consider daily average balances.

(4) Annualized data.



Appendix: Main Financial Indicators

Key Performance Ratios	Quarter			Year Ended		
	2Q20	1Q21	2Q21	Jun-20	Mar-21	Jun-21
Credit Quality Ratios						
Total Past Due / Total Loans to Customers	1.33%	0.96%	1.04%	1.33%	0.96%	1.04%
Allowance for Loan Losses / Total Past Due	165.85%	235.99%	204.00%	165.85%	235.99%	204.00%
Impaired Loans / Total Loans to Customers	3.57%	3.46%	3.23%	3.57%	3.46%	3.23%
Loan Loss Allowances / Impaired Loans	61.72%	65.39%	65.91%	61.72%	65.39%	65.91%
Loan Loss Allowances / Total Loans to Customers	2.20%	2.26%	2.13%	2.20%	2.26%	2.13%
Loan Loss Provisions / Avg. Loans to Customers ⁽⁴⁾	1.81%	0.69%	0.96%	1.74%	0.69%	0.83%
Operating and Productivity Ratios						
Operating Expenses / Operating Revenues	43.95%	46.53%	43.59%	43.44%	46.53%	45.04%
Operating Expenses / Average Total Assets ^{(3) (4)}	1.92%	2.00%	1.88%	2.00%	2.00%	1.94%
Balance Sheet Data ⁽¹⁾⁽³⁾						
Avg. Interest Earnings Assets (million Ch\$)	37,631,093	39,237,869	40,360,140	36,085,778	39,237,869	39,799,005
Avg. Assets (million Ch\$)	46,089,209	44,940,597	46,138,598	44,196,185	44,940,597	45,539,598
Avg. Equity (million Ch\$)	3,577,569	3,767,562	3,875,844	3,586,233	3,767,562	3,821,703
Avg. Loans to Customers (million Ch\$)	30,760,030	31,260,389	31,976,113	30,377,067	31,260,389	31,618,251
Avg. Interest Bearing Liabilities (million Ch\$)	23,577,954	21,189,806	21,639,857	22,880,043	21,189,806	21,414,832
Risk-Weighted Assets (Million Ch\$)	32,939,905	31,102,274	31,440,210	32,939,905	31,102,274	31,440,210
Additional Data						
Exchange rate (Ch\$/US\$)	821.24	719.00	734.00	821.24	719.00	734.00
Employees (#)	13,293	12,693	12,404	13,293	12,693	12,404
Branches (#)	336	312	277	336	312	277

(1) Figures are expressed in nominal Chilean pesos.

(2) Figures are calculated considering nominal net income, the shares outstanding and the exchange rate existing at the end of each period.

(3) Ratios consider daily average balances.

(4) Annualized data.



Forward Looking Information

The information contained herein incorporates by reference statements which constitute “forward-looking statements,” in that they include statements regarding the intent, belief or current expectations of our directors and officers with respect to our future operating performance. Such statements include any forecasts, projections and descriptions of anticipated cost savings or other synergies. You should be aware that any such forward-looking statements are not guarantees of future performance and may involve risks and uncertainties, and that actual results may differ from those set forth in the forward-looking statements as a result of various factors (including, without limitations, the actions of competitors, future global economic conditions, market conditions, foreign exchange rates, and operating and financial risks related to managing growth and integrating acquired businesses), many of which are beyond our control. The occurrence of any such factors not currently expected by us would significantly alter the results set forth in these statements. Factors that could cause actual results to differ materially and adversely include, but are not limited to:

- *Changes in general economic, business or political or other conditions in Chile or changes in general economic or business conditions in Latin America.*
- *Changes in capital markets in general that may affect policies or attitudes toward lending to Chile or Chilean companies.*
- *Unexpected developments in certain existing litigation.*
- *Increased costs.*
- *Unanticipated increases in financing and other costs or the inability to obtain additional debt or equity financing on attractive terms.*

You should not place undue reliance on such statements, which speak only as of the date that they were made. Our independent public accountants have not examined or compiled the forward-looking statements and, accordingly, do not provide any assurance with respect to such statements. These cautionary statements should be considered in connection with any written or oral forward-looking statements that we may issue in the future. We do not undertake any obligation to release publicly any revisions to such forward-looking statements to reflect later events or circumstances or to reflect the occurrence of unanticipated events.

