



Banco de Chile

## **GENERAL PRINCIPLES OF CORPORATE GOVERNMENT**

### **I. Sources and Purposes of the General Principles of Corporate Governance.**

This document contains an integral summary of the General Principles of Corporate Governance to which Banco de Chile adheres and that arise from its by-laws, its Code of Conduct, the recommendations of international organisms and the legal provisions applicable to Banco de Chile, such as, the General Banking Act, the Law on Corporations, the Law on Securities Market and the regulations issued by the Chilean Financial Market Commission. Likewise, these general principles are included in the group of Policies and Internal Procedures that the Bank has approved progressively and which purpose is to implement the corporate governance principles arising from the indicated sources.

The purpose of the rules and principles of corporate governance is to improve in a continuous manner internal self-regulation mechanisms, assuring the integral compliance of the regulation in effect, create value for the Bank and all of its shareholders, directors, customers, employees, the community and the market in general and protect the permanent adherence to the Corporation's values.

Finally, the General Principles of Corporate Governance constitute a manner of self-regulation guiding the general actions of Banco de Chile's Management and its employees, including its

subsidiaries.

## II. **Ethics and Best Practices.**

The Board of Directors has approved the Code of Conduct of Banco de Chile. All the members of the Corporation, including its directors as applicable to their duties, are subject to this Code. The Code of Conduct establishes fundamental principles serving as guidance for taking corporate decisions and for conducting the general activity of Corporation Banco de Chile. This Code includes among its main principles, the observance of the law and internal and external regulation, confidentiality, integrity and responsibility, both corporate and individual.

Likewise, and considering that good faith, trust, transparency and safety are the base of the activities, business and services conducted and/or provided by the Bank and its subsidiaries, and that these values constitute, in turn, the foundations of the relationship with its customers, Banco de Chile adheres to the “**Conduct and Good Practices Guide**”, prepared by Banks and *Asociación de Bancos e Instituciones Financieras de Chile A.G.*, which is available at the institutional web site [www.bancochile.cl](http://www.bancochile.cl)

## III. **Corporate Values.**

Pursuant to our Code of Conduct, the following are fundamental ethical values for Banco de Chile: integrity, commitment, respect, loyalty, prudence, responsibility and justice. Such values shall be promoted and protected by the different levels of the Corporation.

Each of the members of the Institution shall act pursuant to such values in a fair, coherent and permanent manner. Authorities shall be exercised in a responsible manner and people shall act correctly at any time.

#### IV. **Purpose, Mission and View of Banco de Chile.**

The Board of Directors has defined as Purpose, Mission and View of Banco de Chile the following:

- **Our Purpose:**

*“We constitute a corporation that contributes to the development of the country, and our purpose is to generate conditions for the development of people and companies, accompanying them with adequate solutions to their different stages in the process of development”*

- **Our Mission:**

*“We are a leading corporation connected to the world, with a prestigious business tradition. We provide to each segment of customers first-class financial services, with creative, agile and effective solutions for each segment, assuring the creation of value for our shareholders, employees and the community in general.”*

- **Our View**

*“We permanently seek, in everything we do, to be the best bank for our customers, the best place to work and the best investment for our shareholders. We do it being committed to the people that are*

*members of our organization and with the development of the community.”*

**V. Shareholders.**

The shareholders meeting is the maximum decision-making body of the Bank, where the shareholders meet periodically to learn about the institution’s management and take the agreements that, pursuant to the law and its by- laws, are within the scope of its authorities.

For an adequate exercise of their economic and political rights, shareholders shall receive, in a true, timely and non-discriminatory manner, relevant information regarding the Bank, which the Bank shall disclose and deliver pursuant to the law and the principles for handling information of interest for the market contained herein below.

The Bank informs in its Annual Report the details about its ownership structure, as well as the main aspects of any shareholders agreement related to the control of the institution and the changes of the capital and reserves and the dividends policy.

**VI. Board of Directors.**

**A. Members and Operation.**

The Board of Directors is the main corporate governance instance

of the Bank and the body that defines the strategic guidelines of the Corporation.

The directors shall act in good faith and informed, complying with their duties of loyalty and due care with the Bank, its shareholders and customers. The directors, when deciding on matters related to the business of the Bank, shall apply the same zeal and care and act with the same diligence and prudence they use in their own business. The directors shall be loyal with all the shareholders, irrespective of the votes with which they were elected and of any other personal and specific interest they may have.

The Board of the Bank, pursuant to its by-laws, is currently comprised of eleven titular directors and two alternate directors. All the directors are appointed every three years.

The Board of Directors holds regular meetings twice a month, save for February where it meets once. Special meetings may be summoned by the Chairman of the Board, directly or at the request of one or more titular directors.

The Chief Executive Officer is appointed by the Board of Directors and remains in his/her position provided it has not been agreed otherwise.

#### **B. Attendance to meetings and leave of absence.**

The directors shall attend every meeting of the board unless they are prevented from attending, with a cause. The Board of Directors shall evaluate the reasons invoked by any member, granting the

relevant leaves of absence pursuant to the provisions of the General Banking Act.

**C. Directors' right and duty to be informed.**

Each director shall exercise his/her right to information through the Chairman, the Chief Executive Officer or the person replacing them, requesting the relevant information, so each director complies with his/her duty of voting being informed about the matters to be submitted to the Board. Notwithstanding the foregoing, this right shall be exercised in a manner not affecting the management of the Bank, and with the sole purpose that the director requesting the information votes informed at the Board and/or the Committees of the Board, duly performing his/her duties.

Notwithstanding the right of information corresponding to each director individually, the Board of Directors may require the Chief Executive Officer to request external advice so the Board has a third party's opinion as to any given matter.

Save for the right of information referred above, the directors shall only act at board meetings – legally in session – and they may record their opinion about the matters discussed in each meeting, at the relevant minutes. Directors do not act individually as to the management and administration of the Bank, unless the by-laws or actions of the Board determine otherwise.

**D. Fees of the Board of Directors.**

The fees of directors are approved annually by the Regular Shareholders Meeting and may consist in one or more of the following: a fixed monthly fee, a fee per attendance to Board meetings or meetings of any Directors Committees, or a fixed annual incentive determined by the Shareholders Meeting, subject to the condition that the Bank complies in such annual period with the results plan. The Directors and Audit Committee will establish the degree of compliance with this condition.

On the other hand, the fees of the members of the Directors and Audit Committees shall not be lower than the fees established for titular directors, plus 1/3 of its amount, which shall also be determined annually by the Regular Shareholders Meeting.

**E. Independence of Directors.**

An independent director shall be deemed the one that is not subject to any circumstance determined by the law, and shall be appointed as such the one obtaining the highest number of votes at the relevant Shareholders Meeting, provided the legal formalities are met.

**F. Confidentiality and conflicts of interest.**

Directors shall keep strict reserve regarding the business of the Corporation and the information they have access to due to their position, which has not been officially disclosed.



Likewise, the directors of the Bank shall not use for its own benefit or related third parties' benefit, and damaging the Corporation, the commercial opportunities they know due to their position.

Notwithstanding the application of the rules of the Law on Corporations regarding operations with affiliates, when a director of the Bank has an interest in any matter he/she shall refrain from voting at the meeting held to approve the relevant operation. First, the relevant Director shall qualify the existence of any interest, unless there are public backgrounds from which a conflict of interest may arise.

**G. Chairman of the Board.**

The Chairman is appointed by the Board from among its members, for the same period for which the Board was appointed. His/her main duties are:

- (i) To chair Board meetings and Shareholders Meetings.
- (ii) To summons to Board meetings.
- (iii) To propose to the Board of Directors the measures towards the development of the Bank's business.
- (iv) To sign the Annual Reports and notes or resolutions issued by the Board and the Shareholders Meetings.
- (v) To direct the self-evaluation process of the Board.
- (vi) To conduct the performance evaluation process of the Chief Executive Officer.
- (vii) To urge for the respect of the General Principles of Corporate Governance within Banco de Chile and its subsidiaries.

Likewise, the Chairman shall look after:

- (viii) The institution of proceedings for the work of the Board.
- (ix) The organization of the agenda for each meeting.
- (x) The sufficient and timely flow of information to each of the members of the Board.
- (xi) The complete and true contents of the discussions and agreements of the Board in the relevant minutes, as well as their duly storage and backup.

#### **H. Directors Committees.**

The Board of Directors delegates certain duties and activities to the Directors Committees. This allows an analysis in depth of specific matters and provides to the Board the information required for the discussion and approval of policies and general guidelines governing the Bank's business.

The directors committees of Banco de Chile are: Directors and Audit Committee; Credit Committee; Finance, Financial Risk and International Committee; Anti-Money Laundering and Terrorism Financing Committee; Leasing Committee; Factoring Committee;; Upper Operational Risk Committee; Portfolio Risk Committee; Capital Management Committee and other committees determined by the Bank's Board of Directors.

The Board of Directors may establish or suppress committees as it deems convenient, only subject to the compliance of the applicable laws and regulations.

The members of the Committees shall be appointed by the Board, with the recommendation of its Chairman. The Directors and Audit Committee is comprised of three members. The representatives of the Board that are members of this Committee shall comply with the conditions of independence established by the same Board, pursuant to the international criteria on this matter. At least one of the representatives of the Board of the Bank that are members of this Committee shall have experience in accounting procedures and financial aspects of banking operations, in particular as to the business of the company and its level of risk.

The directors committees shall have their by-laws, which shall establish the scope of authorities of the relevant Committee, its structure and proceedings. The Board of Directors and each Committee shall have sufficient authorities to contract independent advisers for the matters they deem convenient.

The members of and attendees to these Committees shall not use for its own benefit or related third parties' benefit, and damaging the Corporation, the commercial opportunities they know due to their position. Likewise, they shall keep strict reserve regarding the business of the Bank and the information they have access to due to their position, which has not been officially disclosed.

Likewise, the members of the several Directors Committees and the people attending to their meetings shall refrain from voting any matters in which they are exposed to an eventual or actual conflict of interest, whether due to any explicit legal provision or for being subject to any circumstance in any way limiting or restricting their

independence and impartiality regarding the matters subject to such members.

**I. Annual Definition, Approval and Review of the Strategic Plan of the Bank.**

According to current regulations, the Board of Directors defines and approves the Bank's Strategic Plan, promoting a medium- and long-term capital management in accordance with the defined risk profile.

Within this framework, the Board of Directors is responsible for approving the Annual Plan for each year and, in addition, a Triennial Plan that considers the main medium- and long-term objectives. The responsibility for implementing the Bank's strategic plan, including the Annual Plan and the Triennial Plan, rests on the Senior Management, headed by the Chief Executive Officer.

The Board of Directors shall review, at least once a year, the compliance with the strategic objectives defined in the Annual Plan and Triennial Plan of short and medium-term that the Board of Directors has approved for the Bank.

The Chief Executive Officer shall define the modalities, scope and extent of the measures aimed at disseminating the strategic plan within the organization in accordance with the General Procedure for Internal Communications and Dissemination of the Annual Plan.

**J. Performance Self-Evaluation.**

Each year, the Board of Directors shall conduct a self-evaluation

process about its performance as directive body, pursuant to the scope and qualification manner previously defined by the Board.

**K. Appointment, Evaluation, Compensation, Removal and Replacement of the Senior Management.**

The Board of Directors has approved a Policy referring to the appointment, evaluation, compensation, removal and replacement of the members of the Bank's senior management team. Such policy governs each one of the concepts indicated, besides establishing the Purpose of each one of them.

**VII. Policies and Procedures of Banco de Chile.**

The Bank's Board of Directors has approved several Policies and Procedures containing the General Principles of Corporate Governance of Corporation Banco de Chile.

The main Policies and Procedures approved by the Board are the following:

- **Management of Insider Information and Personal Investments.**

The Board of Directors of Banco de Chile approved an Institutional Policy on Management of Insider Information and Personal Investments that governs the management of insider information held by directors, advisers and employees of the Bank and its subsidiaries, and the procedures applicable to their personal investments in certain publicly traded securities and, in particular,

in securities issued by Banco de Chile. The main aspects of this policy are contained in the “Manual for Handling Information of Interest for the Market” indicated herein below.

Pursuant to such policy, and notwithstanding the reserve and confidentiality obligations established in the law, any person affected by the policy shall keep strict reserve regarding any insider information held by such person or to which he/she has had access due to its title, position or activity.

Likewise, Directors and advisors to the Bank's Board of Directors, chief executive officer, division managers, managers, assistant managers and those who, by reason of their position or functions, participate in the preparation of or have access to the financial statements, as well as their spouses, civil partners and relatives up to the second degree of consanguinity or affinity, may not directly or indirectly carry out transactions on securities issued by Banco de Chile within the 30 days prior to the disclosure of the quarterly and annual financial statements (March, June, September and December). For these purposes, the disclosure calendar for such financial statements is published on Banco de Chile's website.

In addition, any person that has or may have access to the Bank's financial reports before they become publicly known (financial situation and monthly results), shall not execute any transaction of publicly traded instruments issued by Banco de Chile, for a period that goes from the sixth day of each month and the moment in which the results of the prior month have been informed to the public in general, whether by the Financial Market Commission or by Banco

de Chile.

This restriction shall affect the directors and advisers of Banco de Chile's Board of Directors, the Chief Executive Officer, Division Managers and those that due to their positions or duties participate in the preparation of or have access to the referred financial reports.

Notwithstanding the foregoing, persons that due to their positions have or may access to financial information before the above referred date, whether because they directly participate in its preparation or because they participate in its initial approval, are subject to a special blockade period starting on the first day of each month and until the moment in which the results of the prior month have been informed to the public in general, as indicated above.

- **Regular Transactions with Related Parties.**

Notwithstanding the application of legal provisions on transactions with related parties contained on the Law on Corporations, the Board of Banco de Chile approved, pursuant to the referred law, a Policy on Regular Transactions with Related Parties that identifies those transactions deemed regular transactions in accordance with the business purpose of the Bank and that, therefore, their execution is not subject to the requirements provided by Law No. 18,046 on Corporations. Such policy was informed as an essential fact to the former Superintendence of Banks and Financial Institutions, now the Financial Market Commission, and it

is available to the public at the institutional web site [www.bancochile.cl](http://www.bancochile.cl).

- **Policy on Donation for Social Purposes and on Charity Donations.**

This policy establishes a general framework of internal control regarding donations made under the applicable law and Corporate Social Responsibility (CSR), in which Banco de Chile or its Subsidiaries participate.

One of its main purposes is that any charity donation is made to entities not related with organizations of shady reputation, or that have negative backgrounds, whether for being related to money laundering, fraud or other illicit activity. For these safeguards, process assuring an adequate knowledge of the beneficiary and its representatives shall be executed.

Donations made by the Bank shall avoid the existence of possible conflicts of interest, whether with customers, investors or employees of the Bank.

In addition, the policy establishes the obligation of informing quarterly to the

Directors and Audit Committee all such cases in which any member of the management or Board of Directors of the beneficiary Institution is a member of Banco de Chile's Board of Directors, his/her spouse or blood relative or affine up to second degree, as well as for the cases in which the beneficiary Institution has an ownership relation with any director of the Bank or its related individuals. The



same formality shall be applied in case of a manager or main executive of the Bank. In case of subsidiaries making donations, the same criteria shall apply.

- **Internal Audit Policy.**

The Bank's Board of Directors has approved an Internal Audit Policy, whose purpose is to establish and communicate the guidelines that define the framework according to which the Internal Audit Function of Banco de Chile must be developed. Its provisions are applicable to both the Bank's Internal Audit Function and its subsidiaries.

In accordance with the Internal Audit Policy, the Mission and Role of the Internal Audit Function establish the purpose, authority and responsibility of such function.

Likewise, the Internal Audit Policy provides that the Comptroller's Office through the Comptroller shall report to the Directors and Audit Committee, managing the responsibilities of the Internal Audit Function, without prejudice that for all other purposes, it shall comply with the regulations and guidelines applicable to all the Bank's Divisional Managers.

It is the responsibility of the Bank's Comptroller's Office to design and propose annually to the Directors and Audit Committee an Internal Audit Plan aimed at evaluating the internal control systems of the Bank and its subsidiaries in terms of their suitability, efficiency and effectiveness.

- **Loan Transactions with Directors and Senior Executives.**

The policy approved by the Board on this regard prohibits any kind of loan to directors and the General Attorney, as well as to their related persons, whether their spouses, under age children or companies in which they have an interest of more than 5%.

Additionally, it is established that credit products granted to Division Managers and Chief Executive Officers of Subsidiaries may only consist of mortgage loans for housing, consumer loans in installments, credit lines in current account and credit cards, where the last three products shall be subject to a global limit of UF 2,300, considering the respective manager and its related parties. In any case, all credit transactions entered into with the persons aforementioned must conform to market conditions.

- **Policy on Non-Discriminatory Access to Loan Products for Individuals.**

The purpose of this Policy is to establish guidelines to guarantee that Banco de Chile and Subsidiaries do not make any arbitrary discrimination with its customers when promoting, selling or evaluating loan products.

Banco de Chile does not discriminate on the access to loan products arbitrarily as to the following conditions: Race, Religion, Sex, Nationality, Marital Status, Age and Disability.

Such offer of products or services directed to certain segments of the market and grounded on reasons of risk-return, profitability, market depth, strategic alliances and other reasons of similar nature

shall in no case be considered an arbitrary discrimination.

- **Anti-Money Laundering and Prevention of Terrorism Financing.**

The Board of Banco de Chile approved a Policy on Anti-Money Laundering and Prevention of Terrorism Financing which main purpose is to establish the minimum standards to reasonably protect and assure that Banco de Chile is not used as a vehicle for entering assets or funds of illegal source or intended to promote or finance terrorist activities. This policy provides the existence of an Anti-Money Laundering Committee and a Compliance Manager, who shall promote a strict adherence of the Bank and its members to the policy's guidelines.

- **Prevention of Practices against Probity.**

The Board of Banco de Chile approved a Policy on Prevention of Practices against Probity, which purpose is to establish the guidelines to guarantee compliance of the applicable regulation referred to contributions or benefits delivered to public or foreign officials, with the purposes of avoiding the possibility that any of these actions are against state probity or considered an attempt of bribery. The referred policy is based on the current criminal law and related provisions contained in the Code of Conduct of Banco de Chile.

- **Prohibitions on Tied Selling.**

The policy approved by the Board prohibits tied selling for certain products pursuant to the applicable law and regulations, including

insurances. It also safeguards that customers are informed about their rights on this matter when contracting one or more products offered by the Bank or its affiliates.

- **Operational Risk.**

For Banco de Chile Corporation, Operational Risk Management is closely related to the strategic purposes and priorities of the Bank. As a consequence, Banco de Chile has undertaken a strict commitment for complying with the applicable regulation and the regulation issued by the Financial Market Commission.

This Operational Risk policy also includes the requirements of the Securities and Exchange Commission (SEC), established in the Sarbanes Oxley Act, in particular, those related to the compliance of the annual internal control certification process. Pursuant to the foregoing, Operational Risk in Banco de Chile and its Subsidiaries is managed and administrated as a different Risk category, separated from the Credit Risk and the Market Risk.

- **Information Security and Cybersecurity Policy.**

The Bank processes and stores a large amount of its own and its customers' confidential information that requires an adequate level of protection. In this sense, the Bank recognizes information as one of its critical assets to achieve its strategic, operational and regulatory compliance objectives.

The objective of this Policy is to establish the guidelines regarding the responsibility, protection, safeguarding and management of information security and cybersecurity risks, considering elements of processing, support, storage and transmission of information in its different formats and media.

- **Business Continuity Policy.**

The Business Continuity Policy approved by the Board of Directors establishes the main guidelines and strategies of the Program in order to provide acceptable continuity to critical business operations in the event of contingencies, mitigating the effects they have on business performance, employees, customers and shareholders, in the event of a major event or catastrophe.

Based on this policy, the Bank has defined roles and responsibilities, whose purpose is to identify processes and their criticality, to have structured instances for the management of crisis situations, to establish tests that once carried out guarantee Business Continuity in the event of a catastrophic event, to keep the documentation updated and finally to guarantee efficient dissemination and training.

- **Technological Security Plan, Cybersecurity.**

In compliance with current regulations, the Board of Directors has approved a Technological Security Plan, which includes, among other matters, the generation and availability of an incident base; the periodic performance of tests to detect threats and potential vulnerabilities; the definition, characterization and identification of the main information assets, as well as the management of the

security of those assets exposed to risks in the cyberspace; as well as the establishment of an information security culture.

The structure of Roles and Responsibilities in Cybersecurity includes three lines of defense:

First Line: (i) Technology Area with competence in Development and Production; (ii) Cybersecurity Division with competence in Security Architecture, Operation and Monitoring and (iii) Business Areas (commercials, Risks, Operations, Administration and others). These Divisions are responsible for the risks and their management.

Second Line: (i) Retail Risk and Global Risk Division with competence in Policies and Rules on Information Security and Business Continuity; Evaluation of Risks on Projects and Assets; Compliance Monitoring, Incident Management and Plans and Projects; and Independent Testing and (ii) Cybersecurity Division through its Technological Risk Area.

Third Line: Internal Audit to which the independent assurance corresponds, within the framework of its own function.

Senior Operational Risk Committee is responsible for following up the action plans, timelines and objectives proposed in the Technology Security Plan, and for reporting periodically to the Directors' and Audit Committee and the Board of Directors on the status of compliance.

- **Crime Prevention Model – Law 20,393.**

Pursuant to the Law 20,393, about Criminal Liability of Corporations, Banco de Chile has adopted and implemented an organization, management and supervision model with the purpose

of preventing crimes regarding money laundering, terrorism financing, bribery of public national or foreign officials, receiving stolen goods, corruption among individual, incompatible negotiations, unlawful appropriation, unfair management, fraudulent procurement of accessories, services, and/or unemployment insurance benefits and the breach of isolation or other preventive measure ordered by the health authority in case of epidemic or pandemic or any other crime included therein in the future.

The purpose of the Bank's Crime Prevention Model is to describe the methodology, corporate opportunity and main elements established to prevent the crimes contained therein, and to also determine the behavior criteria that must be followed by the members of the Corporation in order to fulfil the provisions of said rule.

The referred model is applicable to every employee of Banco de Chile and, in particular, to its Directors, CEO, Senior Managers and to all those who fulfil a role of management and supervision.

The Policies and Procedures approved by the Board of Directors consider the due protection of the interests of customers, shareholders and the general public, and the risks of various nature to which the Bank and its subsidiaries are exposed, including reputational risk.

- **Sustainability Policy**

Banco de Chile's Board of Directors approved the Sustainability Policy in order to incorporate the management of ESG criteria (environmental, social and governance) within the development of

various initiatives of the organization.

For Banco de Chile, profitable and sustainable growth is one of the fundamental pillars of the organization, so sustainability management is based on both the direct impact of our operation and the indirect impact of its activity. It is in this context that Banco de Chile has strengthened its Sustainability Strategy, with the incorporation of the management of environmental, social and governance (ESG) criteria.

Banco de Chile understands that sustainability is based on the creation of value for all its stakeholders. That is why it has assumed, on a voluntary basis, social and environmental commitments that go beyond legal obligations and have an impact on employees, suppliers, shareholders, customers and investors.

- **Environmental Sustainability Policy**

Sustainable development is a priority for Banco de Chile, and especially the impact on the environment, through the direct or indirect consumption of natural resources. Financial institutions in general, and banks in particular, have a key role as dynamizers of the economic system and seek to contribute and impact the quality of life of people, addressing through products and services the different needs and objectives of society.

The purpose of the environmental sustainability policy is to urge to



reduce the impact on the environment, contributing to financial stability and the achievement of the country's commitments in this area.

**- Inclusion, Non-Discrimination and Diversity Policy**

Banco de Chile's Board of Directors approved the Inclusion, Non-Discrimination and Diversity Policy in order to actively promote the bank's commitment in this matter, define the conceptual framework and outline actions for the construction of an inclusive, non-discriminatory and diverse organizational culture, establishing principles and priorities for the next three years.

Together with promoting the development of the country and its people; and aligned with the corporate values of respect, integrity, commitment, responsibility and justice, Banco de Chile seeks to promote and encourage a work environment of respect for diversity, based on the duties and rights, for equal opportunities and participation of all employees of Banco de Chile.

**VIII. Management Committees.**

Besides the Directors Committees, the Bank's Management has provided the creation of several committees, integrated by the Senior Management of Banco de Chile. These are the Management Committee, Disclosure Committee, Ethics Committee, Operational Risk Committee, Quality Committee, Technical Committee for the Supervision of Internal Models; Expenditures, Investments

Committee; Projects Approval Committee, and any committee as determined by Banco de Chile's Senior Management.

Members of and attendees to these several committees shall not use for their own benefit or related third parties' benefit, and damaging the Bank, the commercial opportunities they know due to their position. Likewise, they shall keep strict reserve regarding the business of the Bank and the information they have access to due to their position, which has not been officially disclosed by the Bank or the relevant subsidiary.

Likewise, the members of the several committees and the people attending to their meetings shall refrain from voting any matters in which they are exposed to an eventual or actual conflict of interest, whether due to any explicit legal provision or for being subject to any circumstance in any way limiting or restricting their independence and impartiality regarding the matters subject to them.

The Management may establish or suppress any committees as it deems convenient, only subject to the compliance of the applicable laws and regulations. Each Committee is responsible for approving its bylaws and amendments.

#### **IX. Information to Investors.**

The Board of Banco de Chile approved the "Manual for Handling Information of Interest for the Market" containing the policies and internal rules regarding the type of information to be informed to investors and the systems implemented to guarantee that such

information is duly communicated and that will be available to the investors in its web site ([www.bancochile.cl](http://www.bancochile.cl)), in its home office and in its offices or branches.

Pursuant to such Manual, Information of Interest determined by the Board of Directors or the Chief Executive Officer shall be disclosed at the institutional web site [www.bancochile.cl](http://www.bancochile.cl). The following information, among other information, shall be published in such site:

- (i) Consolidated financial statements, depending on its frequency, the same day in which the reports are sent to the regulatory agencies.
- (ii) Any press release made by the Bank.
- (iii) Copy of the Bank's Annual Report.
- (iv) Any presentation regarding the economic or financial situation of the Bank to any group of investors.
- (v) Copy of the notices summoning to regular and special shareholders meetings of the Bank.
- (vi) Essential Information communicated to the Financial Market Commission and the Stock Exchanges of Chile and abroad.
- (vii) Information of interest not necessarily falling within any of the previous categories.

Information published in the institutional web site of the Bank, pursuant to the foregoing, shall be kept during the entire relevant year, notwithstanding that an historic record of the published information shall be kept.

**X. Transparency of Information to the Public and Complain.**

The Bank provides for procedures safeguarding that the information delivered to the market on financial products offered allows customers and users in general having the possibility to acquire a complete knowledge over them and so they are in a position of making the decisions they deem adequate. In particular, the internal rules of the Bank establish that clients shall have sufficient and timely information regarding tariffs or prices (interest rates, fees and premiums), conditions and relevant characteristics of the products and/or services they wish to contract, as well as information allowing them to clearly identify which services and products are included in each charge. Likewise, customers shall be informed about products that may be granted separately or not, and in addition, as to in which of them the customer shall express its explicit consent.

In accordance with the Financial Education Guidelines issued by the Financial Market Commission, the Bank will continue developing initiatives and programs related to financial products, savings and investment, responsible indebtedness, cybersecurity, in other similar contents.

Customers have channels for submitting complaints with regard to fees charged by the Bank or services rendered. Clients may file their complaints to certain independent lawyers that will take care of their cases free of any charge, when Banco de Chile has not given any

answer within 30 business days or if the answer is not satisfactory. This group of lawyers work at the System named "**Client's Protection Department**", established by the Association of Banks and Financial Institutions (ABIF, Spanish acronym), together with banks, available at [www.defensoriadelclientedeabif.cl](http://www.defensoriadelclientedeabif.cl)

Likewise, interested parties have internal and external communication channels for direct or anonymous reports related to the rules of Ethical Conduct, Conflicts of Interests, as well as for any matter related to regulatory legal compliance, internal control, Financial Statements and situations or events requiring care from the Management and/or the Board of Directors. Confidential and independent analysis is assured for any reports received.

XI. **Sustainability Strategy and Interaction with the Public and Stakeholders.**

Banco de Chile is committed to the social development of the country through the promotion of actions that generate conditions of respect, integrity, commitment and responsibility aimed at workers, customers, suppliers, the community and its shareholders. In this context, the Bank incorporates in its Annual Report an integral vision of Banco de Chile Corporation., both at a financial or extra financial level, in accordance with the best international practices, accounting for the economic, social and environmental performance in a balanced manner, in accordance with the criteria and requirements established by these standards.

Thus, the Bank reports on the material aspects of the operation, which are relevant in the value chain that have a significant impact on its environment, as well as on those aspects that have a high interest in the evaluation and decision making of its main stakeholders.

To date, Banco de Chile's Sustainability Strategy has been based on the following Pillars:

*Inclusion of people with disabilities.* The Bank seeks to be a benchmark in terms of inclusion, through strategic alliances, its Corporate Volunteering program and internal and external initiatives to provide equal opportunities to people that are outside the labor system.

*Entrepreneurship Support.* Its objective is to develop basic tools to access financial products that allow people outside the financial system to undertake and progress.

*Emergency Response.* The Bank, as a Financial Institution with national coverage, seeks to generate instances of collaboration with local organizations when facing natural catastrophes, as well as to support all those affected in the area involved and the Corporation's workers.

*Care for the Environment.* The Bank's vision is to work for a sustainable world for future generations, consequently trying to measure and compensate its impacts and promote sustainable projects.

In terms of relations with stakeholders, the Bank identifies its stakeholders and its explicit commitment to each of them. The matrix is constantly reviewed in order to adapt it if necessary. The stakeholders identified by the Bank are Customers, Shareholders, Employees, Suppliers and the Community in general. The objectives of the relationship with them, the mechanisms and channels of communication and the frequency of the relationship are indicated in

Banco de Chile's Annual Report, which is permanently available on the website [www.bancochile.cl](http://www.bancochile.cl).

With respect to the regulatory and supervisory authorities, Banco de Chile adopts the necessary measures to comply with current legal provisions and regulatory requirements. This is a permanent relationship, whose materialization is verified through the channels and modalities foreseen in the law and in the regulations issued by each entity within the framework of its attributions.

## **XII. Directors and Audit Committee**

The purpose of the Directors and Audit Committee is to procure the efficiency, maintenance, application and operation of the internal control systems and compliance with the rules and procedures; to closely monitor compliance with the rules and procedures that govern its practice and to identify the business risks that the Bank and its subsidiaries carry out; strengthen and support the function of the Comptroller's Office, such as its independence from management; and to serve as liaison and coordinator of tasks between the internal audit and the external auditors, also acting as a liaison between them and the Bank's Board of Directors; besides of fulfilling with respect to the Bank the functions and responsibilities established in article 50 bis of Law No. 18.046 on Corporations.

## **XIII. Internal Control.**

The Comptroller's Office Division is in charge of the Internal Control Structure of Banco de Chile, which performs the independent and

objective duty of reviewing the internal control of Banco de Chile and Subsidiaries, covering all of their business and operations and using standardized audit methodologies when executing at least the following duties:

- (i) Evaluating the efficacy of risk management processes, of financial, operational and administrative controls; adherence to laws and regulations; and of Corporate Governance.
- (ii) Informing to the Directors and Audit Committee the audit observations and the status of corrective actions undertaken by the Management to assure their monitoring and duly resolution.
- (iii) Contributing to a work environment that proactively emphasizes risk management and control, and promotes continuous learning based on control observations or incidents of the industry, business in general or within the own Bank and Subsidiaries.

#### **XIV. Management of Legal Vehicles**

Regarding the management of legal or special purpose vehicles, there is an internal regulation whose purpose is to describe the regulation established for the creation, management and administration of any subsidiary, support company or in those minority investments that the Bank has in a company in accordance with articles 70 and 70 bis of the General Banking Law.



**XV. Public Disclosure of Corporate Governance Principles.**

This document shall be available to the public at Banco de Chile's website, and shall be updated from time to time by the Board of Directors. The Chairman is empowered to include as reference the relevant policies that may be approved or modified in the future by the Board of Directors.

