BancoEstado
desde 1855

Includes, connects & develops

Integrated Annual Report 2022

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“Wepromote an innovative, social and sustainable financial ecosystem that makes Chile a better country”.

1.1 Letter from the Chairwoman

I am proud to lead this great Corporation and to present BancoEstado’s Integrated Report for the year 2022. The preparation and dissemination of this document represents a concrete opportunity for the Bank to make our economic, social, environmental and governance performance transparent and publicly communicated.

With more than 16 million clients, corresponding to 81% of Chile’s inhabitants, 51% of whom are women, BancoEstado is a key player in the country’s development, being a driving force for financial inclusion, with a network present in all of Chile’s municipalities, in all markets and segments. This reality allows us to advance towards BancoEstado’s purpose: to promote an innovative, social and sustainable financial ecosystem that makes Chile a better country.

By promoting financial inclusion, we contribute to Chile’s development

Inclusion has been the Bank’s focus for many years and we have achieved great progress, with relevant impacts at a national and international level. To date, we have 521 BancoEstado and BancoEstado Express branches, almost 36 thousand CajaVecina points and 55 Conecta remote service points in geographically isolated locations, being present in 100% of Chile’s municipalities. Through this network we were able to reach more than 14 million CuentaRUT customers and more than 970 thousand small business customers, 91% of whom are micro-enterprises and 9% are small businesses, in addition to 903 corporate customers.

More than just numbers, we are talking about people who come together through the Bank, where all ages, conditions and social origins converge to satisfy their financial needs and improve their quality of life. In a way, this diversity is a reflection of the reality of our 15,352 male and female employees, to whom, in addition to good labor relations, talent attraction and continuous improvement, we have added a strong emphasis on equal opportunities and the promotion of women’s leadership.

Thanks to the articulation with the public sector, we have achieved improvements for the country.

The year 2022 was marked by a series of global milestones that impacted the economic context. On the one hand, the war in Ukraine with the consequent increase in energy and fuel prices, together with the slowdown of economies due to uncertainty. Likewise, the consequences of the Covid-19 pandemic, where, despite the end of mobility restrictions, thousands of companies and individuals saw their income levels impacted. In the same line, there were signs of a slowdown

and a drop-in consumption in Chile as of October, trends that are expected to continue during the year ahead.

Within this framework, BancoEstado has distinguished itself for its social and countercyclical role among the country's financial institutions, that is, in these economically difficult times we have made a greater effort to pass on part of the profits to mitigate the impact on our clients and customers, and thus accompany them in a complicated period. The strengthening of our work allowed us to mitigate the negative consequences of the pandemic with a more efficient, secure and connected service to the beneficiaries and their needs.

In this line, we promoted products such as the Hipotecazo, as a way of supporting the country's inhabitants in their dream of buying a property, granting more than 20 thousand housing loans, equivalent to 27% of the system, 32% of which were subsidized. We also promoted UF savings as a mechanism to protect against inflation, with more than 641 thousand savings accounts opened during the year. In the same period, we played a key role in connecting the State with the inhabitants of Chile, through social benefits such as the Ethical Family Income, Universal Guaranteed Pension (PGU, by its Spanish acronym), Chile Apoya Invierno and the Minimum Guaranteed Income, reaching almost 33 million payments. Focusing on smaller companies, we promoted programs such as "Vamos Pymes" and "Siembra por Chile", through which we delivered more than 35 thousand and 4 thousand credits, respectively. In short, with these and other examples, we demonstrate that there are sectors where the participation of the State is irreplaceable and that BancoEstado, as the articulating arm, is a fundamental actor to reach everyone in a timely and direct manner.

By promoting a digital and green economy, we adapt to today's world.

BancoEstado's development is not oblivious to the demands of new technologies. By the end of 2022, 50% of the national banking clients belong to BancoEstado, with more than 11 million people accessing our digital services quickly and securely.

Environmental care is another key aspect of our concern for sustainable development. We have been at the forefront by being the first Chilean bank and the only public bank in the world to adhere to the Race to Zero campaign, defining a roadmap to be carbon neutral by 2030 in terms of our own emissions, and by 2050 in terms of financed emissions. In this same area, our MundoVerde platform, which allows us to accompany our clients in the care and protection of the environment, continued to grow during 2022, with more than 798 people accessing green loans, 1,221 clients of the Ecovivienda loan and 4,485 clients of Green Mutual Funds, in addition to 381 smaller companies that make use of the products that MundoVerde makes available to promote a more sustainable Chile.

We want Chile to continue to be a better country and we assume this challenge with responsibility.

We wish to keep deepening our role of connecting the State with all Chileans, contributing to economic recovery, digital transformation, environmental sustainability and financial inclusion, especially for women and micro-entrepreneurship. I thank all those who work with a sense of responsibility every day for the role we play in the country and I encourage them to continue striving to build together a solid and avant-garde bank.

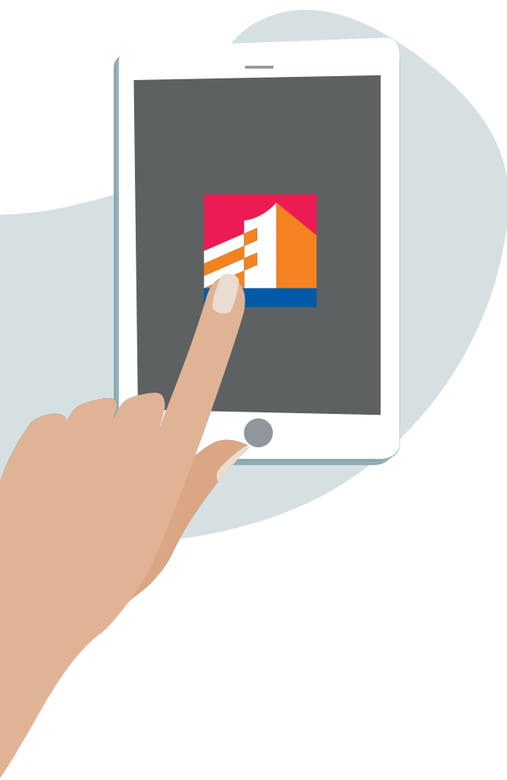
Jessica López S.

Jessica López Saffie
Chairwoman of BancoEstado

1.2

BancoEstado at a glance

We are Chile's public bank: we promote the welfare and development of every inhabitant of our territory through banking services and financial solutions, being key agents in the transformation of the country towards a more prosperous and sustainable Chile.



+ Inclusion

with presence through multiple channels, promoting greater economic participation of all the inhabitants of Chile.

BancoEstado is present in
100%
of the country's municipalities

We are the only bank present in
148
communities with a branch office

399
BancoEstado branches

122
BancoEstado Express branches

35,930
CajaVecina

55
Conecta BancoEstado (remote self-service and self-service points)

2,360
ATMs representing 31% of the financial system

600
ATMs accessible to visually impaired people

+ Connection

we connect the hopes of our clients and customers with products according to their needs and projects.

81%
of Chile's inhabitants are BancoEstado clients

51%
of our clients are women

+14.2
million CuentaRUT customers

733.7
million average monthly transactions in 2022

91,160
Small Business clients

879,214
Microenterprise clients

+ Development

for a better country, we contribute to the development of people, companies and public policies.

Ch$ 712 billion
after-tax earnings in the year 2022

Ch$ 922 billion
in 2022 contributions to the tax authorities

Ch$ 3,891 billion
paid in social benefits

Ch$ 13,196 billion
in housing placements

95%
participation in savings accounts

91%
share of savings accounts

62%
share of Voluntary Pension Savings (APV, by its Spanish acronym) clients, with the first place in the Fund Managers industry

1.3

1.3 BancoEstado, 167 years of contribution to the country

CMF 2.2, 6.1.iii, 6.1.iv, GRI 2-1

Banco del Estado de Chile is an autonomous state-owned company, with legal personality and its own assets, subject exclusively to the supervision of the Financial Market Commission (CMF by its Spanish acronym) and related to the Government through the Ministry of Finance.

Banco del Estado de Chile was founded in 1953. Witness and protagonist of a long history of inclusion, connection and development, the origin of BancoEstado dates back to 1855 with the creation of the Caja de Crédito Hipotecario, which, in 1953, was integrated with the Caja de Ahorros de Santiago (1884), the Caja Nacional de Ahorros (1910), the Caja de Crédito Agrario (1926) and the Instituto de Crédito Industrial (1928), giving rise to the Banco del Estado de Chile.

1978

Enactment of the Organic Law of Banco del Estado de Chile.

1989

Creation of the first subsidiary BancoEstado Agencia de Valores, currently BancoEstado Corredores de Bolsa.

1995

First internal modernization process of the Bank.

1996

Creation of the BancoEstado Microempresas subsidiary.

1999

BancoEstado Corredores de Seguros subsidiary is born.

2001

Adoption of the BancoEstado trademark. Creation of the Lota Contact Center (now BancoEstado Contacto 24 hrs.).

2004

Creation of ServiEstado (now BancoEstado Express).

2005

Creation of CajaVecina.

2006

Creation of CuentaRUT.

2015

Creation of the "Crece Mujer Emprendedora" program.

2016

Creation of the BancoEstado App and PagoRUT.

2017

Launch of Compraquí.

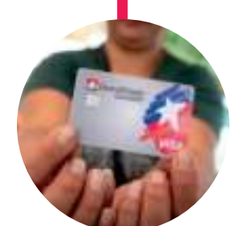
2019

CuentaRUT replaces magnetic stripe with chip to improve digital transactions and provide greater security to our customers.

"Emprende" program and "Estamos Contigo" plan to support customers after the social outbreak.

2020

Execution of the "Estás, Estamos" Plan to support clients due to the health crisis and granting of 57.7% of FOGAPE Covid loans. Launch of Mundo Verde platform.



2021

69% of FOGAPE Reactiva loans in the system.

We join Net Zero Banking Alliance and Race to Zero committing our operational Carbon Neutrality to 2030 and 2050 in financed emissions.

Begin implementation of Conecta BancoEstado, providing financial services to communities with poor connectivity and geographic access.

2022

Implementation of Pasaje QR in public transportation with the BancoEstado App.

A support plan for reactivation was developed: Launch of "Hipotecazo" to support families' access to housing and "Vamos MiPyme", a program for smaller companies.

BancoEstado Corredores de Bolsa becomes a sponsor of ScaleX, to promote start-ups and support the entrepreneurial ecosystem.

Presence at COP27 of the United Nations Organization (UN) held in Egypt and establishment of the financial sector's commitment on the elimination of deforestation driven by raw materials.

+ Inclusion

+ Connection

+ Development

1.4 Purposeful innovations throughout our history

CMF 2.2

Since the beginning of our operations at BancoEstado, as a public bank, we have been committed to generating the conditions for financial inclusion of all Chilean residents, with particular emphasis on the most vulnerable groups. Our aim has been to democratize financial services and facilitate the development of all individuals.

BancoEstado Microempresas:

A bank dedicated to promoting and developing micro-entrepreneurship

We value micro-entrepreneurship and understand the challenges involved in this activity. For this reason, in 1996, we created a subsidiary entirely dedicated to understanding and meeting the financial and support needs of this segment of companies and initiatives, recognizing the considerable contribution they make to the economy and employment in Chile, providing close to 80% of the jobs in the country. At the end of 2022, we had 879,214 microenterprise clients, to whom we not only offer financing for their operations and investments, accounts to manage their resources and personal and business insurance, but also financial advice and business development services through our customer service platforms and special programs.

BancoEstado Express:

More banking services with extended hours

With the creation of our BancoEstado Express subsidiary in 2004, we sought to expand our cashier and after-sales services. This was born out of an understanding of the needs of our different clients, especially when considering their time and schedules for banking procedures. Understanding these factors as having an impact on the accessibility of our services, BancoEstado Express has an extended timetable after the official closing time of the banks and adds Saturday as a day of service. In this way, and in conjunction with our other service modalities, we continue to mitigate the gaps in access to banking services.

CajaVecina:

Expanding our presence in Chile's neighborhoods

With the creation of CajaVecina in 2005, we took an important step in bringing people closer to the financial system, introducing ourselves in their neighborhoods, with a close and friendly solution that aims to minimize territorial impediments to access to banking services.

This correspondent service offers financial and non-financial services in neighborhood stores through a POS, allowing businesses to offer their customers banking transactions and service payments, which helps to reduce travel time and costs for neighbors, since they can carry out their transactions just around the corner.

Currently, this service channel is deployed in 100% of Chile's municipalities, reaching 35,930 thousand CajaVecina points by the end of 2022, with an annual average of more than 400 million transactions.

CuentaRUT:

Open door to financial inclusion

Launched in 2006, CuentaRUT has been one of our key innovations in promoting financial inclusion, by reducing and simplifying the entry barriers to the financial system for millions of people in Chile. This product consists of a debit account (demand account with an associated plastic card) that only requires a valid national identity card, and has had a significant impact on the economic participation and development of both Chilean and foreign residents in the country.

Currently, CuentaRUT has expanded to 14.2 million clients, equivalent to nearly 72% of the population over 14 years of age, who have access to carry out all types of banking transactions. At the same time, we have focused on incorporating advances to improve and expand the services associated with the account, such as allowing for international purchases and upgrading the card technology to provide greater convenience and security in transactions. Due to the widespread use of CuentaRUT, in recent years, the State of Chile has channeled all social bonds and subsidies to the most vulnerable population through this product, providing millions of people with time and cost savings, and greater efficiency in the deployment of public policies.

Compraquí:

Technology at the service of small businesses and their customers

To address the needs of micro-businesses, we created an accessible and simple payment solution that enables digital collection with cards without assuming fixed costs. This led to the birth of Compraquí in 2017, providing payment opportunities with all types of debit, credit, and prepaid cards through a mini POS (MPos) that uses the internet connection of the micro-entrepreneur's cellphone to function. To implement this innovation, we followed the guidelines designed for the deployment of all our customer service channels, giving priority to locations with limited access to financial services and/or geographic access.

Apart from the MPos, we have also developed Compraquí QR solutions (a payment system using QR code and Mobile App) and Super Compraquí, which was launched in 2022. The latter consists of an autonomous machine that prints vouchers and accepts payments with cards and QR codes without requiring a telephone connection. To date, we have distributed over 132 thousand MPos, 4,523 Super Compraquí machines, and more than 44 thousand micro-enterprises have adopted the Compraquí QR, enabling the growth of their sales and providing a greater variety of payment options for their customers.

Conecta BancoEstado:

Digital solutions for the inclusion of isolated areas

We have always wanted to be present whenever we are needed in every corner of Chile, which is why we have deployed an increasing number of BancoEstado branches and extended our opening hours through BancoEstado Express. However, we had a debt with certain localities where, due to their geographic conditions, the installation of a branch was complex. This concern gave rise to Conecta BancoEstado, which, through self-service totems, has allowed us to bring financial services to remote locations, strengthen digital payments, remote service with executives and extend the Bank's presence, boosting local economies and facilitating the lives of more than 374 thousand inhabitants of remote areas, in 55 communes where this solution is available. These models make it easier for customers to solve their problems quickly and easily without having to go to a BancoEstado branch, thus reducing travel time and costs for people living in the most remote areas of our country.

Pasaje QR:

Introducing digital payment in public transport

In alliance with the Ministry of Transportation and Telecommunications, and thinking of the needs of the inhabitants of the Metropolitan Region, in early 2022 we launched this innovative form of payment, which allows users of public transportation in this region to pay their fares through the BancoEstado mobile App, without the need to recharge their BIP cards. This service is available for Metro de Santiago, RED System buses and Tren Nos, and has become an alternative valued for its ease of use and security in payments, reaching more than 1.1 million users who activated Pasaje QR on their mobile devices at the end of the period.

Mundo verde:

Offering solutions for a just socio-ecological transition

In keeping with the goal of achieving a low-carbon economy by 2050, we have taken on the challenge of reducing financed emissions, i.e. reducing greenhouse gas (GHG) emissions and other externalities associated with our clients. To this end, we have proposed to accompany them in a transition that is socioecological and fair, according to the reality of our different clients, where everyone can generate the necessary capacities and adopt the necessary measures to achieve the shared goal of a carbon neutral country, leaving no one behind. In this spirit, we developed the Mundo Verde platform, which consists of a set of products and services for companies and individuals that encourage the use of clean and efficient energy, circular economy and sustainable investments.

Audible ATMs:

Another step-in universal accessibility

Considering our focus on universal access, which has made us the bank with the greatest physical accessibility, in addition to all the changes in internal regulations and protocols to ensure equal treatment of all diversity groups, in 2021 we deployed our network of 600 ATMs nationwide, equivalent to 30% of our fleet, adapted for blind or visually impaired people.

Respecting the principles of independent living for people with disabilities, the design of these ATMs was developed in conjunction with our blind community clients, listening to their needs and suggestions to adapt the technology and usability of these machines. The adjustments resulted in a model of audible ATMs, where a voice provides instructions for the operation, giving blind people greater security and autonomy to carry out their transactions.

1.5 Strategic statements (2022-2026)

Vision

We work to be the closest, most sustainable, and innovative financial institution, a pillar for the digital and green development of Chile and the well-being of all its inhabitants.

Mission

We create innovative, sustainable, and inclusive financial solutions for the progress of all individuals and their communities.

Purpose

We exist to promote an innovative, social, and sustainable financial ecosystem that makes Chile a better country.

Corporate Values

Joy and pride of belonging

We are deeply moved and feel good to share our progress and scope in financial inclusion and contribution to the development of people, SMEs, companies and organizations in Chile.

Empathy and collaboration

We always seek to put ourselves in the place of our clients, recognizing them as similar in dignity and in their capacity to be protagonists, with our contribution, of their development.

Perseverance and commitment

No one and nothing deviates us from the path to achieve our purpose.

Passion for a job well done

We put all our inner strength and enthusiasm to always go further without ever settling for the challenges already achieved.

Ethics

Our actions always speak of our unrestricted respect for the dignity of the person we have in front of us -through any means- seeking that our actions and stories are aligned with our values and purpose.

Strategic axes 2022 - 2026

1

New Internal Alliance

Our joint action with all BancoEstado's employees and its subsidiaries allows us to work day by day to achieve our purpose.

2

Digital transformation for a distinctive

customer service and experience: We continue and deepen the digital transformation to connect, improve the experience and quality of services for all people, customers, companies, enterprises or institutions anywhere in Chile.

3

Innovative financial ecosystem

Innovation for greater inclusion, connection and contribution to the development of people, companies, enterprises and institutions.

4

Sustainable development and pillar of Chile's digital and green development

We work to be the closest, sustainable and innovative financial institution, a pillar for Chile's digital and green development.

5

New way of communicating and connecting with audiences

Through diverse and innovative customer service channels, we connect with our customers to better serve them and provide them with the solutions they need.

1.6 Alliances and commitments

CMF 6.1.vi; GRI 2-28

At BancoEstado we highlight the alliances we have formed with various organizations in different areas. These allow us to jointly advance towards sustainable development and materialize our social and environmental commitment.

National Alliances

Ministry of Women and Gender Equity
Agreement to raise awareness of gender violence among clients and the community.

CORFO
Agreement to support the development of SMEs.

Ministry of Economy
Agreement to promote the financial inclusion of cooperatives throughout the country.

Comisión Nacional de Riego (CNR)
Agreement to support small farmers who need to improve their current irrigation system.

Instituto de Previsión Social
Agreement to make pension payments and other benefits through our service network.

Agencia De Sostenibilidad Energética
Agreement whereby energy efficiency and non-conventional renewable energy projects seeking financing are technically evaluated by technical experts from the Agency.

Zero Deficit
Agreement that seeks to develop actions and strategies focused on improving families' access to housing.

Bolsa De Santiago-CORFO
Support for start-ups and the entrepreneurial ecosystem through BancoEstado Corredores de Bolsa as a sponsor of the ScaleX platform.

Social Organizations Division
Accompanying Civil Society Organizations (CSOs) with a focus on financial inclusion and reducing the digital divide in this sector.

FOSIS
Agreement to support and improve linkage capacities, banking and use of financial tools for organizations living in vulnerable conditions.

Ministry of Science, Technology, Knowledge and Innovation
Joint work to support community organizations in education and financial inclusion for the implementation of the Environmental Protection Fund project and to enhance the participation of CSOs.

International Commitments

United Nations - Sustainable Development Goals
Commitment to meeting global goals for a better and sustainable future for all.

Un Women - Un Gender Empowerment Principles
Commitment to contribute through our financial and non-financial services offering to the economic and labor empowerment of women.

Un Women - Win Win Equality Initiative
Commitment to support women's financing and entrepreneurship through the signing of the "Ethical Principles for Gender-Sensitive Investment and Innovative Financing".

International B System
Certification of the Microempresas and CajaVecina subsidiaries as B Companies, which recognizes their commitment and the socio-environmental purpose of their business strategy.

Dow Jones Sustainability Indexes
Voluntary commitment to carry out an annual measurement of BancoEstado's sustainability management.

Inter-American Development Bank
Technical cooperation to implement the "Energy Saving Insurance (ESI)" program in Chile.

United Nations Global Pact
Commitment to support the Ten Principles in the areas of human rights, labor relations, environment and the fight against corruption.

Environmental Commitments and Agreements

Ministry of Finance Green Agreement
Voluntary commitment to contribute to financial stability and the achievement of the country's climate goals.

Ministry of Energy
Agreement to promote electromobility and reduce greenhouse gas emissions.

Agencia de Sostenibilidad Energetica
This agreement allows energy efficiency and non-conventional renewable energy projects seeking financing from the bank to be technically evaluated by the Agency to ensure their real contribution to the environment.

European Investment Bank (EIB)
Ecovivienda financing agreement.

Net Zero Banking Alliance
Voluntary commitment to align our loan and investment portfolio with net zero emissions by 2050. Through this alliance we adhere to the UN Race to Zero campaign, assuming concrete commitments for the decarbonization of our loan and investment portfolio.

1.7
Awards of the year

Recognition for BancoEstado

Cadem 2022
1st place in the Banks category and 13th place overall in the Citizen Brands recognition.

Mujeres Empresarias in alliance with the Direction of Social Studies of the Catholic University (DESUC)
1st place for companies in the financial sector in the IMAD 2022 Ranking..

Fundación Chile Unido
2nd place BancoEstado, public companies category in the recognition of "Integrating Personal Life and Work".

GPTW
11th place among the best companies to work for or Great Place to Work (GPTW).

GPTW
7th place as the best company where women can work, in the category of companies with more than 1,000 workers.

Global Finance
Safest Bank in Latam" award as part of the World's Best Bank Awards 2022 ceremony.

Effie Awards
Gold Distinction in the "Relaunches" category of the Compraquí campaign. Silver Distinction in the "Financial Services or Products" category for the "Avanzar es para todos" campaign and Bronze Distinction in the "Institutional Corporate" category.

Recognition for Subsidiaries

Morningstar
BancoEstado General Fund Administrator, Best Fixed Income Fund Manager in the country.

Diario Financiero and LVA Index
BancoEstado General Fund Administrator, Salmón Awards. This award is given to the series of Voluntary Pension Savings (APV) mutual funds with the best performance during the year.

B Corporations
BancoEstado CajaVecina, Best For The World or Best B Companies for the World in the categories "Governance" and "Clients".

Fundación Chile Unido
Fundación Chile Unido, through the study "Integrar Vida Personal y Trabajo", recognized BancoEstado Corredores de Seguros S.A. with 5th place in the SME category, and with the seal of distinction to our subsidiary BancoEstado Corredores de Bolsa.

GPTW
11th place among the best companies to work for or Great Place to Work (GPTW).

Bolsa de Santiago (BSX)
At BancoEstado Corredores de Bolsa we obtained first place in amounts traded in the Fixed Income Market (IRF) and second place in amounts traded in the Financial Intermediation Market (IIF), by the BSX.

Sello Iguala Conciliación
Awarded to BancoEstado Microempresas for obtaining Standard 3262 certification for the second consecutive year.

02 Our Governance

2.1 Corporate Governance

2.2 Our subsidiaries

2.3 Ethics and integrity

2.4 Human Rights Commitment

2.5 Risk management

2.1 Corporate Governance

CMF 2.3.1, 3.1.iii, 3.2.i, 3.2.ii, 3.6.xi, 6.1 i, GRI 2-9

As a state-owned company, we assume the responsibility of having a governance based on integrity, probity and transparency, which allows us to fulfill our mandate of providing banking and financial services for all the inhabitants of Chile. This basis allows us to fulfill our objective of favoring the development of the country's economic activities and to advance in our purpose of promoting an innovative, social and sustainable financial ecosystem, contributing to the construction of a better country.

As a public bank in Chile, we base ourselves on the Principles of Corporate Governance and the Guidelines on Corporate Governance of Public Companies of the Organization for Economic Cooperation and Development (OECD), which provide us with a reference framework to ensure the proper functioning of our Corporate Governance.

We are an autonomous company of the State of Chile with legal personality and its own assets, wholly owned by the State of Chile. Our objective is to provide banking and financial services, in order to favor the development of national economic activities.

We have a Board of Directors, which is responsible for the Bank's senior management, and an Executive Committee, which is in charge of senior management. As a state-owned company, the per diems and/or remunerations of the members of the Bank's Board of Directors and Executive Committee are determined by the Ministry of Finance and are published on its institutional website under the Transparency Law. The remuneration of the main executives is governed by the Organic Law of Banco del Estado de Chile, which establishes in Article 14 that: "the fixing of remunerations, allowances, representation expenses and any other stipend or benefit of the Bank's personnel that does not negotiate collectively, shall correspond to the Board of Directors of the Institution, with the approval of the Minister of Finance".

Note: For more information on the remuneration and stipends of the Board of Directors and the Executive Committee, see Annex 1.

Members of the Board of Directors

CMF 3.2.i, 3.2.xiii.d, GRI 2-9, 2-11

Jessica López Saffie

Chairwoman

Commercial Engineer with a major in Economics from Universidad de Chile.

She worked for 24 years at BancoEstado, where she held the positions of risk manager, comptroller, vice-chairwoman and Chief Executive Manager.

She was chairwoman of the Asociación Nacional de Empresas de Servicios Sanitarios (Andess AG) and served as director of Banco Itaú, director of the Water Infrastructure Committee, Infrastructure Policy Council and advisor on risk management programs of the Inter-American Development Bank (IDB) and has participated in the Executive Committee of Pacto Global Chile, among other occupations.

Date of incorporation: April 26, 2022

Daniel Hojman Trujillo

Vice-chairman

D. in Economics from Harvard.

Associate Professor at the Faculty of Economics and Business at the University of Chile, Vice Rector for Economic Affairs and Institutional Management at the same university, and former Associate Professor at Harvard Kennedy School.

He was a member of the Center for Conflict and Social Cohesion (COES) and the honorary committee of the PhD program in Economic Policy and Governance at Harvard University.

He has been a project consultant for several Chilean Government agencies.

Date of incorporation: April 26, 2022

Pablo Zamora Cantillana

Director

B.S. in Intellectual Property and Technology Commercialization, University of California, Davis; and Ph.D. in Biotechnology, University of Santiago.

Co-founder of The Not Company, where he served as Vice-chairman of Science and Research and Chief Scientific Officer.

He is also co-founder of the Center for Innovation in Life Sciences, University of California, Davis - Chile, where he served as Associate Director.

Date of incorporation: April 26, 2022

Enrique Román González

Director

He was executive director of Red Productiva - USAID in Ecuador, member of the board of directors of Correos de Chile and director of health companies.

He has advised different countries through consultancies to the World Bank, the IDB and the Government of Chile in the installation of programs for innovation, competitiveness, productivity, business development, support to SMEs, export promotion and clusters in the mining sector.

He was manager of the Production Development Corporation (CORFO) of Chile, advisor to the National Council for Innovation and Competitiveness of the Government of Chile and member of the Project Evaluation Committee of the Competitive Fund for the Improvement of Quality and Equity in Education.

Date of incorporation: April 26, 2022

Elena Serrano Pérez

Director

Lawyer from Pontificia Universidad Católica de Chile and Executive Coaching from Georgetown University, specializing in external affairs and institutional relations.

She was an international consultant in strategic communication for the World Bank and IMAGO Global Grassroots, among others. She is also part of the network of professionals that make up the Espacio Público think tank.

She was director of Casa de Moneda de Chile, of Fundación Multitudes, advisor to ComunidadMujer and for eight years she was director of Communications for Latin America at the World Bank, based in Washington DC. She also worked at the Central Bank of Chile, Citibank NA, Fundación Imagen de Chile and Universidad Alberto Hurtado in Santiago.

Date of incorporation: May 25, 2022

Tamara Agnic Martínez

Director

Commercial engineer from Universidad de Santiago and MBA from Universidad Adolfo Ibáñez. Expert in corporate governance, compliance, integrity and anti-corruption systems, and environmental, social and governance (ESG) factors. With more than 30 years of experience in positions of responsibility in both the public and private sectors.

She was director and vice-president of Chile Transparente and director of Azul Azul S.A. In the public sector, she was Superintendent of Pensions and, as such, was part of the Financial Stability Committee. In addition, she represented the country for six years before international organizations related to the fight against money laundering and financing of terrorism. In 2012, she chaired the Financial Action Task Force of South America (GAFISUD). She has also worked in the academic field at national universities in Argentina, and at the Academy of Political and Strategic Studies (ANEPE) of the Chilean Ministry of Defense.

Date of incorporation: April 26, 2022

Edith Signé Rodríguez

Labor Director

She holds a degree in Child Education from the Universidad Metropolitana de Ciencias de la Educación (UMCE, Ex-Pedagógico), a degree in Finance from the Instituto de Estudios Bancarios Guillermo Subercaseaux, a Master's degree in Human Resources Management and Management Skills (IEDE), and two diplomas, one in Public Management and Women from the Instituto de Asuntos Públicos of the Universidad de Chile and another in Union Training and Management from the Faculty of Economics and Business of the Universidad de Chile.

She has served for 32 years. In the union field, from 2004 to 2006, she was director of the National Union of Workers of Banco del Estado de Chile. Then, until 2010, she served as general secretary, a position she held again from 2012 to 2014.

Joined September 1, 2014

Jaime Soto Fuentes

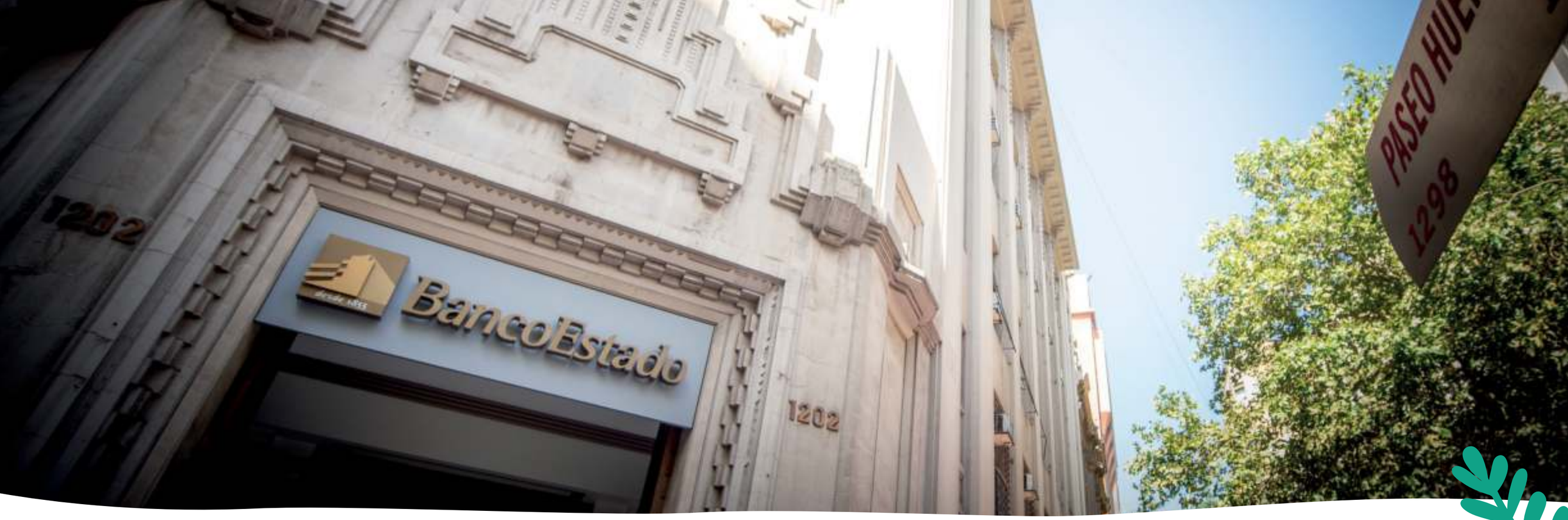
Alternate Labor Director

34 years of experience in BancoEstado, mainly linked to operational areas of the branch network.

He began his career in the Quinta Normal branch. In 2001, he became head of operations at the Santo Domingo branch. Between 2007 and 2009, he served as administrative manager of the Paseo Huérfanos branch.

In 2011, he returned to BancoEstado's main office to serve as head of administration for seven years, a position he held until he was elected Alternate Labor Director.

Joined: September 1, 2018

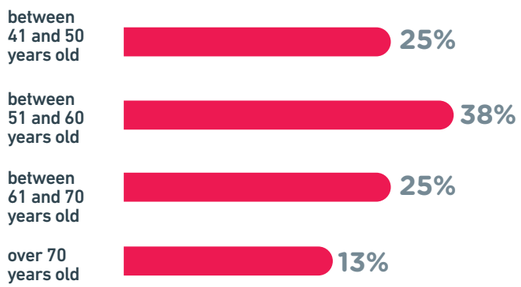


Diversity in Corporate Governance

CMF 3.2.i, 3.2.v, 3.2.ix.a, 3.2.ix.b, 3.2.ix.c, 3.2.xiii.a, 3.2.xiii.b, 3.2.xiii.c, 3.2.xiii.d, 3.2.xiii.e; GRI 2-9, 2-10, 405-1

The members of BancoEstado's Executive Committee and Board of Directors, according to its Organic Law, are appointed by Supreme Decree of the President of the Republic, issued through the Ministry of Finance, with the exception of the Labor Director and his alternate, who are appointed by direct vote of the Bank's employees. Given the above, BancoEstado does not have a formal diversity policy in its Executive Committee and Board of Directors.

50%
women



Note: All members of the Board of Directors are Chilean nationals, 0% of whom are disabled.

Corporate Governance induction and training

Before any changes in management occur, all new authorities must undergo a formal induction process. This process includes various sessions covering aspects such as BancoEstado Corporation's Corporate Governance, the Bank and its relationship with its subsidiaries, support companies, and affiliated companies, as well as matters related to the Bank's administration and management. Additionally, each new member of the Bank's senior management receives individual training on the functioning of the respective committees and is provided with relevant materials such as laws, regulations, manuals, and more.

Regarding the improvement of the Board of Directors, no training sessions were held in 2022 to update knowledge, as the new administration took office in April of that year. Therefore, the performance and operation of the Board were not evaluated during that time.

Executive Committee

CMF 3.4, GRI 2-9

BancoEstado's Executive Committee is comprised of the Chairwoman, the Vice-chairman and the Chief Executive Officer. All of them are appointed by the President of the Republic. The Committee must manage the Bank in compliance with the legal and regulatory provisions in force, and the policies and rules issued by the monetary authorities, the Board of Directors and the Financial Market Commission (CMF). Among its main functions is the administration and operation of the company. In addition, it agrees, executes and celebrates any activity that promotes the achievement of the Bank's objectives. It is also responsible for determining the conditions and modalities of operations, approving the annual budget for investments and expenses, overseeing compliance with agreements, rules and instructions, and reporting periodically to the Board of Directors on the operation of the company. It is worth mentioning, as part of the annual agenda of the Board of Directors and the Executive Committee, the existence of periodic presentations of the Bank's Divisional Managements and its Subsidiaries.

Óscar González Narbona

Chief Executive Officer

He is a civil industrial engineer from the Universidad de Chile. He has extensive experience at executive and management level in the Chilean financial system, strategic planning, project implementation, management monitoring and risk assessment.

He joined BancoEstado in 1999 and served as Manager of Planning and Management Control, where he also served as Chairman of the Board of BancoEstado Corredores de Bolsa and Administrator of the Guarantee Fund for Small and Medium Enterprises (FOGAPE).

Previously, he was director of Supervision of the Superintendency of Banks and Financial Institutions, corporate manager in the areas of Planning and Risk Assessment in several financial institutions, and participated in boards of directors of companies in the financial sector.

Appointment: May 25, 2022.

Other Governing Bodies

The Executive Committee's functions are complemented by those of the General Attorney Office, the Comptroller's Office and the Compliance Office, which are part of our company's Corporate Governance, supporting its operational functions and deploying internal control instruments.

Pablo Lagos Puccio

General Attorney

Lawyer from Universidad de Chile. He has extensive experience in corporate legal management, compliance and political regulation, both in public and private companies.

During his career he has worked as a General Attorney for CORFO, Correos de Chile and, between 2006 and 2010, he was a General Attorney for BancoEstado.

Appointment: October 20, 2022

Victoria Martínez Ocamica

Comptroller

Commercial Engineer from Universidad de Chile. She served as General Manager of AFP Futuro and, in 1991, joined BancoEstado Corredores de Bolsa, also as General Manager.

At BancoEstado, she headed the General Administration Management from 1998 to 2000, and the Channel Division Management from 2000 to 2007. Subsequently, between 2008 and 2022 he served again as General Manager of Administration.

Appointment: June 28, 2022

Pablo Mayorga Vázquez

Compliance Officer

Commercial Engineer with a major in Economics from Universidad de Chile. He has 35 years of experience in executive positions in the Chilean financial sector. He was advisor to the Presidency of BancoEstado and International Business Manager of BancoEstado.

Between 2004 and 2011, he was a director of BancoEstado Administradora General de Fondos, being appointed in 2011 as General Manager of this subsidiary until April 2021.

Appointment: October 20, 2022

BancoEstado organization chart

Board of Directors

Chairwoman	Jessica López Saffie
Vice-chairman	Daniel Hojman Trujillo
Directors	Pablo Zamora Cantillana Enrique Román González Elena Serrano Pérez Tamara Agnic Martínez
Labor Director	Edith Signé Rodriguez. Jaime Soto Fuentes

Executive Committee

Chairwoman	Jessica López Saffie
Vice-chairman	Daniel Hojman Trujillo
Chief Executive Officer	Óscar González Narbona

General Attorney
Pablo Lagos Puccio

Chief Executive Officer
Óscar González Narbona

Compliance Officer
Pablo Mayorga Vásquez

Comptroller
Victoria Martínez Ocamica

Note: For more information on the board of directors, executive committee, divisional area managers and support committees, see Annex 1 of this document.

Our Division Managers

Verónica Pinilla M.
Public Affairs and Sustainability Manager

María Soledad Ovando G.
General Manager of Loans

Alexis Genskowsky G.
Branch Division Manager

Antonio Bertrand H.
General Manager of Administration

María Dolores Peralta R.
Retail Banking Division Manager

Aubrey Robinson M.
Corporate Risk Manager

Andrea Silva D.
General Manager of Finance

Eduardo de las Heras V.
Operations and Technology Division Manager

Nicole Winkler S.
Planning and Management Control Manager

Marcelo Hiriart V.
Home Savings Division Manager

2.2
Our subsidiaries

Through our subsidiaries, we are expanding our role as a public bank, diversifying our service channels and offering products and services. With this, we aim to generate greater inclusion, connection and development for all the inhabitants of Chile.

Alejandro Romero Saccani

BANCOESTADO MICROEMPRESAS S.A. FINANCIAL ADVISORS (BEME)

Promotes equal opportunities, inclusion and the economic and social development of the country's microentrepreneurs, contributing to their progress and well-being.

Enrique Fritzche Figueroa

CAJAVECINA S.A. TRANSACTION SERVICES COMPANY

It is an inclusive, close and reliable banking correspondent network that operates through POS installed in neighborhood stores throughout the country, offering the possibility of performing financial and non-financial services to millions of customers near their neighborhoods, thus improving people's quality of life.

Jaime Fernández Labra

BANCOESTADO S.A. GENERAL FUND ADMINISTRATOR

Provides investment solutions and advice to companies, institutions and individuals, mainly through mutual funds. It is formed in partnership with BNP Paribas Asset Management (49.99% ownership).

Miguel Sabag Couchot

BANCOESTADO CONTACTO 24 HORAS S.A.

It manages the telephone service for our customers, providing information and remote assistance in the sales and after-sales actions of our products, to achieve user satisfaction. Its headquarters are located in the commune of Lota (Biobío Region), where for more than 20 years it has been the main source of employment in the area.

Denis Daroch Gutiérrez

BANCOESTADO CENTRO DE SERVICIOS S.A. (BANCOESTADO EXPRESS)

Formerly known as ServiEstado. Through its extensive network of branches throughout the country, which operate extended hours, it allows for money transfers, deposits, payments and after-sales of BancoEstado products.

Juan Ignacio San Martín Campos

BANCOESTADO CORREDORES DE BOLSA S.A.

It offers financial solutions to individuals, companies and institutions, through securities brokerage, advisory and management of third-party portfolios.

Rodrigo della Maggiora Silva

BANCOESTADO CORREDORES DE SEGUROS S.A.

It offers the Bank's customers a wide range of insurance products, especially to those segments that, due to their socioeconomic situation, do not always have access to these products. Its strategic partner is Metlife Chile Inversiones Ltda. (49.90% ownership).

Hernán Arancibia Sepúlveda

BANCOESTADO SERVICIOS DE COBRANZAS S.A. (BECO)

It works with an integral sense of respect, understanding the reality of its clients, seeking to support them in recovering their development opportunities. The purpose is focused on delivering solutions that provide greater financial peace of mind.

Juan Ignacio Maturana Lazo

RED GLOBAL S.A

It supports the economic and social development of the country through the implementation of the Compraquí acquiring network. Through it, thousands of microenterprises, small businesses and self-employed workers can accept payments with credit and debit cards from all banks without fixed costs.

2.3

Ethics and integrity

CMF 3.1.iii, 3.2.xii.c, 3.6.vii, 3.6.xiii, 3.6.ix, 8.1.4, 8.1.5
GRI 2-15, 2-25, 2-26, 2-27

As a public bank, we are responsible for taking care of the assets of all the inhabitants of the country. We ensure the integrity of the Corporation by incorporating the best practices of probity and transparency in our internal culture and in our relationship with our stakeholders, in accordance with the Human Rights agreements signed by the State of Chile.

Governance

Ethics Committee — Complement — **Compliance and Conduct Committee**

Compliance Office
Ensures compliance with the regulations that apply to BancoEstado Corporation.
Encourages the good behavior of its employees.

Regulations and policies

Ethics Manual
Provides guidelines regarding conduct and best practices in line with the Bank's core values.

Securities Market Code of Conduct
Seeks to avoid possible conflicts of interest related to access to reserved or privileged information.

Crime Prevention Model (MPD, by its Spanish acronym)
Establishes proactive prevention and detection tools to anticipate the occurrence of crimes.

Good Practices and Promotion of Free Competition Manual
Guides the operation within a framework of promoting competition in the markets. Presents guidelines to anticipate possible conflicts in this area.

Sponsorship Procedure
Establishes the criteria and procedures for evaluating, granting and formalizing sponsorships to private and public entities and civil society organizations.

Policies and Manual for the Prevention of Money Laundering and Financing of Terrorism
It represents a safeguard and protection position of the Bank against these crimes, allowing it to comply with the provisions of Law No. 19,913.

Inquiries and complaints channels

Complaints Channel
This is an autonomous and externally audited channel that receives complaints from employees or any person related to BancoEstado. It is confidential and anonymous.

Other channels for queries and complaints
Channels for queries and/or complaints for the general public, which can be accessed through our website. Employees can also file complaints related to workplace harassment, sexual harassment and situations involving abuse of power, as well as internal practices contrary to our regulations, through internal procedures and channels that are analyzed by the Ethics Committee.

Socialization

Introductory Kit
New employee must sign a copy of the Ethics Manual

Documentary Portal
Contains policies and manuals

Internal communication
We prepare informative newsletters and contents to be disseminated through our Intranet

Training
It is conducted in e-learning or classroom format, including Antitrust, Money Laundering, Ethics and Compliance, Crime Prevention Model (Law No. 20,393) and SERNAC Law (No. 19,496).(N°19.496).

In order to create a culture of integrity and ethics within the Corporation, during the year 2022 we incorporated the new crimes of Law 20.393 to our Crime Prevention Model (MPD), both in BancoEstado and in the subsidiaries, those related to human trafficking, arms control, timber theft and those associated with computer crimes. In addition, we held meetings with the areas that are most exposed to these crimes, in order to generate controls to mitigate their occurrence. In addition, we initiated a process of dialogue with the financial industry and the public sector to strengthen crime monitoring mechanisms.

Also, during 2022, we updated our Manual for the Prevention of Money Laundering and Financing of Terrorism, issued the Policy for Sanctioned Companies, with the prohibition to enter into acts and contracts with the State by Law 20.393, and also the Policy that regulates the hiring and promotion for executive positions of related persons. At the same time, we conducted training to reinforce these issues in our employees.

	2021		2022	
Main complaints received through our channel	**BancoEstado**	**Subsidiaries**	**BancoEstado**	**Subsidiaries**
Money laundering	156	3	306	3

Note: Money laundering allegations have been analyzed and responded to.

In the same period, through our Compliance Office, we have established a centralized coordination aimed at analyzing and implementing the obligations contained in new regulations and we executed the Regulatory Compliance Program that covers the entire set of rules that regulate the Financial System. Furthermore, in order to strengthen the Prevention of Money Laundering and Financing of Terrorism, we fostered a greater participation of the Bank's senior management in the activities of analysis, development and control of the matters covered by the Directorate and the definition of guidelines for the area's development plan.

Other milestones of the year that help us to strengthen the compliance, ethics and integrity system in our operations:

- Improved monitoring of the largest historical number of transactions recorded in the Bank.
- Development of a Personal Data Protection Policy and Compliance Plan.
- Progress in the Certification of the SERNAC Law Compliance Plan for the Bank and subsidiaries.
- Crime Prevention Model Certification for the Bank and subsidiaries.
- Migration of the cross-border transaction scanning system.
- Improved efficiency of supplier controls.
- International certification from ACAMS-USA, of a team of four professionals in the Prevention of Money Laundering and Terrorist Financing.
- Certification of three Compliance professionals in the requirements for the implementation of ISO 37301 (2021), on Compliance Management Systems.

For more information on our ethics management, whistleblowing and compliance, see Annex 1 of this document.

Ethics and compliance training

GRI 205-2, 404-1

As part of our strategy to strengthen ethics and compliance at BancoEstado, this year we massively trained our employees in the prevention of money laundering, banking secrecy, free competition, the Dicom Law and the Law on Criminal Liability of Legal Entities.

These procedures help us prevent and detect non-compliance related to Law 20,393 on criminal liability of legal entities, as well as to regulations related to free competition and the environment.

Ethics indicators	2021 BancoEstado	2021 Subsidiaries	2022 BancoEstado	2022 Subsidiaries
Workers participating in the Ethics Course	3,403	221	6,741	1,274
Hours of training in Ethics Course	E-learning 1 hour 10 minutes	E-learning 1 hour 10 minutes	E-learning 1 hour 10 minutes	E-learning 1 hour 10 minutes
Workers participating in the Crime Prevention Model Course Law 20,393	329	79	11,450	1,900
Hours of training in Crime Prevention Model Course Law 20,393	E-learning 1 hour 10 minutes	E-learning 1 hour 10 minutes	E-learning 1 hour	E-learning 1 hour
Workers participating in the Free Competition Course	9,746	119	519	1,349
Hours of training in Free Competition Course	E-learning 1 hour 10 minutes	E-learning 1 hour 10 minutes	E-learning 1 hour	E-learning 1 hour
Workers participating in the Money Laundering Course	3,004	195	373	0
Training hours in Money Laundering Course	E-learning 1 hour 10 minutes	E-learning 1 hour 10 minutes	E-learning 1 hour	E-learning 1 hour
Workers participating in Consumer Law courses	3,447	0	5,809	1,769
Hours of training in Model Consumer Law Course	3,403	221	E-learning 1 hour	E-learning 1 hour
Workers participating in the Operational Risk Prevention and Compliance Course.	-	-	-	1,769
Hours of training in Operational Risk Prevention and Compliance Course	-	-	-	E-learning 3 hours

2.4

Human Rights Commitment

GRI 2-23

As a public company, we adhere to the Human Rights agreements signed by the State of Chile, which is part of our Sustainability Policy. We promote and respect Human Rights under the guidance of the Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights and other internationally recognized frameworks adopted by the State of Chile.

We are committed to respecting and promoting the labor rights recognized in national legislation and through the eight fundamental conventions of the International Labor Organization (ILO). This includes:

1. Freedom of association, protection of the right to unionize

2. Collective bargaining

3. Abolition of forced or compulsory labor

4. Abolition of child labor

5. Equality of opportunity and treatment

6. Equal pay

7. Discrimination

8. Occupational health and safety

We also strive to incorporate mechanisms to ensure that our suppliers adhere to the commitments stipulated above.

Human Rights Due Diligence

GRI 2-25

As part of our commitment to sustainability and our social role, during 2022 we decided to make further progress on Human Rights by planning a Due Diligence process in line with the United Nations Guiding Principles on Business and Human Rights and the Due Diligence Guidance for Responsible Business Conduct of the Organization for Economic Co-operation and Development (OECD).

This process will formally identify the risks and impacts in this area within our operations, the value chain, commercial relationships and other business-related activities, in addition to assessing the maturity of current management and ensuring prevention, mitigation and remediation mechanisms in the Bank's policies and management system.

In line with national legislation and relevant international standards, the due diligence process will consider evaluating the issues of forced labor, child labor, freedom of association, the right to collective bargaining, equal remuneration, discrimination, and others. It will also includes the identification of groups or legal subjects at risk of human rights violations that will be covered in the due diligence process.

As a result of this process, we seek to generate an action plan to strengthen human rights management throughout the company and along the value chain with a comprehensive risk management methodology that promotes and incorporates the human rights perspective at a transversal level.

2.5 Risk management

We seek to prevent and mitigate risks that may affect the sustainability of our organization, in order to continue providing our services to our clients in a timely and safe manner.

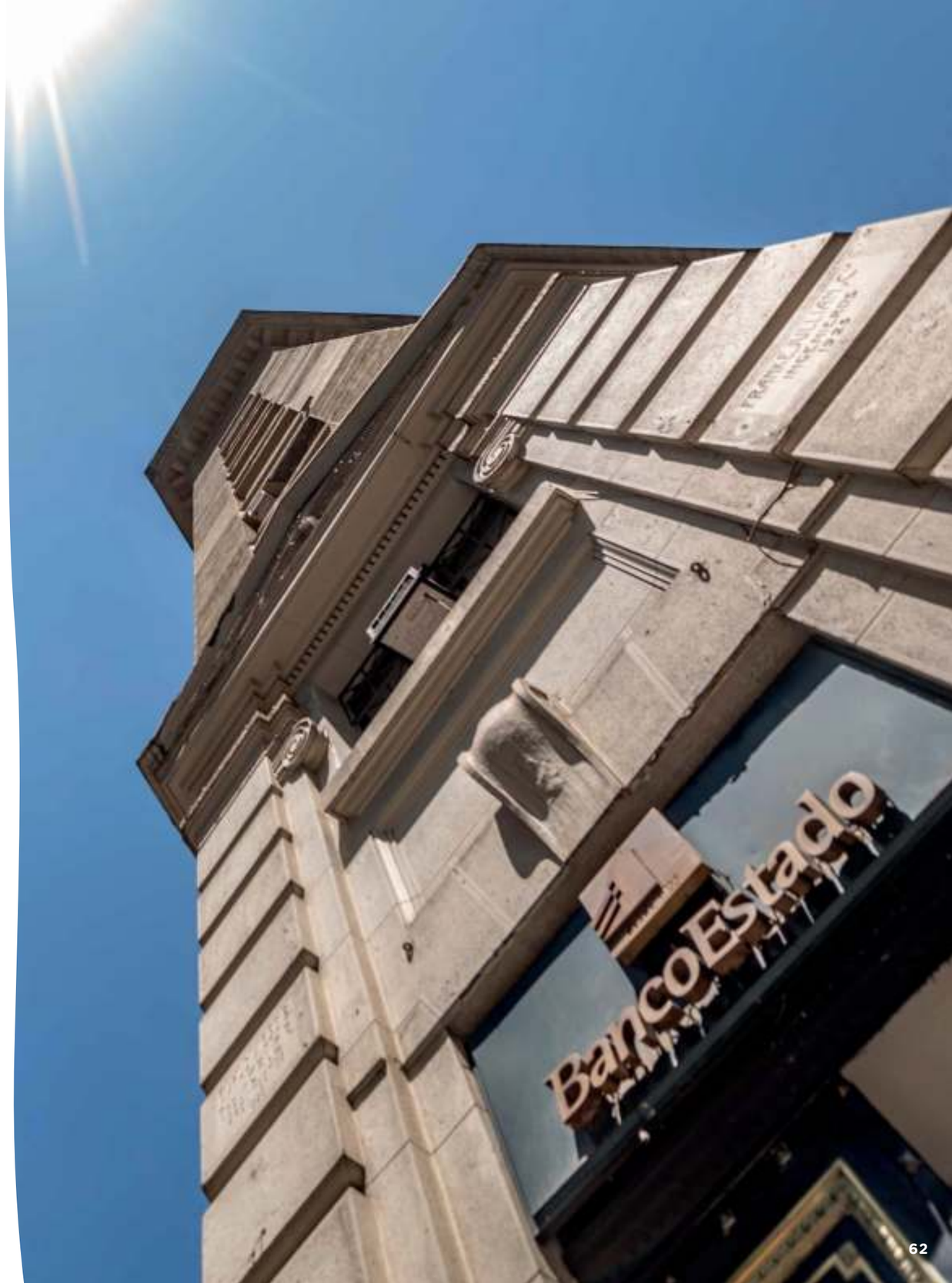
In 2021, considering the entry into force of the new Basel III standards, we conducted a process of identification, evaluation and measurement of the impact of all risks affecting BancoEstado. Then, based on an internal methodology, the Corporation annually identifies those risks that are material, reporting them to the Regulator through the Cash Equity Self-Assessment Report.

Risk Management Governance

CMF 3.6.i, 3.6.iv, 3.6.v

Para gestionar los riesgos que hemos identificado como materiales para BancoEstado contamos con un gobierno que nos permite su correcta administración y control, dentro de los niveles de riesgos razonables que hemos definido.

Executive Committee	This is the highest body that approves corporate policies that guide risk management and control. Additionally, it participates in the definition and approval of the risk appetite framework and the Entity's Inherent Risk profile. It periodically performs specific follow-up on these issues in the ordinary sessions of the Committee.
Assets and Liabilities, Credit Risk and Operational and Technological Risk Committees	They ensure compliance with the reasonable risk levels that have been defined for the execution of the business strategy, in the areas of action of each of these committees. In order to meet, all of them require the attendance of at least one member of the Executive Committee, constituting a support committee that reports periodically on risk management to the Committee.
Audit Committee	This body is in charge of the different aspects that involve the maintenance, application and operation of the Bank's internal controls, which extend to its subsidiaries, as well as to closely monitor compliance with the rules and procedures that govern its practice, and to have a clear understanding of the risks that the Bank's business may entail for the Bank.
Corporate Risk Management	Responsible for BancoEstado's comprehensive risk management. It carries out its work through the different management teams and committees specialized in credit risks, market risks, non-financial risks and social and environmental risks, together with a framework of corporate policies that guide the management and control of these risks.
Technology Committee	This governance body is responsible for knowing the key and intensive projects in the use of technologies, defining BancoEstado's technological strategy associated with its line of business and following up on them. In addition, the Committee's function is to review the functional strategy of information technologies, in order to promote a technological architecture and its corresponding management, which facilitates the deployment of the business strategy and seeks to generate competitive advantages for BancoEstado.
Compliance Office	Its function is to ensure compliance with the rules and regulations that apply to BancoEstado and subsidiaries. It is also responsible for monitoring transactions, detecting indications of operations related to money laundering and financing of terrorism, and reporting to the Financial Analysis Unit (UAF) in accordance with the provisions of the same agency.



Three-line model

CMF 3.6.iii, 3.6.vi

We have a three-line model that allows us to segregate functions within the organization, facilitating the independence between them to maintain an adequate and effective control and management of risks.

1 First line

Corresponds to the Corporation's employees responsible for processes, who are exposed to the different risks. This line carries out constant controls and monitoring to keep risks within the limits and appetite levels established by the Bank.

2 Second line

It corresponds to the Corporate Risk Management and to the Personal Risk Manager, Small and Micro-companies Risk Manager, Wholesale Risk Manager, Agricultural Risk Manager, Risk Control and Planning Manager, Market Risk and International Business Management, Non-Financial Risk Management and Compliance Department.

This line is responsible for providing methodology for the first line, defining standards, measuring and controlling independently the exposure to risks of the processes, as well as reporting periodically to the corresponding Committees.

At this level the responsibility is to evaluate and control the exposure to risks that could be generated in the first line of the Bank, for which they report periodically to the corresponding Committees.

3 Third line

The Comptroller's Office performs an internal audit role, evaluating ex post the faithful compliance with policies, processes, procedures, implementation of controls, execution of action plans, among other measures established and agreed with Management to reduce risk exposure.

In addition, it reports independently to the Audit Committee, which takes cognizance of the main findings and non-compliances identified in the review process.

Main risks managed

CMF 3.6.ii, 6.2.viii

1. Financial risks

a) Credit risks

Related to the probability of non-compliance by a customer with its payment obligations, as a result of which, in order to prevent or mitigate this type of risk, we have divided the process of granting a loan in stages, considering: admission, in terms of evaluating the customer for the granting of the loan; then follow-up, when the placement has been made and the customer's payment capacity is monitored; and the recovery stage, in the event of non-payment, where we use normalization, collection and reorganization mechanisms.

At the admission stage, we watch over the financial health of our clients. For this reason, for the management of this risk, we have established as a principle to maintain the independence of the risk area with the commercial areas, being counterparts to evaluate the credit risks of each operation. In this way, we are able to make a conscious evaluation of the reality of each client, seeking not to compromise their ability to pay and allowing the granting of a loan to be a responsible financing opportunity.

In order to control this risk, we implemented various measures in different areas, including: credit risk expense; goals for categorizing the socio-environmental risk of companies; development and implementation of risk models for the real estate sector in regions, the agricultural sector and companies in regions, among other actions.

In addition, we have a Technical Committee that evaluates statistical risk models at different stages of the credit process, with which we seek to guide decisions, incorporating the risk/return ratio as a relevant variable in decision making.

Key policies

- Credit policy for the Wholesale, Corporate Banking, Large Corporations and Real Estate segments.
- Credit policy for Small Business Banking.
- Credit policy for the Microenterprise segment.
- Agricultural credit policy, Micro and Small Business segment.
- Personal segment credit policy.
- Credit normalization and collection policy.
- Guarantee policy.
- Agricultural credit policy, Small Business and Wholesale segment.
- Credit risk policy, Financial Segment.

b) Market and liquidity risk

Market risk is related to the loss of value of assets and liabilities resulting from changes in prices, rates and volatility in market value, while liquidity risk consists of the Bank's difficulty in meeting the payment of obligations within the committed terms.

For the management of Market Credit, the Market Risk and International Business Management defines limits for these risks, using different methodologies and specific systems to measure, control and report the magnitude of these risks and/or exposures.

Key policies

- Liquidity management policy.
- Market risk policies, strategies, limits and models.

2. Non-financial risks

a) Operational risk

In this section we refer to risks related to processes, business continuity, outsourced services, fraud and technological risks. For their management we have risk and control matrices that allow the evaluation of the Operational Risk for all the Bank's critical processes. We periodically update these matrices, and at the same time we use them as a knowledge tool, since they document risks by process, controls and action plans, as the case may be.

During 2022 we identified the operational risks associated with the universe of the Bank's process map, determining the risk levels and mitigation actions to be applied in the event of deviations from acceptable risk levels, which allows us to maintain an adequate control environment over the risks that may arise both in the processes and in the implementation of projects and initiatives. As a result, we prepared 117 risk matrices for the processes that make up the Bank's process map.

Likewise, in 2022, we conducted a business impact analysis (BIA) of all BancoEstado processes to detect those that, due to their criticality, required the construction of contingency plans..

Regarding business continuity plans (BCP), at year-end 2022 we conducted 114 tests in central areas and in the branch network, in order to evaluate the effectiveness of the plan and establish opportunities for improvement. In addition, given the high demand for transactions and payments made during the previous year, we registered eight new business continuity plans and updated 41 associated plans. We also initiated the purchase of GRC software, a system that includes a module to manage the Bank's operational losses, process risks and business continuity plans.

Regarding technological risks, we have a Technology Committee, which defines BancoEstado's technological strategy and monitors it. In this matter, during the year 2022, we conducted four tests to the Technological Disaster Recovery Plan (DRP). In addition, we expanded this plan by incorporating the scenario of failure of telecommunications platforms, recovery from cybersecurity attacks and failure of cloud services.

In the area of legal risks, in 2022 we began the certification process for the SERNAC Compliance Plan, whose objective is to prevent, avoid and mitigate the risks of fines, lawsuits, property damage and reputational damage caused by non-compliance with the law, promoting market confidence in the Bank's activities.

From a continuous improvement perspective, we have a loss event database, which keeps a record of materialized non-financial risks. In this way, it becomes a management tool by making available relevant data in terms of volume of customers affected, economic impact and fines applied, from which we can analyze the materialization of risks and implement new action strategies for future situations with similar characteristics.

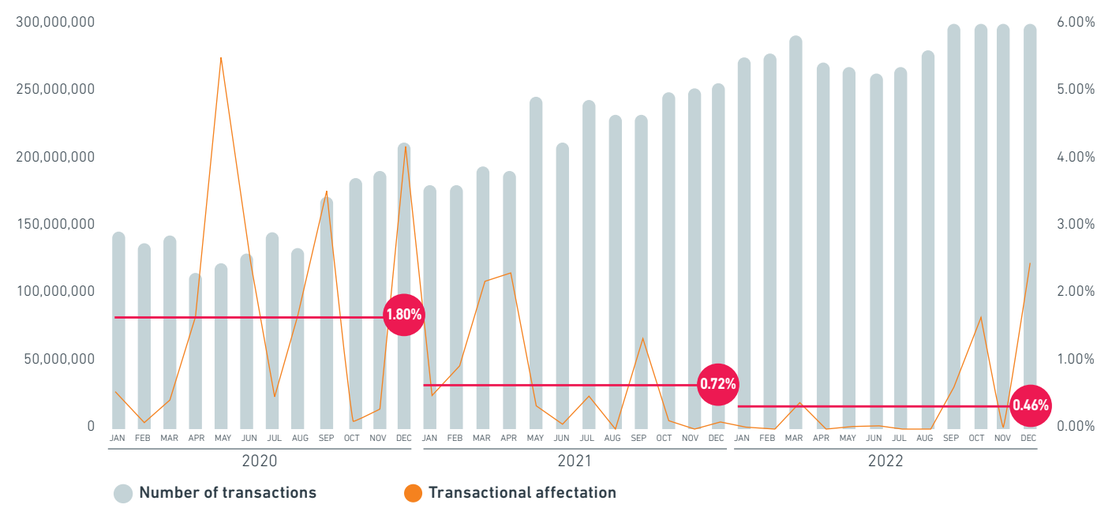
In total, during the year 2022, we conducted 30 audits by the Bank on non-financial risk matters.

Main policies

- Fraud risk management policy
- Business continuity policy
- Outsourced services policy
- Operational risk policy
- Information Security and Cybersecurity Policy

System stability

For the second consecutive year, we managed to significantly improve the stability of the technological systems, reducing the average percentage of transactions impacted by incidents from 1.8% in 2020 to 0.7% in 2021 and then to 0.46% in 2022. This progressive improvement is even more relevant when looking at the increase in transactions during 2022, especially at the end of the year. This will ensure that



b) Information security and cybersecurity risks

CMF 3.6.iib

The digitalization of our services brings a series of benefits, but also challenges. Our customers confidently provide us with information of great importance to them, so we must take responsibility for the care of such data, protecting their privacy and safeguarding its proper use.

For this purpose, we have a Regulatory Compliance Unit that promotes compliance with all privacy-related regulations, as established in article 154 of the General Banking Law, and this Unit is also responsible for training in banking secrecy, banking confidentiality and data protection. In addition, our Information Security Board of Directors is the means by which we review deviations from cybersecurity standards and the status of action plans, as well as approve changes in specific cybersecurity standards, follow up on the implementation of activities that may affect the confidentiality, integrity and availability of information, including the results of technological disaster tests.

BancoEstado has a series of technological risk and cybersecurity indicators that are reported on a monthly basis to the different government agencies. During the year 2022, we have created panels dedicated to high privilege accounts (CAP) and monitoring of our perimeter platforms, expanding the scope of control in order to increase our level of maturity in cybersecurity.

In addition, we have our Information Management Manual, which establishes the rules and mechanisms for data management and, on the other hand, the Rules of Order, Hygiene and Safety, which defines the obligations and sanctions to which employees are subject in this area.

In order to raise awareness of information security and cybersecurity risks within the Corporation, during the reporting period we implemented a strategy that included news publications, articles and interviews on the MiBE intranet, e-learning courses, training and live talks with leading figures in the world of cybersecurity in Chile, which included activities aimed at detecting threats and protecting information. The participation covered 9,906 Bank employees and 2,802 people in subsidiaries.

We also executed three Ethical Phishing exercises in the Bank and subsidiaries, corresponding to cyber-attack simulation exercises, such as sending malicious emails that could put the Corporation and our clients at risk. In this way, we seek to build a culture that allows greater maturity in cybersecurity and meet our strategic objectives in this area. The results of these simulations are as follows:

Ethical Phishing Exercises	Coverage Bank 2022 (No. of employees)	Subsidiary Coverage 2022 (No. of employees)
Exercise 1	9,122	7,604
Exercise 2	9,884	4,973
Exercise 3	10,079	5,030

In addition to the above exercises, we have also carried out desktop simulations of different cyber-attacks in our subsidiaries. In this way, we analyze real incident scenarios and identify areas for improvement in our response capacity.

During 2022, in order to mitigate the risk of customer impersonation and enhance customer authentication, we deployed various initiatives to prevent fraud, implementing tools such as the use of biometrics, increased notifications by email or text messaging, promotion of the use of third-party passwords and BEPass, including face-to-face transactions in branches. In addition, we carried out initiatives to reinforce the knowledge of employees and customers, including an e-learning on fraud by identity theft, and, with regard to our customers, we communicated through social networks and mailings to inform and disseminate prevention measures and new modus operandi of fraudsters.

Because data and transaction protection is a priority for our work, and considering a context of increasing scams and hackers that affect data privacy, we deepen the analysis of claims and monitoring of data protection of our customers, in addition to daily reports on this matter.

Main policies

- Policy for the integral management of operational and technological risk in BancoEstado.
- Fraud risk management policy.
- Business continuity policy.
- Information security and cybersecurity policy.
- Outsourced services policy.
- Operational risk policy.

3. Social, Environmental and Climate Risks

CMF 3.1.ii, 3.6.ii.e, 3.2.vii
GRI 201-2

The potential risks we aim to prevent and mitigate in this category are: a) Customer credit risk or cash flow risk, caused by fines and/or costs of implementing environmental mitigation measures; b) Collateral risks, such as owning land with some level of contamination; c) Reputational risk, linked to community questioning; d) Legal risk: fines, lawsuits and/or damages to third parties.

Our evaluation management is framed in the Social and Environmental Risk Admission Manual, through procedures to identify, evaluate and manage the social and environmental risks of projects and companies that we finance. Similarly, compliance with the Social, Environmental and Climate Risk Policy is integrated through the Social and Environmental Assessment in the credit process, whose variables are evaluated in Credit Committees. All projects are categorized by reviewing their compliance with the relevant legislation and the criteria of the Social, Environmental and Climate Risk Policy.

In the case of project evaluation, environmental due diligence is performed with an external consultant and/or through an internal review. On the other hand, the Social and Environmental Risk Questionnaire evaluates ESG (Environmental, Social and Corporate Governance) variables inspired by the International Finance Corporation (IFC) Performance Standards. The topics we include are:

- **Corporate governance.**
- **Social and Environmental Impact and Risk Assessment System.**
- **Labor conditions.**
- **Resource efficiency and pollution prevention measures.**
- **Community programs for protection against adverse effects.**
- **Involuntary resettlement.**
- **Biodiversity and natural resource conservation.**
- **Impacts on indigenous peoples.**
- **Cultural heritage.**
- **Climate change mitigation and adaptation.**

Through the application of the Social, Environmental and Climate Risk Policy, we began to qualitatively identify potential transition risks arising from regulatory actions, changes in technologies and/or changes in people's preferences. This, in order to mitigate the effects of climate change and achieve the goals proposed in commitments such as the Paris Agreement.

Main Policies

- **Social and Environmental Risk Policy**

We conduct assessments based on our Social and Environmental Risk Policy, which we complement with Due Diligence processes, allowing us to make better decisions in project financing, with an ESG perspective. Below, we show the treatment of two projects under the standards of a socio-environmental assessment:

Examples of application of the Social and Environmental Risk Policy

Road Improvement and Maintenance Project Evaluation

We conducted the evaluation of the interurban road improvement and conservation project, which was categorized with a medium social and environmental risk. This assessment considered a review of compliance with national environmental regulations, in addition to including an external environmental due diligence process, which reviewed compliance with the Equator Principles and IFC (International Finance Corporation) Performance Standards. Based on this evaluation, we determined environmental commitments and generated an Action Plan with 64 measures. As the work progressed, an on-site visit was made by external experts to follow up on the plan. From this visit it was verified that about 80% of the commitments were in compliance, generating a new action plan to be reviewed in future follow-ups.

Hospital Infrastructure Project Evaluation

The work associated with medium complexity hospital infrastructure was evaluated, which obtained a characterization of low social and environmental risk. For the evaluation we conducted an external Environmental Due Diligence process, which conducted a site visit to determine the requirements for the project, as indicated in the IFC Performance Standards, the requirements established in the Equator Principles and the requirements stipulated in the EHS Guidelines. From the above review, Due Diligence corroborated the Low social and environmental risk level with which the project had been classified.

Portfolio categorized by social and environmental risks 2022	2021		2022	
	Ch$ million	%	Ch$ million	%
Total Categorized	**8,891,129**	**100%**	**12,386,004**	**100%**
High Risk	1,289,785	14.5%	1,499,969	12.1%
Medium Risk	1,801,775	20.3%	2,856,107	23.1%
Low Risk	5,799,569	65.2%	8,029,928	64.8%

Evaluation of Project Finance (including concessions) and real estate projects	2020		2021		2022	
	N°	%	N°	%	N°	%
High Risk	2	2%	1	1%	2	1%
Medium Risk	14	13%	18	14%	36	23%
Low Risk	93	85%	111	85%	118	76%
Total	**109**	**100%**	**130**	**100%**	**156**	**100%**

Agricultural risk associated with climate change

Regarding our work with small agricultural companies, we have maintained the monitoring of these portfolios in relation to their impact due to the drought situation that has affected our country and we continue with the follow-up processes for larger loans, where we analyze and review the water availability situation, determining the viability of the businesses. In a complementary and periodic manner, a Drought Report is presented to BancoEstado's Risk Committee, which considers a review of the global impact that the drought has on clients at a national level.

Likewise, we seek to promote linkage financing products for irrigation works, to serve those agricultural companies that have obtained the Irrigation Bonus from the National Irrigation Commission and contribute to the agricultural sector to accelerate its investment process for the technification of agricultural irrigation, and allow an efficient use of water. In addition, we expanded the offer of loans to finance investments in irrigation equipment and technology, both for companies with Irrigation Bonus granted by the National Irrigation Commission (CNR) as well as investment financing outside the Irrigation Law.

During May 2022, we activated BancoEstado's Natural Disaster Plan, aimed at serving agricultural clients located in the areas most affected by the drought. Of a total of 707 registered business clients, we identified 201 clients with problems of varying degrees of impact attributed to drought. Based on the knowledge that the business executives had of the clients in their portfolios, 69 agricultural companies were selected, providing credit solutions to 37 of them, totaling an exposure of Ch$13,469 million. The latter figure represents 21% of total agricultural loans in the regions of Coquimbo, Valparaíso and Libertador Bernardo O'Higgins.

Among the complementary actions to strengthen environmental and climate risk management, we are gradually strengthening Green Credit Financing, to finance investments in sustainable technologies such as photovoltaic energy, wind energy, among others.

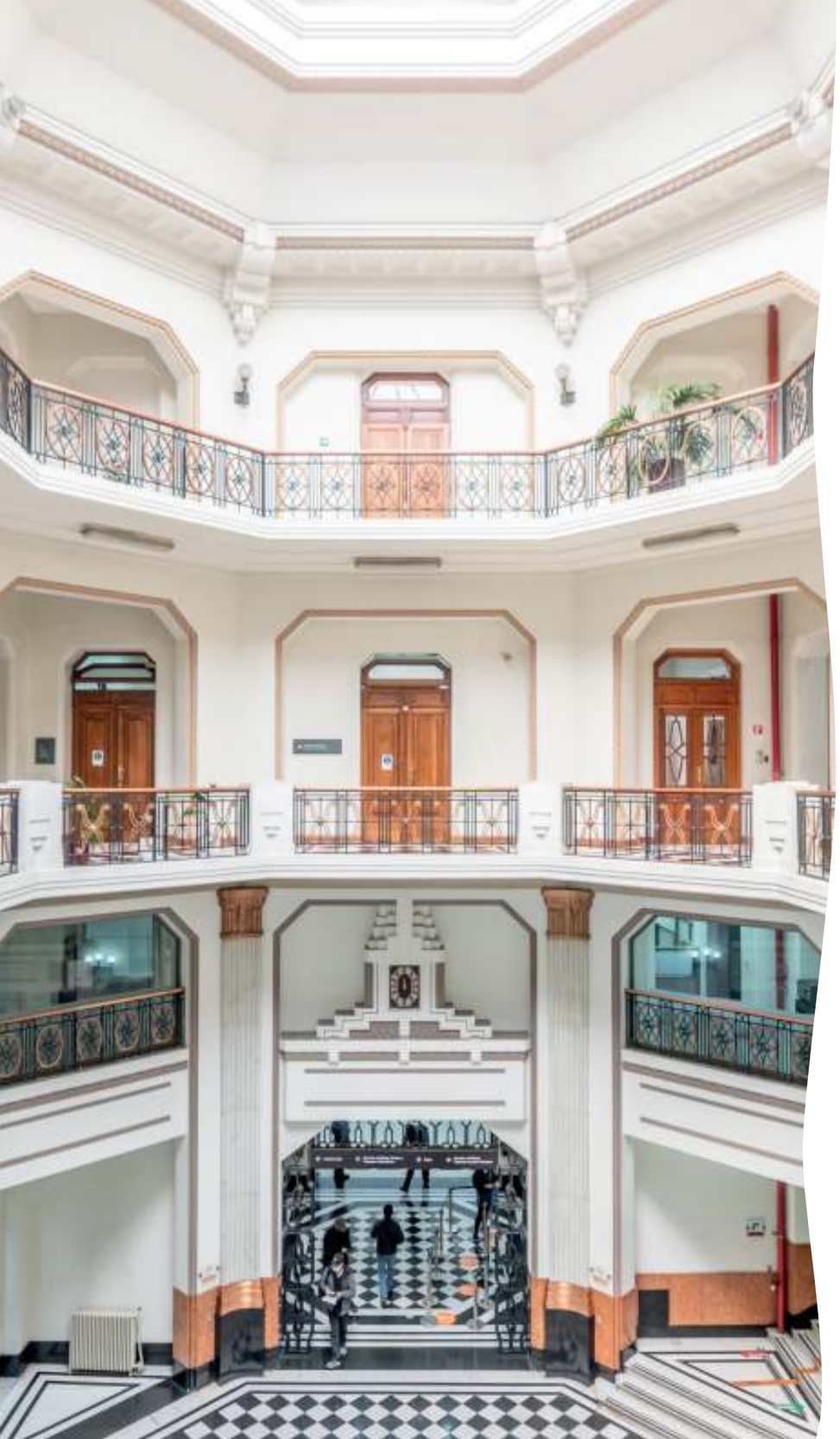
03 Financial results

3.1 Economic Report

3.2 Financial results

3.3 International risk classification

3.4 Bonus emissions



3.1 Economic Report

CMF 6.2

Global economy

The world economy lost dynamism in 2022. Economic growth is projected to fall to 3.4%, down from 6.0% in 2021. Inflation increased in both advanced and emerging economies, triggering a monetary policy response that has tightened financial conditions, even in advanced economies.

Inflation was the main concern in 2022, as it rose above central bank targets in almost all economies. The increase is explained by both supply factors - supply chain disruptions, higher energy and commodity prices following Russia's invasion of Ukraine, among others - and demand factors - for example, the lagged effect of pandemic support policies. In addition, there were significant currency depreciations in relation to the US dollar, especially in emerging countries, contributing to the inflation of tradable products.

Although the adjustment in interest rates was necessary to control price increases, the deterioration in financial conditions has become a drag on activity, with investment weakening in the main economies. This has led to reduced risk appetite, widespread capital outflows and a slowdown in bond issuance in emerging economies.

Fiscal space has shrunk in several economies, raising concerns about debt sustainability as financial conditions have made debt service that has accumulated rapidly in recent years, particularly during the pandemic, more expensive. However, many governments have announced new support measures to protect households and businesses from the effects of sharply rising prices, slowing the pace of fiscal consolidation as pandemic-related stimulus is withdrawn.

Domestic economy

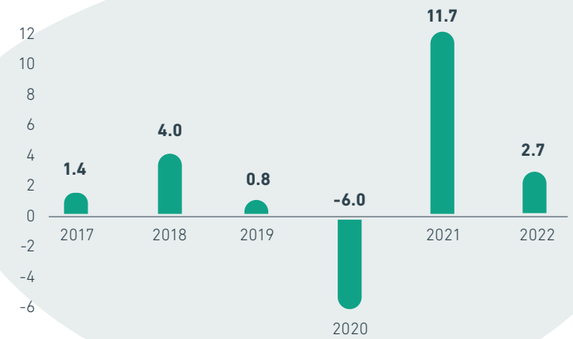
With a higher dynamism than anticipated, the Chilean economy is estimated to grow 2.7% in 2022, a dynamism that went from better to worse, especially due to tighter financial conditions during the second half of the year, a stagnant labor market and the absence of fiscal support from the pandemic.

Following the global trend, inflation was the main concern. In the first part of 2022, price increases continued to accelerate until reaching their peak in August (14.1% in twelve months), closing the year with an annual expansion of 12.8%, making it the highest annual record since 1991. The increase is explained by both global problems, associated with the logistics chain and increases in the international prices of raw materials, and local problems, where the increase in liquidity generated in 2021 maintained constant pressure on prices.

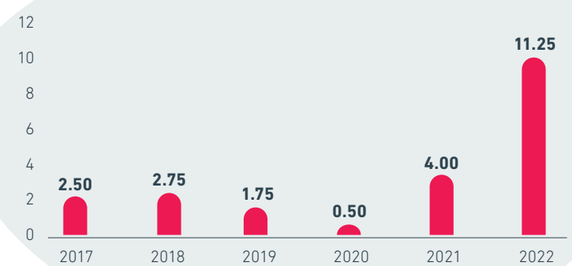
Given this scenario, the Central Bank deepened the monetary tightening initiated in 2021, increasing the Monetary Policy Rate (TPM) from 4.0% in January to 11.25% in mid-October. The setback in the inflationary trajectory, together with the downward adjustment of expectations for 2023, has led all agents to agree that the monetary tightening would have ended in October, projecting rate cuts as of the second quarter of 2023.

Although during 2022 some of the jobs lost in the pandemic were recovered, the previous levels of employment were not reached by the end of the year. In fact, as of December 2022, total employment reached almost 9 million people, still 122 thousand jobs below December 2019 levels. In addition to the slow job creation, a decrease in formal salaried employment was observed in recent months, which was compensated by a higher participation of the rest of the occupational categories, particularly informal salaried employment and self-employment. In this context, while nominal wages continued to grow, there was a drop in real wages associated with high inflation.

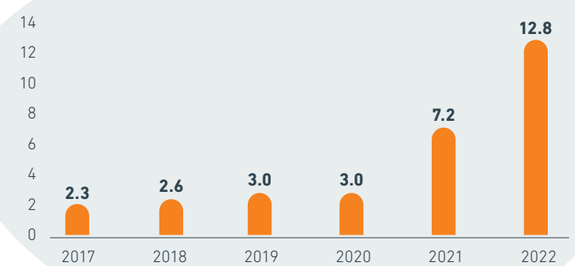
Gross Domestic Product of Chile
(Percentage %)



Monetary Policy Rate
(Percentage %)



Inflation
(Percentage %)



Source: Banco Central de Chile

3.2 Financial results

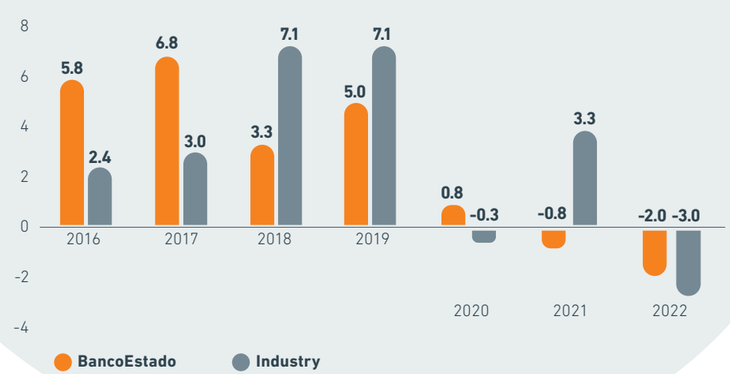
The economic slowdown observed during the year and the deterioration of financial conditions had a negative impact on the evolution of lending activity. The system's and BancoEstado's lending contracted, mainly due to the decline in the commercial portfolio. However, results were favorable and were driven by higher interest income and net readjustments, which were partially offset by higher expenses associated with credit losses.

Lending activity

In 2022, the banking system's total loans contracted by 3.0% in real terms in twelve months. In this context, BancoEstado's total portfolio showed a more limited decline, registering a fall of 2.0%. This contraction is explained in both cases by the decrease in commercial loans, in line with the lower demand for credit in a scenario of slower economic activity and tighter financial conditions.

Total placements BancoEstado and Industry*

Actual change (percentage %)



Source: BancoEstado y CMF
(*) Excludes interbank loans and subsidiaries abroad.

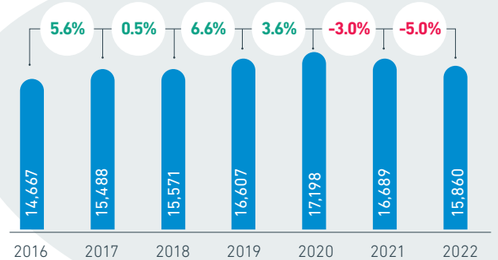
BancoEstado's loan balance reached Ch$ 31,369 billion in 2022, with a market share of 13.9%.

Commercial credit

At the aggregate level, BancoEstado's commercial portfolio fell by 5.0% in real terms in 2022.
When analyzing the segments, all of them recorded declines, with the exception of small businesses, which increased by 1.3% in real annual terms. The corporate and real estate segment, which represents nearly half of commercial loans, recorded a fall of -4.1%, explained by lower demand from companies in a weaker economic scenario. Loans to microenterprises decreased by 17.9% in real terms, affected by the high comparison base due to the FOGAPE program in force in 2021. However, the balance of microenterprise loans increased by 12.2% in real terms at the end of 2019, prior to the extraordinary pandemic assistance programs.

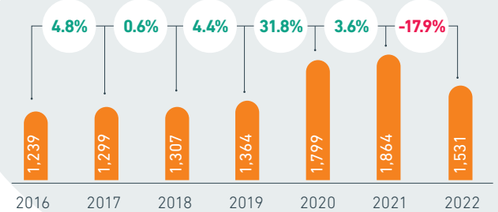
Commercial placements

Ch$ billion of December 2022 and change



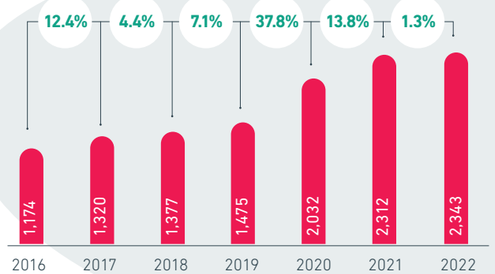
Commercial placements Micro-enterprises

Ch$ billion actual and variation



Commercial placements Small busines

Ch$ billion actual and variation



Source: BancoEstado

Housing credit

In 2022, there was a significant drop in the flow of new housing loans, due to tighter supply conditions and weaker demand. Thus, loans grew at a slow pace in historical terms, increasing by 0.8% in real terms, with a greater dynamism during the second half of the year, due to the effect of the "Hipotecazo" campaign. Thus, housing loans reached Ch$ 13,196 billion at the end of 2022, with a market share of 17.6%. It is worth noting that 24% of the balance of housing loans corresponds to financing for state-subsidized housing, reflecting the Bank's importance in channeling this public policy.

Consumer credit

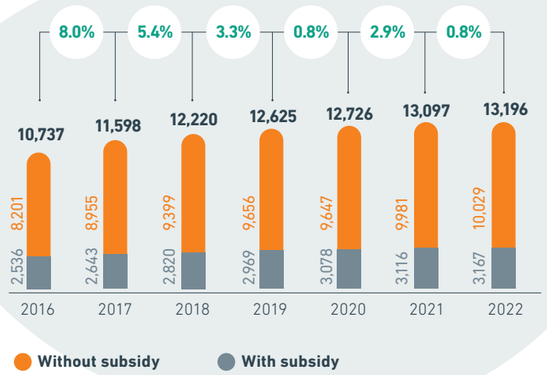
Consumer loans increased by 3.7% in real terms in 2022, attributable both to the higher demand for this category of loans in the second half of the year and to a competitive offer in terms of prices. The balance of consumer loans reached Ch$ 2,312 billion at the end of 2022, 78% of which was made up of installment loans, in contrast to the system where the share of installment loans reached 55% of the total, the difference corresponding to credit cards and credit lines.

Savings accounts

During 2022, active management was maintained in the promotion of savings, allowing the opening of savings accounts digitally and immediately through the App and promoting UF (a Chilean unit of account daily adjusted for inflation) readjustable savings accounts, which allowed people to protect themselves from inflation. The increase in savings account balances reflects customers' confidence in the Bank, showing a real variation of 185% between the end of 2017 and 2022, reaching Ch$ 9,969 billion.

Housing Placements

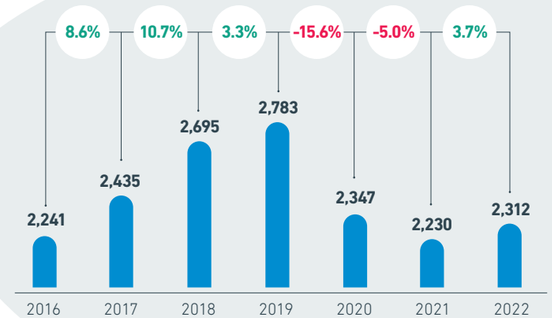
Ch$ billion real and percentage change



Source: BancoEstado

Consumer credit

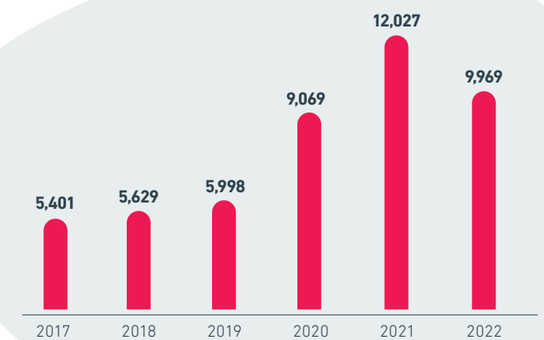
Ch$ billion from December 2022 and percentage change



Source: BancoEstado

Savings Account Balance

Real Ch$ billion



Source: BancoEstado

Results

In 2022, the Bank obtained an after-tax profit of Ch$ 712 billion, a result driven by higher interest income and net restatements, which were partially offset by higher expenses associated with credit losses. The higher net interest obtained in 2022 was associated with higher interest earned on financial instruments, while net adjustments increased due to higher inflation in the period, with a variation in the UF of 13.3%.

The credit loss expense showed an increase explained by higher provisions for credit risk -particularly in the commercial and consumer segments-, and by higher additional provisions -constituted to mitigate credit losses due to a more negative economic scenario. Meanwhile, operating expenses remained contained at Ch$ 937 billion, representing a real decrease of 5.4%.

Contribution to the Treasury

In 2022, the cash contribution to the Treasury from profits and taxes for the year reached Ch$ 922 billion. Of this, Ch$ 740 billion corresponds to taxes, and the remaining Ch$ 182 billion comes from the distribution of dividends charged to the profit for the year 2021.

Between 2015 and 2022, contributions to the treasury (profit and taxes) were Ch$ 3,133 billion[1], exceeding the capitalizations received, which amounted to Ch$ 848 billion, corresponding to two contributions of US$ 500 million each. The first of these was announced in 2019 and materialized in two installments for the equivalent of US$ 250 million each, in the months of December 2019 and January 2020. The second contribution of US$ 500 million was announced at the end of October 2022, within the framework of Law No. 21,384 of October 2021, which authorized the capitalization of BancoEstado for up to US$ 1,500 million until 2025, to comply with the increased Basel III requirements that came into force in December 2021.

[1] Current Chilean pesos

Contribution to the Treasury for profit and taxes

Current Ch$ billion

	2015	2016	2017	2018	2019	2020	2021	2022
Taxes	**165**	**86**	**270**	**244**	**149**	**274**	**352**	**740**
Income tax (25%)	54	29	99	91	55	103	132	282
Aditional tax, SOE (40%)	111	58	171	153	94	171	219	458
Dividends	**75**	**56**	**74**	**60**	**166**	**167**	**71**	**182**
Total Contribution to the Treasury	**241**	**142**	**344**	**305**	**315**	**441**	**423**	**922**

Source: BancoEstado

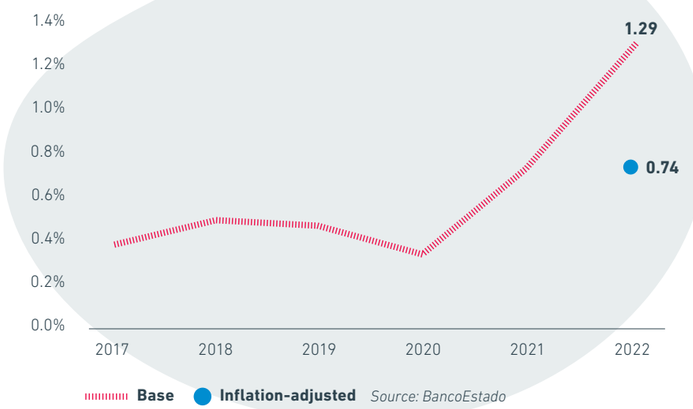
Financial indicators

Profitability

Profitability measured as profit after tax on average assets (ROA) reached 1.29% of assets. When discounting from this result the cost of price-level restatement - that is, the part of the profit that must be reinvested in order to compensate for the decrease in the real value of capital and reserves due to inflation - ROA is reduced to 0.74% of assets.

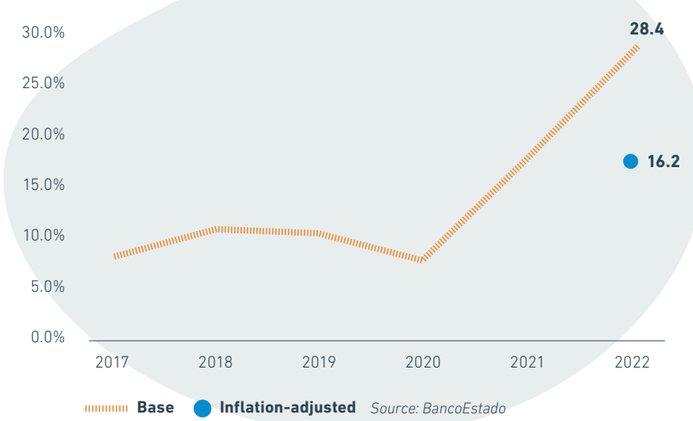
The after-tax result on average shareholders' equity (ROE) was 28.4% of shareholders' equity. When adjusted for price-level restatement, the indicator fell to 16.2% of average equity.

Profitability after Taxes/Average Assets
Percentage (%)



Source: BancoEstado

Profitability before Taxes/Average Equity
Percentage (%)



Source: BancoEstado

Efficiency

The efficiency ratio, measured as support expenses over gross operating income, reached 33.2% at the end of 2022, an improvement of 15 percentage points compared to 2021. Although support expenses showed a decline in real terms, the improvement is mainly explained by the increase in gross operating income, in addition to the control of operating expenses and the growing importance of the digital business.

Improved efficiency confirms proper use of public resources Improved efficiency confirms proper use of public resources.

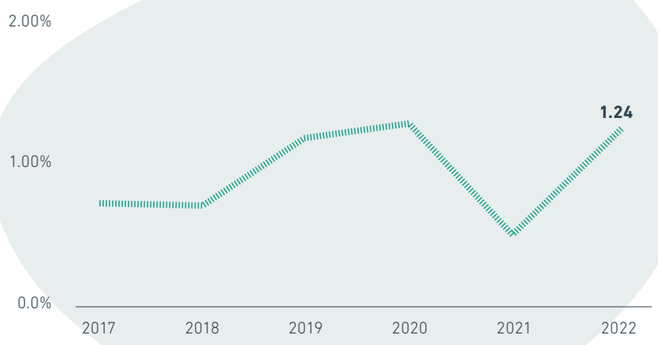
Efficiency: Support Expenses /Gross Operating Result
Percentage (%)

Source: BancoEstado

Credit risk

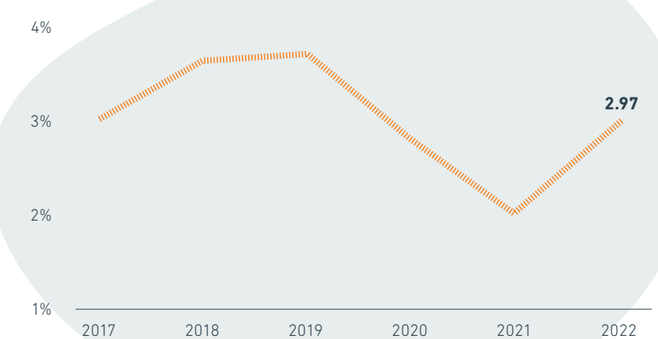
The net risk charge reached 1.24% of loans. Non-performing loans reached 2.97% of total loans, an increase of 94 b.p. over the last year.

Net charge at risk/Placements
Percentage (%)



Source: BancoEstado

Default of 90 days and over/Placements
Percentage (%)



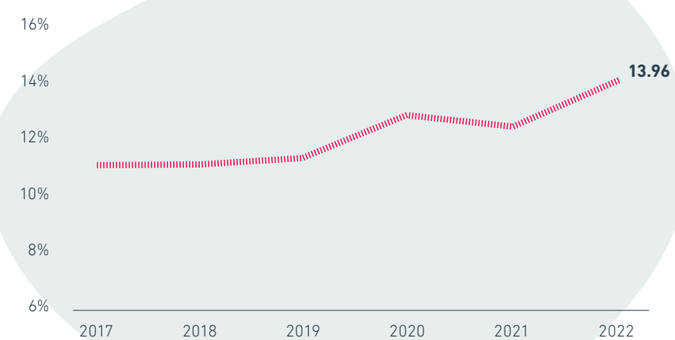
Source: BancoEstado

Solvency

The Basel Capital Adequacy Ratio reached 13.96% in December 2022, above that of the previous year, which is mainly explained by the capital injection of US$ 500 million paid in at the end of October.

Although this indicator is lower than the system average (15.66% as of November), it is well above the regulatory requirements, which are in the implementation phase.

Capital Adequacy Ratio: Cash Equity/Risk Weighted Assets
Percentage (%)



Source: BancoEstado

Consolidated corporate data

Profitability and efficiency indicators showed a favorable evolution in 2022. Solvency showed a significant increase, largely due to the increase in capital.

Although BancoEstado continues to expand its network of physical points of service, with a prominent role in the increase of CajaVecina, the growth in transactions is especially noteworthy, which is associated with greater digitalization and financial inclusion.

Consolidated Corporate Data BancoEstado and its Subsidiaries (a)
(Billions of current Chilean pesos)

Indicators	2017	2018	2019	2020	2021	2022	Var. real 22/21
Income after taxes	132	179	182	154	377	712	**66.7%**
Core capital	1,646	1,704	1,803	2,012	2,238	2,865	**13.0%**
Effective equity	2,599	2,796	2,912	3,144	3,411	4,305	**11.4%**
Total consolidated assets	40,639	42,696	45,284	54,793	53,582	57,091	**-6.0%**
Total placements	22,531	23,935	25,813	26,719	28,259	31,369	**-2.0%**
Income after taxes on average assets	0.37	0.47	0.45	0.32	0.72	1.29	**57 pb**
Income after taxes on average equity	8.2	10.7	10.3	7.6	17.7	28.4	**1,070 pb**
Efficiency ratio	62.9	58.3	55.6	55.7	48.2	33.2	**-1,500 pb**
Net risk expense/Placements	0.72	0.72	1.18	1.29	0.50	1.24	**74pb**
Core capital on total assets	4.05	3.99	3.98	3.67	4.07	5.02	**95 pb**
Basel Index	11.04	11.12	11.26	12.80	12.45	13.96	**151 pb**
Number of BancoEstado branches	410	417	413	401	400	399	**-1**
Number of BancoEstado Express branches	108	107	108	114	122	122	**0**
CajaVecina	22,147	25,400	29,275	31,405	33,000	35,930	**2,930**
Number of ATM	3,683	3,701	3,464	3,296	3,270	3,482	**212**
Total anual transactions	2,332	3,276	4,392	5,694	8,054	8,805	**751**

(a) Financial Statements are published under IFRS.
(b) Support expenses over gross operating income.
(c) Not comparable as in 2021 it is calculated according to Basel III, including credit, market and operational risk in Risk Weighted Assets.
(d) ATMs, balance dispensers and mailboxes.
Source: BancoEstado

3.3

International risk classification

Financial strength, based on long-term risk ratings, was once again ranked number one in Latin America by Global Finance magazine, which analyzes the 500 largest banks in the world.

Moody´s [3]

MOODY'S

LONG-TERM [1]	SHORT-TERM [2]	PERSPECTIVE
A2	P-1	STABLE

Standard & Poor´s [4]

STANDARD & POOR'S

LONG-TERM [1]	SHORT-TERM [2]	PERSPECTIVE
A	A-1	STABLE

(1) Debt denominated in foreign currency, over one year

(2) Foreign currency debt, less than or equal to one year.

(3) In September 2022, Moody's downgraded the rating from A1 to A2, and the outlook from negative to stable. This is attributed to the downgrade of Chile's government rating to A2 with a stable outlook in the same month, considering that the country's rating is the upper limit of the country's credit rating.

(4) In August 2022 S&P ratified the long-term and short-term risk rating and maintained the stable outlook.

Source: Moody's y Standard & Poor's

3.4

Bonus emissions

In 2022, BancoEstado issued bonds in the local market. The total amount issued was UF 40 million, with UF 1 million in subordinated bonds to strengthen solvency. The issuance rates and spread were very competitive, reflecting the confidence that specialized investors have in BancoEstado and in the country. The issues were concentrated in the last quarter and the maturities ranged from 7 to 17 years.

04 Our customers and clients:

inclusive and sustainable business community

4.1 Deepening the economic and financial participation of the country

4.2 Digital transformation for distinctive customer service and experience

4.3 Our innovative ecosystem

4.4 Our ESG financial offer

More than a Bank, an inclusive and sustainable business community, a pillar for the digital and green development of the country.

As a public bank, we seek to create business communities based on our commitment to the country. We are aware that it is not enough to provide a financial offer segmented by type of client and according to their needs. Many of our clients, particularly individuals, micro and small businesses, require capacity building such as guidance, training and networking, including public and private organizations, to promote their projects.

This has led us to implement, over time, a financial offer to promote the development of all the inhabitants of Chile, leaving no one behind. Our goal is to enhance the reach of our products, providing customers and the community with knowledge and tools that contribute to their financial inclusion, service guides appropriate to the time of entrepreneurship, talks and mentoring, testimonials, platforms to market products, contact networks, among others.

4.1

Deepening the economic and financial participation of the country

CMF 6.2.i, GRI 2-6

Our clients and customers are a central part of our work, so we seek to be close to them to get to know them, understand their needs and build bridges to expand our social impact.

We are the bank with the greatest impact in Chile, due to our number of corporate and individual clients, the volume of transactions and the impact of our work.

Our customers

People

With a focus on universal service and financial inclusion, we are the bank for everyone in Chile.

+16 million customers.

81% of Chile's inhabitants are BancoEstado's clients.

51.1% of women.

+14 million CuentaRUT accounts.

415,474 customers with mortgage loans.

182,266 customers with subsidized mortgage loans.

+ 11 million savings accounts.

Smaller Companies

BancoEstado has historically supported entrepreneurship and small businesses as an engine for Chile's development.

879,214 microenterprise customers.

91,160 small business clients.

290,725 women EMTs.

359,159 EMT clients with financing.

Large companies

We support large companies with an attractive and competitive value offer, helping to sustain a long payment chain and a work network to contribute to the development of the country.

903 corporations.

1,243 real estate companies.

3,064 large companies.

State Institutions and CSOs

We are a strategic partner of the State in the deployment of public policies. In addition, we serve the largest number of CSOs in Chile.

235 Municipalities.

250 Groups of State institutions.

150,000 civil society organizations.

Face-to-face customer service channels

CMF 6.2.ii

We continue to make progress in developing new customer service models in order to establish close ties and meet the specific needs of our customers. The Bank's role leads us to be present in all parts of the country, which motivates us to innovate and grow in presence. In fact, our deployment and growth strategy considers identifying locations that are geographically and socially isolated, in order to install service points that provide services through our face-to-face channels.

During 2022, we will expand to 35 additional locations through our innovative Conecta BancoEstado self-service model, thus continuing to have the most extensive service network in the national financial system, through 521 BancoEstado and BancoEstado Express branches, 35,930 CajaVecina service points, 2,360 ATMs and Conecta BancoEstado points in 55 municipalities.

	BancoEstado Branches	BancoEstado Express Branches	CajaVecina	ATM's	Conecta remote care and self-service
Arica y Parinacota	5	3	955	27	-
Tarapacá	6	3	1,007	39	2
Antofagasta	13	4	1,379	76	1
Atacama	10	3	1,136	47	1
Coquimbo	21	6	2,288	110	2
Valparaíso	41	14	3,439	268	4
Metropolitana	177	56	8,454	874	2
O´Higgins	29	5	2,516	139	5
Maule	28	5	3,585	137	4
Ñuble	12	3	1,399	64	9
Biobío	36	7	3,370	199	4
La Araucanía	30	4	2,334	144	4
Los Ríos	13	2	915	65	2
Los Lagos	28	5	2,357	141	4
Aysén	5	1	463	19	5
Magallanes	5	1	333	38	6
TOTAL	399	122	35,930	2,360	55
Increase 20/21	-1	0	+2,930	+34	+35

399
BancoEstado Branches.

122
BancoEstado Express Branches.

35,930
CajaVecina.

2,360
ATM's.

55
Conecta remote care and self-service.

We have several ways of deploying our presence throughout the national territory, in order to deliver financial services to the greatest number of inhabitants without geography, isolation or social condition constituting barriers to reach all the communes of the country.

BancoEstado Branches

In recent years, our network of BancoEstado branches, the largest banking network in the country, has continued to expand its presence in remote communities through partnerships with municipalities. Under a commodatum modality, we have been able to set up small branches in municipal spaces, inserting ourselves among a set of services that are indispensable for local development.

BancoEstado Express Branches

In the BancoEstado Express branch network, our branches offer cashier and after-sales services during extended hours, in order to facilitate access to people who are unable to attend traditional banking hours.

In addition, BancoEstado Express Móvil (BEX Móvil) travels around Chile bringing the main counter and after-sales services to different locations. In this mobile office, customers can request card replacement, coordinate card delivery and internet passwords, as well as be enabled to operate in digital channels such as the App and the website.

CajaVecina

With CajaVecina we achieved a strong presence outside the Metropolitan Region, where 77% of our network is in the regions, especially in geographically isolated localities.

CajaVecina brings financial and non-financial services to all of Chile's localities through a network of almost 36 thousand operators who set up a POS machine in their commercial premises. Business owners can carry out payment transactions and bank transfers in the neighborhood, making it easier for BancoEstado customers and non-customers to save time and money, since with CajaVecina they can carry out transactions just around the corner.

Through this channel we offer different services, such as collections, payments for financial products and basic services, fund transfers, cash withdrawals, among other transactions. In addition to receiving commissions for the transactions made, operators benefit by increasing the flow of customers, which boosts the sale of products in their stores.

10,212,324
customers reached.

453.9 million
annual transactions on average.

ATM's

During 2022, CajaVecina renewed its technology by launching a new machine, improving the experience and offering new transactional solutions. The device offers faster navigation, better connectivity and autonomy in use, and also includes the Compraquí service, which allows the operator to receive card payments and perform transactional services in a single machine. The change in technology has been implemented together with new advertising for merchants and the implementation of WhatsApp as a new, more agile and immediate communication channel.

Our ATM fleet as of December 2022 amounts to 2,360 ATMs, which represent 31.3% of the total number of ATMs nationwide. This broad self-service network allows us to be present in 78 communities where no other bank has installed an ATM, offering the inhabitants of these areas an indispensable service for their daily lives.

Conecta BancoEstado

Conecta BancoEstado, a business model that seeks to generate a digital ecosystem made up of three parts:

1) financial services through a self-service model and remote service with an executive.

2) massification of card payments (credit and debit) through Compraquí devices, with cost and security advantages for local businesses, and a transition towards greater use of digital wallets (less use of cash).

3) complementary services through our large network of CajaVecina points. In this way, using technology and our wide coverage, we contribute to the generation of more sustainable cities.

During 2022 we continued to expand the Conecta Network, serving customers in 35 new communities where the Bank had no presence. Thus, we brought financial banking services to remote areas of our country, adding a total of 55 communes that already have financial services, to more than 374 thousand inhabitants from Colchane to Cabo de Hornos, providing modern and secure online services.
One of the major milestones of the implementation was the installation in Juan Fernández Island, which implied a wide coordination of public and private institutions, as well as people from the continent and the island that allowed the transfer and installation of our Conecta point.

With Conecta BancoEstado, close to 374 thousand inhabitants of 55 municipalities will save an average of 50 kilometers of travel time to access banking services. Likewise, local commerce in the community will benefit, since it will not be necessary to move the money to a different community.

Along with the delivery of banking services to the inhabitants of these localities, we continue to strengthen the entrepreneurs of the area through the installation of Compraquí devices and the relationship with the CajaVecina points in the sector.

The service provided by this network allowed us to resolve more than 75,000 requests through the self-service Totem in 2022, carry out more than 250,000 transactions in new ATMs and sales of more than Ch$ 2,300 million.

This model is evaluated for its high-quality results by our customers, who appreciate and are grateful for the solutions that we provide them as a Bank in a close and accessible manner.

Communities where Conecta BancoEstado is implemented

Alhué	Huara	Pencahue	La Cruz	Pumanque
Río Ibáñez	San Nicolás	Quilleco	Perquenco	Rauco
Queilén	San Fabián	Corral	Máfil	Juan Fernández
Tortel	Portezuelo	San Pedro de Atacama	Laguna Blanca	Alto Del Carmen
Coinco	Ránquil	Pinto	Cabo de Hornos	Río Hurtado
La Estrella	Empedrado	Quillón	Lago Verde Codegua	Río Verde
Lolol	Curaco de Vélez	Renaico	Melipeuco	Timaukel
Ñiquén	Treguaco	Rinconada	Cochamó	Primavera
O'higgins	Cobquecura	San Esteban	La Higuera	Torres Del Paine
Antuco	San Rosendo	Calera de Tango	Puqueldón	
Guaitecas	Vichuquén		Los Sauces	
Colchane	Contulmo			

Our product range

CMF 6.1.i, 6.2.i

We develop our products from a perspective of inclusion, seeking to innovate so that all the inhabitants of the country can develop economically and socially, in order to have more and better opportunities to accompany their growth. This purpose is part of the spirit that moves us at the institutional level and guides our social role as a public bank.

81% of the country's population owns at least one of the Bank's products and more than 54.1% of our male and female customers have incomes of less than Ch$ 400 thousand per month. Of the total number of clients, 51.1% are women.

CuentaRUT

Demand account that includes a debit card, with no maintenance or opening fee. The number of your CuentaRUT is the identification number of each person without verification digit. It can be used both in Chile and abroad for financial and consulting transactions.

14.2

million customers with CuentaRUT.

51.3%

of our CuentaRUT customers are women.

8.6%

of our CuentaRUT customers are migrants.

3.74

billion transactions.

Accounts and Credit Cards

Account plans for individuals or businesses that include a checking account, a debit card, a credit card and a line of credit. It has a fixed monthly fee and access to preferential rates on Bank loans.

53.6%
market share in debit cards.

51.1%
of women account customers.

1,616,248
electronic checkbooks.

260,584
entrepreneur accounts.

745,214
credit cards.

Credits to individuals

A more flexible form of financing that allows access to the amount of money borrowed according to the needs of each moment. The credit establishes a maximum limit of money, within which the customer may draw partially or totally.

970,828
customers with consumer credit.

46.4%
female customers with consumer loans.

415,474
mortgage loan customers.

43%
of female customers with mortgage loans.

60.6%
share of mortgage loans between 400 and 1,000 UF.

29.7%
share of mortgage loans between 1,000 and 3,000 UF.

3.4%
of mortgage loans of more than 3,000 UF.

Savings and Investment

Multiple Savings and Investment alternatives to safeguard or make wealth profitable, as well as to materialize projects and dreams. BancoEstado and its subsidiaries Administradora General de Fondos and Corredores de Bolsa offer a wide range that allows each person to choose according to their preferences, objectives and investment horizon.

11,772,993
customers with savings accounts.

641,027
new Premium Savings Accounts.

54%
of our savings account customers are women.

95.3%
market share in number of savings accounts.

91.2%
market share in terms of the number of savings accounts.

$10
billion in savings account balance.

403,717
APV clients.

61.5%
share of APV clients.

52%
of APV clients are women.

Insurance

A contract, known as a policy, whereby an insurance company, acting as insurer, undertakes to pay the damage caused to the insured. The insured undertakes to pay an amount of money (premium) that allows him to be covered against certain claims.

3,965,905
unique ID Nº customers.

3,143,569
family insurance clients.

837,126
property insurance customers.

1,441,014
customers insured accounts and cards.

36%
insured account customers.

Universal Service

CMF 3.1.vi

As part of our role as a public bank, we reach every corner of Chile, providing universal access to all our customers. Through our Universal Customer Service program, which seeks to reduce the physical and technological infrastructure, social and cultural barriers that limit access to the financial system for minority groups in society, we promote and foster a culture of equal treatment and respect for all people.

Our Principles of Universal Service

• At BancoEstado we respect the diversity, roots, origins and history of all people; this is our commitment. We value each and every one of our clients, and all that they can do.

• We want them to always be able to count on us and to feel that this is their place, where values such as respect, empathy, equal service and independent living are our fundamental pillar.

• We are the Bank of all the inhabitants of the country.

• We exist to make Chile a more inclusive and equitable country, with opportunities that reach everyone.

We want everyone in the country to have access to our products and services with autonomy, equal treatment and without discrimination.

That is why, since 2016, all new BancoEstado and BancoEstado Express branches have been designed to allow free access, autonomous movement and independent living for all customers. We are proud to say that in terms of universal access, our design standard contemplates aspects that go beyond the regulatory requirements, contemplating that all tellers and service counters have double height for the access of people in wheelchairs or people of short stature, among other improvements such as service number dispensers for universal reach, access ramps and, where appropriate, tactile footprints for blind or visually impaired people, and elevators.

Parallel to the development of new branches, we continue to deploy a plan to adjust our existing branches to guarantee Universal Service, currently having 521 branches adjusted in their accessibility. In addition to the above, our website and BancoEstado Mobile App provide georeferencing of the branches that have these features, oriented to people with reduced mobility, senior citizens or those who require them.

You can find our accessible offices at the following link:
https://cajavecina.gisgeoresearch.com/#

In addition, we have adapted 600 ATMs nationwide to make them audible, and provide a solution to the problem of security and autonomy for the blind community.

By 2022 we will have 260 universal branches and 521 adjusted branches between BancoEstado and BancoEstado Express, in addition to 600 ATMs adapted for blind people.

Likewise, and in order to reach the largest number of people with the linguistic diversity of Chile, our site has the option in Mapudungun language for people of Mapuche ethnicity and Creole for migrants from Haiti.

With the same approach of inclusion and respecting the right of people to social identity, we have the possibility of printing the cards with the social name with which the person feels identified. This initiative is available for all our CuentaRUT debit products, checking account, PRO account, electronic checkbook and savings account.

Universal Service Training

We encourage our employees to understand this role and the importance of serving all the inhabitants of the country with equal conditions, equal treatment and quality in accordance with our corporate values of respect for human rights, inclusion and non-discrimination.

During the year 2022 we made available to all BancoEstado Corporation, without exception, the e-learning course "Universal Customer Service" whose objective is to provide the general regulatory framework and the appropriate forms for a universal service with equal treatment and autonomy. The course consists of three modules of approximately one hour's duration. In this first exercise, 9,766 workers took the course, equivalent to 70% of the total number of employees.

Along the same lines, complementing the regulatory framework that governs BancoEstado, in September 2022 we prepared the Universal Customer Service Manual for our 24-hour BancoEstado subsidiary, considering that telephone or chat service imposes additional challenges when it comes to guaranteeing universal service, in accordance with the principles of our Corporation.

4.2

Digital transformation for distinctive customer service and experience.

GRI 2-6

We are committed to the people of Chile, which is why, throughout our history, we have evolved in the way we are present to our customers.

Today we are at a time when digital alternatives allow us to meet multiple needs and be in line with the era of immediacy.

We have approached the development of these new technologies with a strategic vision that combines our indispensable physical presence in branches and other on-site models with the use and massification of digital financial services through platforms such as the website and our BancoEstado Mobile App, which are capable of handling millions of transactions in an agile and efficient manner.

We continue to deepen our digital transformation to connect and improve the experience, security and quality of services for all our customers anywhere in Chile. Through digitalization we expand our social role, providing greater accessibility to the country's inhabitants.

Digital service channels

11.5 million customers have used our digital channels during 2022, 85% of them from the BancoEstado Mobile App.

Digital channel customers

9.8	11	11.5
millions (2020)	**millions** (2021)	**millions** (2022)

During 2022, we developed important technological innovations in two of our main digital channels, the website and the BancoEstado Mobile App, in order to modernize them and improve the experience of our customers.

Website

We launched the new website, which includes improvements in terms of experience, in addition to being 100% responsive, to standardize the experience from any device. 7.4 million customers use our website.

Focusing on accessibility, we improved color contrasts, font size, connection with applications for blind people and translated certain pages into Mapudungún and Creole.

Regarding the Bank's management, the new website is developed on a world-class content management tool, which facilitates the administration of the entire public site, giving more flexibility when it comes to making changes.

To date, we have more than three million customers who have experienced this new website and, on a daily basis, 64% of the customers who connect to the website do so in this new version.

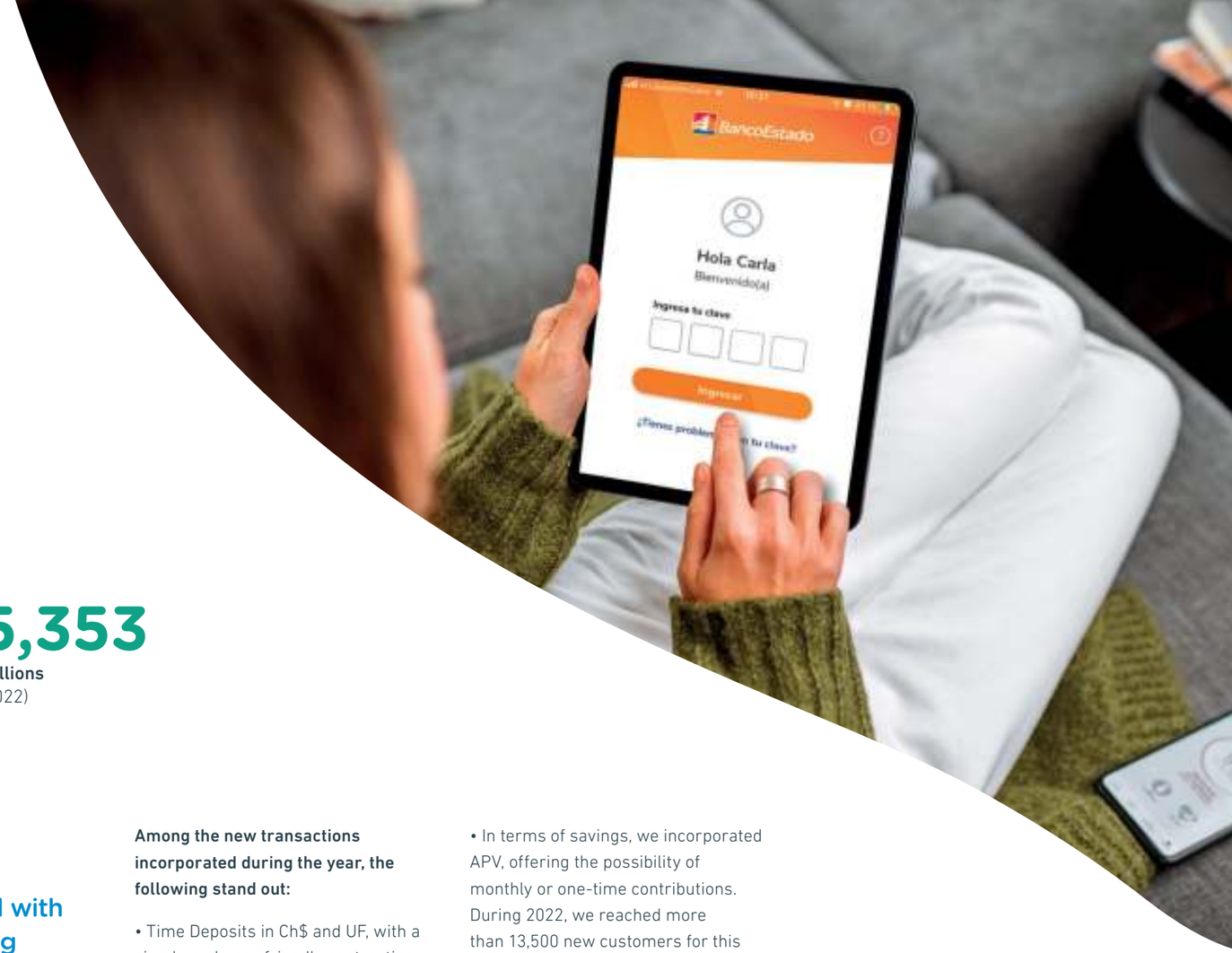
Web transactions

691	521	611
millions (2020)	**millions** (2021)	**millions** (2022)

Web views

1,555	1,220	1,035
millions (2020)	**millions** (2021)	**millions** (2022)

BancoEstado Mobile App



Customers using App

7	9.2	10.1
millions (2020)	millions (2021)	millions (2022)

App transactions

3,148	4,771	5,353
millions (2020)	millions (2021)	millions (2022)

In 2022 we made technological advances in our BancoEstado Mobile App, such as the migration to a new CRM (customer relationship management platform) and a new cloud banking software, which helps us manage financial transactions, improving different functionalities of the App. Additionally, we renewed the home page, with a better navigation and experience in the channel, facilitating the visualization of products, balances, offers, among others.

We also incorporated the visualization of debit and credit card data for online purchases, the sale of Traditional FOGAPE credits, the possibility of renegotiating operations without and with collateral, and the option of changing the PinPass password on credit cards.

In the area of savings, an emblematic element of the Bank, we implemented a space where the client can see the savings products, he/she has, the terms and conditions of the drafts, the interest earned, the interest rate, movements and balances.

In order to support the application of the Alimony Debtors Law, we generate an automatic opening process with the option of accepting conditions, where a debt retention is generated in approved credits, facilitating the post-judgment process.

We incorporated new transactions and procedures associated with our products, providing greater agility to customers in different segments such as Mutual Funds, APV, insurance, Digital Checking Accounts, among others.

Among the new transactions incorporated during the year, the following stand out:

• Time Deposits in Ch$ and UF, with a simple and user-friendly contracting experience. During the year we reached 40,000 openings through our digital channels.

• Structured Mutual Funds and Mutual Funds that encourage sustainability in the country are incorporated. More than 300,000 Mutual Funds were sold through digital channels, which corresponds to 47% of the Bank's total participation.

• In terms of savings, we incorporated APV, offering the possibility of monthly or one-time contributions. During 2022, we reached more than 13,500 new customers for this product.

• On the other hand, we expanded our insurance offer, incorporating automobile insurance and Compulsory Personal Accident Insurance (SOAP) for cabs and trucks; and oncology, personal accident and hospitalization insurance, among others. In this line, we managed to sell more than 430,000 in digital channels.

• We enabled the contracting of a Digital Checking Account Plan that includes a checking account and, optionally, the possibility of opting for a line of credit and credit card. By the end of 2022, it became one of the main sales channels, with more than 6,400 plans sold, representing 29% of the Bank's plan sales.

Transaction security

Most of the customers who use our application today have BEPass, a security key that authorizes transactions made in our digital channels. Increasing the use of BEPass has been a focus in recent years, as this tool allows us to deliver a more secure experience to our customers.

We have more than 12.3 million BEPass-enabled customers, an additional step in security and improved user experience, 76% of whom have an active password, which gives them access to all the services that are incorporated into the application with a password.

At the same time, we continue to work on the facial biometrics project as a new form of authentication and transaction authorization, which we expect to massively deploy by 2023.

24-hour telephone contact

Through our subsidiary BancoEstado Contacto 24 horas S.A., we provide remote service and assistance in the sales and after-sales actions of our products to achieve user satisfaction.

During 2022 we renewed our computer equipment to improve customer service and implemented Geovictoria, an attendance control tool in the cloud. We also implemented Multi Factor Authentication, an access control method based on several identity control tests, to provide greater security to users who work remotely.

In the commercial area, we highlight the historic milestone of Consumer credit sales during the month of November, reaching Ch$ 18,644 million with 5,081 operations, the launching of Pilots (Small Business, Installment Advances and Foreign Account Plans) and the incorporation of card sales for Microentrepreneurs and Upgrades.

104,922,108

calls were answered, During 2022.

Social Media

We have also strengthened other customer service channels, such as WhatsApp and Social Networks (RRSS), where we have deployed services that allow us to bring the Bank closer to people in an easier and more functional way.

Our community in this media continues to grow and places us in a leading position in the industry, with around 1,295,000 followers among Facebook, Twitter, Instagram and LinkedIn.

Digital services to make people's lives easier

We continue to expand our range of services, which, thanks to the opportunities offered by digitalization, allow us to make life easier for our clients and customers.

Compraquí

We seek to increase digital payments in Chile to facilitate the lives of millions of people and also so that small businesses can develop through their sales. Under this challenge, Compraquí emerges as an Acquiring Network, providing payment solutions at participating merchants, allowing payment with all types of debit, credit and prepaid cards, in different operation models:

Compraquí Machine (MPos)

Is a solution for those businesses that can acquire the machine or POS at a fixed value that is paid only once, without leasing or maintenance costs, with the lowest commission per transaction in the market. To date we have distributed 132,138 machines to affiliated businesses.

• This system also includes the innovation Compraquí QR, which uses a QR code and our Mobile App to make purchases, facilitating payment for millions of BancoEstado customers. By the end of 2022, 44,398 merchants have Compraquí QR and had a total of 1.3 million transactions.

• In addition, we have Compraquí Web, which is a payment button oriented to companies with a high volume of transactions, which receive payment from all types and brands of cards and has an additional security protocol called 3DS. In this way, through Compraquí Web, we increase the competition of payment buttons such as WebPay and similar. Currently there are 20 large merchants that use this payment button.

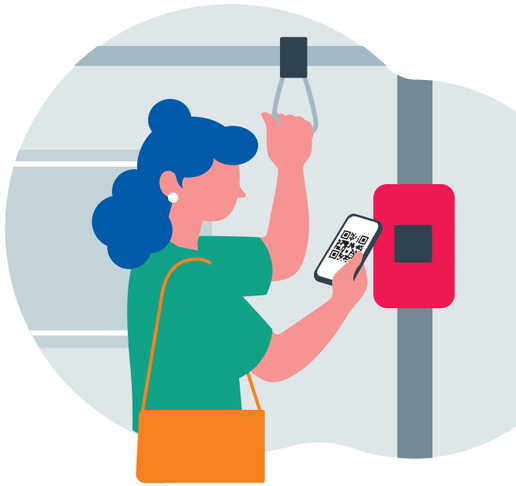
Súper Compraquí

Is a stand-alone machine that does not require a phone connection, prints ballots, accepts card and QR code payments, and has a long battery life with fast charging. In addition, it can accept all cards on the market without exception, including Google Pay and prepaid. Like the MPos, the device that is acquired has no leasing cost and the merchant only has to pay a commission associated with the type of plastic.

4,523
machines of this type were acquired by merchants, in 2022.

356,604
transactions in 2022.

In 2022 we launched our new "Súper Compraquí" machine, more robust and with the functionalities that our clients and customers requested.



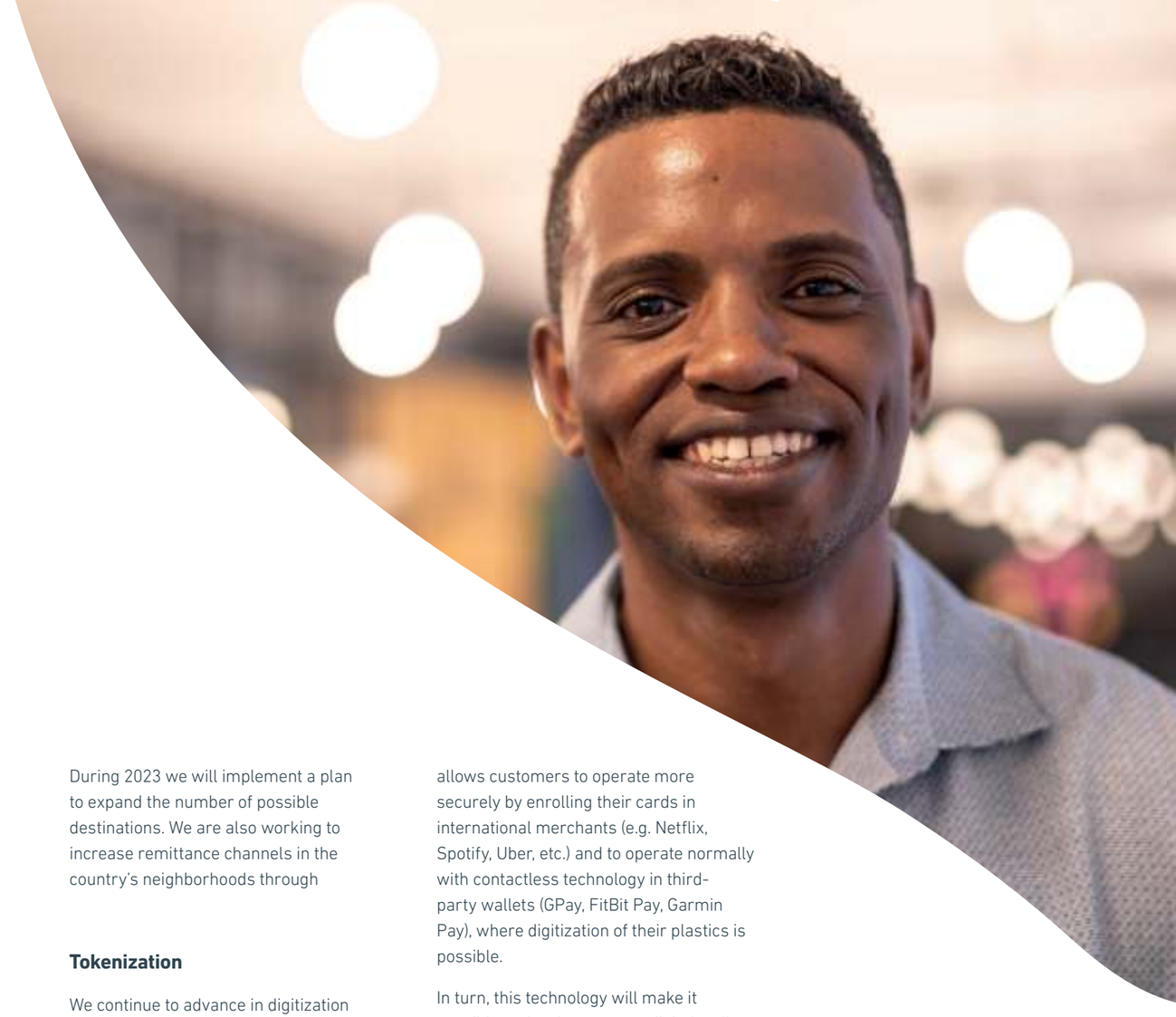
Pasaje QR

Pasaje QR is an innovative form of digital payment for public transportation in the Metropolitan Region through the BancoEstado mobile app. Thanks to this technological development, our customers no longer need to recharge their BIP cards or validate their top-ups to pay for the Santiago Metro, RED System buses and Tren Nos, but use our application from their respective mobile devices. By 2022, we will register an average of 480,000 people using QR Ticket per month, exceeding our target by 37%.

480,000

people on average used Pasaje QR per month.

In 2022, more than 1.1 million public transportation users in the Metropolitan Region have activated the Pasaje QR service through the BancoEstado Mobile App, which is valued by its users for the attributes of ease, speed, clarity and security in payment collection.



Remittances abroad

During the year 2021 we launched a new type of remittance service, which allows sending money abroad using only the BancoEstado Mobile App, with total security, convenience and competitive commissions.

Another distinctive feature is that the user is aware of every aspect of the operation, the actual amount in dollars or in the destination currency that will reach the sender. In addition, he or she can track the remittance's journey directly on the Mobile App. By 2022, we have lowered the rejection rate, which was 50% at the beginning of implementation, to only 4% of all remittances.

During the 2022 period, we continued sending money to Peru and in pilot mode to Colombia, making it possible for more than 30 thousand customers to enjoy the convenience of sending money wherever they are. During the period, we focused on adding international monitoring to minimize the impact of technological risks. We also worked to significantly reduce fraud and money laundering risks with a dynamic platform and a very high standard of customer experience.

To Peru we started 2022 with only 1,000 remittances sent, for a total of US$ 150 thousand dollars, and ended with 60 thousand remittances and almost US$ 9 million dollars sent.

1,800%

Was the growth of this product in only one year of operation.

During 2023 we will implement a plan to expand the number of possible destinations. We are also working to increase remittance channels in the country's neighborhoods through

Tokenization

We continue to advance in digitization and new technology, and we want our customers to be able to access the advantages of this transformation. This is how we have developed the solution that will allow us to operate with the new tokenization technology in VISA debit and credit cards.

Tokenization is a process by which a tangible payment card is digitized into multiple independent digital payment media through tokens. This technology allows customers to operate more securely by enrolling their cards in international merchants (e.g. Netflix, Spotify, Uber, etc.) and to operate normally with contactless technology in third-party wallets (GPay, FitBit Pay, Garmin Pay), where digitization of their plastics is possible.

In turn, this technology will make it possible to develop our own digital wallet. During 2022, we conducted a pilot with the Google Wallet and in January 2023 our own wallet will start operating (within the BancoEstado Mobile App), which will make it possible to digitize all our cards (only on Android phones with NFC technology). These services will allow us to reach the more than 8 million customers who currently pay with their physical card in stores every month.

Customer satisfaction and complaint management

The service vocation present in all of the Corporation's employees motivates us to seek opportunities to provide quality and timely service to our clients. Focusing on them, we have implemented new tools to improve our service, measure their satisfaction and manage their complaints.

Implementing new tools

This year we have incorporated and exploited new CRM tools, allowing us to optimize and streamline our relationship with our clients and customers. Through the use of cloud-based marketing tools, we have automated many of our push communications to customers, such as email, SMS and mobile push notifications, allowing us to manage the wide range of digital and face-to-face services offered by the Bank.

Our CRM also allows us to personalize our communications, making the commercial management of digital channels more efficient.

During 2022, we continued to deploy the new NuBE Platform with customer prospecting, commercial follow-up and 360° view capabilities, which allows us to have a comprehensive view of the different areas of customer information.

Quality and customer satisfaction

CMF 8.1.1

We have an area specialized in "Customer Service Quality" that generates studies to evaluate and manage the satisfaction of our customers, focusing on BancoEstado's Customer Recommendation and Active Transparency indicators.

Our recommendation indicator, called the "La voz del cliente" (The voice of the client), is built based on a wide range of measurements that evaluate their satisfaction.

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Methodology for obtaining the voice of the client

- Quantitative study, based on structured surveys applied via CATI system (telephone operator).
- The study universe corresponds to all BancoEstado clients, with probabilistic random sampling, which allows for a representative study.
- This study allows measuring the willingness to recommend BancoEstado and the key areas of customer experience.
- It is conducted on a monthly basis, with follow-up by the quality committee.
- We use a scale of 1 to 7 as it is more appropriate to the Chilean cultural reality.

During 2022 we obtained a net recommendation of 57 average points from 2022, showing a clear recovery by exceeding the 2021 recommendation by 10 points. The main channels leveraging this improvement are our BancoEstado Mobile App, website and branches.

BancoEstado Results for "La voz del cliente"
(as of December 2022)

54	47	57
points	**points**	**points**
(2020)	(2021)	(2022)

Target 2022: 55 annual average points

We also have our Active Transparency indicator, through which we monitor, by means of a telephone survey, compliance with the provision of information by executives in branch sales, in accordance with the guidelines and directives issued by SERNAC Financiero.

Methodology to obtain Active Transparency indicator

- Quantitative study with structured surveys conducted by telephone using an IVR tool (robot).
- We monitor the level of compliance in the delivery of information at the time of sale of a product, by branch executives, thus verifying that the sale is informed, fair, transparent and delivering all the recommendations for the best use of financial products.

Sales transparency indicator

2020	2021	2022	Transparency Goal 2022
91%	93%	91%	90%

Note: Transparency indicator result Active as of December 2022

Claim management

To manage our customers' complaints, we have a customer service channel that migrated to the NuBE platform in 2022. This new system allows us to simplify and automate the stages of the process, provide online management information, decentralize activities and streamline system maintenance, which ultimately generates an improvement in the overall experience of customers with the complaint resolution process.

Our claims to transactions ratio decreased from 5.9 claims per 100,000 transactions in 2021 to 4.1 in 2022.

4.3 Our innovative ecosystem

Innovation has always been at the heart of BancoEstado. Our motivation has always been to respond with the best offer of products and services to our clients, individuals, companies and society as a whole. During the year 2022, we began to formalize this attribute, installing innovation as a transversal theme, always in search of better solutions to the needs of all the people who live in the country and, in this way, impact their quality of life.

This is a commitment that comes down from our senior management, who, through the Innovation Committee, follow up on this matter, approving the necessary resources to deepen the required measures. In this sense, we are working to advance not only in technology, but also in a culture of agility, innovation and collaboration, so that our customers find in the Bank a simple and concrete solution to their needs.

Thanks to our large number of clients, our diversity of products, the important presence we have throughout Chile and the fact that most of Chile's economic relations go through BancoEstado, we have begun to promote our vision of a new innovative ecosystem, seeking synergies and shaping the relationships that exist between the different clients, the different subsidiaries of the Bank, the products we offer and the customer service channels we make available.

Our focus is to be leaders in promoting the orchestration of value in the Country's Economic Ecosystem, considering the private sector, the public sector and civil society, contributing to a more sustainable and equitable economic development.

As part of the most relevant milestones for 2022, we continued our technological renovation, in addition to beginning to identify the opportunities opened up by the new regulatory scenario, especially with the Fintech Law and the open finance system, in order to put them at the service of our clients. On the other hand, we are also working to materialize innovation in our way of working, installing a vision of continuous improvement and putting the needs of clients at the center of our decisions in all areas and subsidiaries of the Corporation, recognizing that our greatest attribute is the ideas of our thousands of workers. We complement this with training in agile methodologies in different areas of the Corporation.

Public-private collaboration

We are the first bank to sign a contract with a fintech (companies that apply new technologies to financial and investment activities) under the regulatory framework, in order to pave the way for the new regulation. The agreement -the second of its kind between BancoEstado and a fintech- will allow access to the Bank's platforms in a secure and stable manner, following mutual security and co-responsibility protocols.

Another relevant milestone in innovation was the creation of a working group in July 2022, together with the Ministry of Economy, Development and Tourism and CORFO, on financing for development, which aims to discuss the institutional framework and financial instruments that will allow the country to lead a sustainable structural change in its productive matrix.

In addition, together with the incubator Imagine Lab, we launched the Desafíos Innova BancoEstado, a call for start-ups to contribute solutions aimed at new business opportunities, greater financial education, better customer experience and increased productivity and efficiency.

Our subsidiary BancoEstado Corredores de Bolsa joins as sponsor and placement agent in the ScaleX Program of the Santiago Stock Exchange and CORFO, which seeks to facilitate financing options through the opening in the Stock Exchange to high impact and growth ventures.

Commercial alliances

Part of our innovative ecosystem is the generation of commercial alliances. During 2022 we implemented the CuentaRUTazo campaigns, which seek to grant co-financed benefits to our customers as a way of relieving their pockets, while at the same time generating greater proximity and contribution to the Bank's valuation.

There are more than 50 partnerships with businesses to provide benefits, such as Farmacia Dr. Simi, Farmacia Fracción, PC Factory, Micopiloto de Shell, Tiendas Corona, Ansaldo, among others.

Alliances at the service of clients and the community

We have set out to promote alliances among our customers that allow them to reach more places with services that do not exist, especially in the most difficult to access places.

This is the case of Fracción, a pharmacy that sells medicines in the exact quantities that the patient needs, in a fractional manner. This initiative is linked to municipalities in isolated areas lacking pharmacies, focusing on meeting specific needs, thus generating more sustainable communities. Additionally, we incorporate benefits such as CuentaRUTazo to offer discounts and thus alleviate the impact on our customers' pockets.

At the same time, with the aim of promoting the growth of our SME clients, our brokerage firm accompanies and sponsors Fracción so that it can access the capital market.

Civil Society Organizations (CSOs)

We are the bank for social, community and territorial organizations, making our entire network of branches and digital channels available to them. To this end, we have a solution in line with the needs of the sector, called "Cuenta Comunidad" (Community Account), which currently has more than 150 thousand client organizations, with a 61% participation rate.

We have been serving the segment for decades, maintaining accounts since 1921, however, over time we have strengthened and empowered our teams to understand the sector's business and develop more and better financial and non-financial value offerings.

Understanding that organizations are diverse, we are developing personalized service mechanisms that bring us closer to client groups that, by their nature, have a special purpose and operation. For this reason, in 2022 we will focus our actions of accompaniment, financial education and support in the reduction of the digital gap, strengthening them in a joint work with the Social Organizations Division, which depends on the Ministry of the Secretary General of Government. In this way, we seek to make the Bank's work known to these organizations, often unknown by their leaders and associates, actively listening to the organized community, developing products and service models that respond to the needs of a heterogeneous sector, which share both cross-cutting and distinctive needs.

Support for smaller companies

We have developed an offer of support for smaller companies, due to their impact on the development of the country, for each stage of their business, with specialized platforms and programs.

During 2022, we delivered 167 thousand loans to micro and small businesses for a total of Ch$ 1.8 billion.

State Confirming

Direct support program focused on Medium, Small and Micro Enterprises. It consists of allowing suppliers of State Institutions to anticipate the collection of their invoices. Thus, through a 100% digital platform, suppliers interested in assigning their validated invoices from state entities can do so by obtaining very advantageous financial conditions.

630

state institutions reported validated invoices, anticipating invoices for an amount of Ch$ 543,736 million in 2022.

Small Business Leasing

With the objective of supporting small companies through the financing of productive assets, during 2022 we carried out important programs to grow in financing via leasing. Thus, more than 1,279 operations were made in this segment of companies, supporting small businesses with Ch$ 93,821 million and an annual growth of 15.6%.

+1,279

operations carried out supporting small businesses.

Emprende Program

This program seeks to promote entrepreneurship, strengthening the management capacities of those who enroll through training spaces and the generation of networks and contacts with a network of public institutions to support their development.

It has professionals who provide specialized and personalized guidance and advice on entrepreneurship issues throughout the country.

It also offers the "Academia Emprende", the Program's training space where 23,795 entrepreneurs participated during 2022.

In addition, we held three Emprende Fairs in 2022 with 88% female exhibitors.

Emprende Program Registration

193,953
(2022)

153,344
(2021)

Emprende Program Participants

131,653
(2022)

92,739
(2021)

Emprende Web Visits (millions)

2.2 (2022) | **4.4** (2021)

Emprende Academy Participants

23,795
(2022)

37,738
(2021)

During 2022, 40,609 ventures were registered, reaching 193,953 entrepreneurs registered on the web platform www.emprendebancoestado.cl

CreceMujer

This program is a space that seeks to enhance the economic empowerment of women entrepreneurs, through which they can be part of a community where they can find guidance, advice and contact networks.

CreceMujer Program Records

312,473
(2022)

306,450
(2021)

By 2022, we will reach 312,473 women entrepreneurs who are part of the community and 3.1 million visits to the website. www.crecemujer.cl

Creceaquí

CreceAquí are co-working spaces provided to micro and small entrepreneurs for meetings and/or training. These spaces also offer consulting services in business management and finance.

During 2022, 996 entrepreneurs participated and we attended 2,276 ventures in the spaces located in Santiago Centro and Providencia.

Clients Participating in Creceaquí

996
(2022)

1,257
(2021)

Customers served with commercial manager and used Creceaquí spaces

2,276
(2022)

1,678
(2021)

Registered entrepreneurs Mercadoaquí Program

23,467
(2022)

23,384
(2021)

Number of annual visits Mercadoaquí Program

2,258,909
(2022)

4,833,674
(2021)

MercadoAquí

Mercadoaquí offers a free virtual platform for entrepreneurs to showcase their products and/or services. As of December 2022, we had 23,467 registered ventures and 2,258,909 visits to the website.

UN Women Win Win

As a Bank, we have signed the "Ethical Principles for Gender-Sensitive Investment and Innovative Financing" committing to having financial instruments and mechanisms in place to provide access to capital for women entrepreneurs and women-led businesses, to invest in businesses that promote gender equality and women's empowerment in the workplace, and to invest in businesses that develop products and services that positively impact the well-being of women and girls.

ScaleX

In order to boost the entrepreneurial ecosystem in the country, BancoEstado, through its subsidiary BancoEstado Corredores de Bolsa, signed up as a sponsor of ScaleX in 2022. This alternative market is the result of a public-private partnership between the Santiago Stock Exchange and CORFO, and is aimed at financing start-ups that have a significant technological component and growth potential.

This will allow BancoEstado to participate in alternative financing for start-ups in Chile and the region, thus becoming a pillar of support and advice for these companies.

Vamos Mipyme

This program arose from a process of dialogue with various guilds that group together MSMEs, and is aimed at supporting this sector, which has been affected by the crises of recent years. It offers special financing at a favorable fixed rate in pesos.

During 2022, 35 thousand transactions were carried out under the Vamos MiPyme program with amounts of Ch$ 434 billion.

35,000
Vamos Mipyme transactions in 2022

33,004
customers reached by 2022

Emprende Award

During 2022 we held the 18th version of the Emprende Award, an initiative developed jointly with the BancoEstado Microempresas subsidiary, which seeks to recognize micro, small and medium-sized entrepreneurs who stand out in their businesses for their creativity, effort, innovation and resilience, contributing to the development of the country.

This contest recognized 69 regional entrepreneurs and 6 national winners, awarding prizes ranging from 1 to 6 million pesos depending on the category, as well as specialized training at Academia Emprende.

During the year 2022 we achieved a record of 50,656 applications, 26% more than the previous year, and 65% of the applicants were women.

50,656
aplications registered in 2022

Siembra por Chile Program

Given the economic situation faced by the country during 2022, the Ministry of Agriculture promotes the Siembra por Chile Program, which seeks, through four axes, to support the development of agricultural activity. One of these four axes is the financing of Working Capital, whose objective is to ensure food sovereignty, that is, to ensure food production for the country's inhabitants.

At BancoEstado, through Siembra por Chile financing, we seek to position ourselves as the Bank of the Farmers, serving micro, small and medium-sized farmers, and granting a total of 4,693 credit operations for a total amount of Ch$ 105,382 million by the end of 2022.

4,693
credit operations to micro, small and medium farmers in 2022

4.4 Our ESG financial offer

We develop products and solutions for people and companies of all sizes to reduce their negative impacts and enhance the generation of environmental and social value, either through financing or by promoting socially and environmentally responsible investment alternatives.

MundoVerde

Through the MundoVerde platform we seek to contribute to the care and protection of the environment, supporting individuals, micro, small, medium and large companies with financial products and services specially designed for the development of their sustainable projects, which have a positive impact on the environment and promote the use of cleaner and more efficient energy.

MundoVerde Products

Individuals

Chile Ecológico Mutual Fund

First mutual fund that invests exclusively in green bonds certified internationally by the Climate Bonds Initiative (CBI) and Green Bonds Principles (GBP), issued by Chilean companies or by the Chilean Government.

EcoVivienda Loan

Mortgage loan with a preferential rate for the purchase of a home with an energy efficiency rating higher than that required by the Ministry of Housing and Urban Development.

Mi Futuro Verde Mutual Funds

Balanced Mutual Fund that invests at least 60% of its assets in socially responsible and/or climate change conscious companies, duly certified by entities recognized in the international market.

Individuals and Companies

Clean Energy and Energy Efficiency Credit for Individuals and Businesses

Provides financing on preferential terms to individuals, micro and small companies seeking to reduce their impact and energy consumption through the incorporation of renewable energies or efficiency projects.

Electromobility credit for individuals and companies

It provides financing to individuals and companies for the acquisition of electric means of transportation.

Companies

Circular Economy Credit for micro, small and large companies.

Provides financing for investment or working capital for companies of different sizes that reuse, recycle and use the planet's resources responsibly.

Energy Saving Insurance micro, small and large companies.

Insurance to cover the difference between estimated savings and actual savings in energy efficiency and renewable energy projects, reducing the uncertainties of small and medium-sized entrepreneurs.

Credit for land reclamation micro and small enterprises

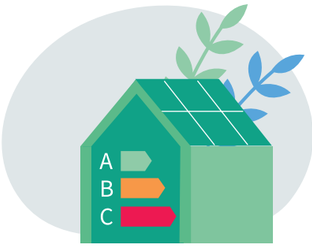
Financing for projects to improve soil fertility and soil conservation.

Credit for irrigation works micro and small enterprises

Focusing on small farmers, we finance projects that improve crop irrigation efficiency.

Credit for B companies

Allows access to financing at preferential interest rates for commercial loans for working capital and investment to companies certified as B Corporations.



	Sales 2022	N° Credits
Green Credit for Individuals (in Ch$ million)	3,456	806
Microenterprise Green Credit (in Ch$ million)	931	100
Small Business Green Credit (in Ch$ million)	23,758	413
Wholesale Green Credit (in Ch$ million)	214,926	103
EcoVivienda Loan (UF)	2,054,948	1,226
Clients Green Mutual Funds (N°) Includes: Mi Futuro Verde and Chile Ecológico.	4,485	-

To date, more than 2,700 families have had access to eco-efficient housing, benefiting from preferential rates. 68% of the EcoVivienda loans delivered in 2022 correspond to loans for low-income families with state subsidies.

MundoAgrícola BancoEstado

The implementation of the Agricultural Credit Policy has allowed us to make improvements in credit processes and collaborate with agricultural companies in the face of the drought that has extended over a long period of time in the country as a result of climate change. Based on these improvements, today we have a leading position in financing for small and micro producers, reaching 28,000 small farmers with a total of approximately Ch$ 492,000 million.

In 2021, we launched "Mundo Agrícola de BancoEstado", which includes financing and services for agricultural companies, current and potential clients of BancoEstado, with annual sales of more than UF 100,000, engaged in farming, livestock, milk production or fruit growing. Among the offerings of this initiative, we highlight the Crédito Agrícola Empresa and Leasing Agrícola, as well as lines of financing for irrigation, drainage and soil recovery works.

In 2022, we designed the financing known as "Siembra por Chile" BancoEstado Credit. This credit began to be offered in April, and to date has accumulated placements for Ch$ 105,382 million, distributed in 4,693 credit operations.

In addition, we were invited to participate in the various initiatives promoted by the Ministry of Agriculture, aimed at strengthening the agricultural sector in general, with special focus on those farmers engaged in the production of essential crops such as cereals, legumes, potatoes, among others.

ESG financing in wholesale banking

From our wholesale banking we contribute to sustainable development through the financing of projects that generate economic and social development in Chile. Among these projects are those with high social impact, such as the construction of social housing and critical infrastructure such as hospitals, public works and public transportation, among others. We also include among these projects, those proposed by large companies that show outstanding variables of social or environmental impact.

20%

of our placements in the Corporate, Real Estate and Large Corporate segments correspond to projects with ESG impact.

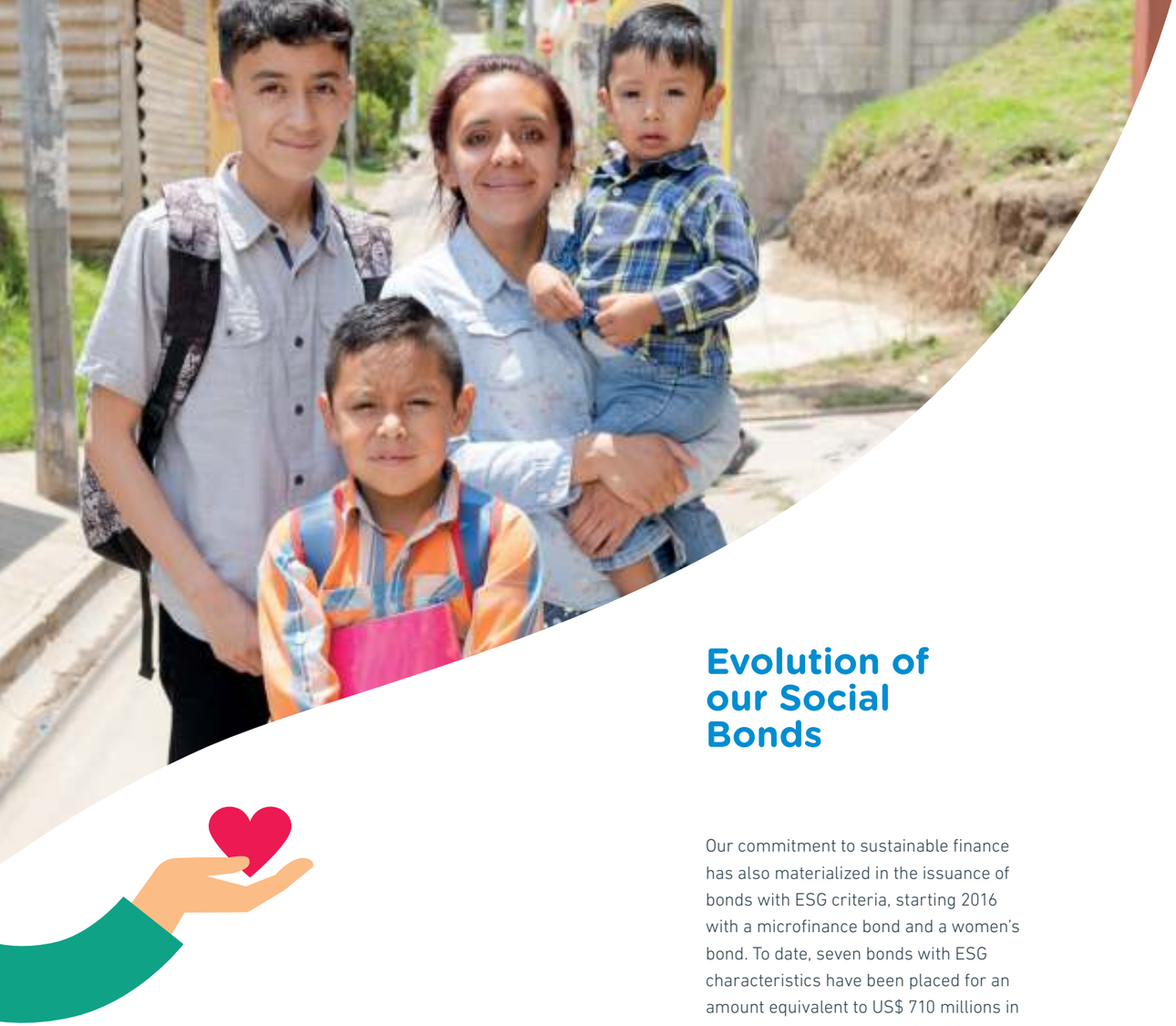
Amount of placements in ESG Financing of the Corporate segment (in Ch$ million)

Sector	Corporate	Large Metropolitan Region Companies	Large Other Regions Companies	Real Estate and Concessions	TOTAL
Education	10,714	134,427	114,552	-	259,693
Health	170,372	17,334	6,799	-	194,505
Agricultural	3,495	176,728	132,359	-	312,581
Renewable energies	30,001	17,833	1,005	-	48,839
Real estate	-	-	139,018	277,133	416,151
Construction	-	-	-	37,451	37,451
Concessions	-	-		1,185,646	1,185,646
TOTAL	**214,582**	**346,321**	**393,733**	**1,500,230**	**2,454,866**

During 2022, we provided financing of Ch$ 36 billion for the construction of two hospitals, Ch$ 41.446 billion for the construction of L7 of the Santiago Metro and US$ 246 million for the financing of power plants and transmission lines.

Outstanding project

BancoEstado participated in the financing of the first train powered entirely with green hydrogen of the railway company Ferrocarril de Antofagasta a Bolivia (FCAB). This is a contribution to the decarbonization of the mining industry, a key factor in the development of our country.



Evolution of our Social Bonds

Our commitment to sustainable finance has also materialized in the issuance of bonds with ESG criteria, starting 2016 with a microfinance bond and a women's bond. To date, seven bonds with ESG characteristics have been placed for an amount equivalent to US$ 710 millions in international markets and Ch$ 50 billion in local market.

Social bond issues

JPY'26	US$'26	AUD'27	Ch$'22	US$'29	JPY'25	JPY'31
WOMEN'S BOND	**MICRO-FINANCE BOND**	**WOMEN'S BOND**	**SOCIAL BOND**	**MICRO-FINANCE BOND**	**WOMEN'S BOND**	**WOMEN'S BOND**
JPY 25 billion	US$ 100 million	AUD 110 million	Ch$ 50 billion	US$ 100 million	JPY 10 billion	JPY 10 billion
Issued: Jun-16	Issued: Oct-16	Issued: Apr-17	Issued: Apr-18	Issued: May-19	Issued: Sep-20	Issued: Jul-21

Sustainability Framework

In order to define the framework within which the different social bonds that BancoEstado provides will be issued, during 2017 it developed a Sustainability Framework or Social Bond Reference Framework, which determines the bonds that will be destined to refinance or finance - totally or partially - current or future projects that promote sustainable economic development, being eligible based on four categories that correspond to: micro, small and medium-sized enterprises (MSMEs), women entrepreneurs, mortgages with subsidy and access to banking services, and technological support for financial inclusion.
This Framework was reviewed by Sustainalytics to ensure alignment with the level of disclosure expected in accordance with the International Capital Market Association (ICMA) Social Bond Principles.

During 2022, the Bank worked to expand its Social Bond Framework to encompass broader sustainability investments and assets that the Bank supports, as part of its ambitious path towards carbon neutrality. Thus, the Sustainable Finance Framework arose as an effort to provide transparency to the investment community around BancoEstado's green and social investments and actions, aligning with ICMA and its Green Bond Principles (GBP), Social Bond Principles (SBP) and Sustainable Bond Guidelines (SBG).

Categories defined in the Sustainable Financing Framework

Social categories	Environmental categories
• Micro, small and medium-sized enterprises.	• Green Buildings.
• Women entrepreneurs.	• Renewable energy.
• Social housing.	• Energy efficiency.
• Access to banking services and technological support for financial inclusion.	• Clean transportation.
• Support to MSMEs affected by natural or health disasters.	• Sustainable land use.
	• Circular economy.

This new Framework defines as social categories the four included in the 2018 Social Bonds Framework, adding a fifth one related to projects aimed at MSMEs affected by natural and/or health disasters.

05 Commitment to sustainable development in Chile

5.1 Sustainability culture

5.2 Dow Jones Sustainability Indexes as a management tool

5.3 We are committed to a carbon neutral Chile

5.4 Environmental and Climate Strategy BancoEstado

5.5 Our role in the deployment of public policies

5.6 Corporate citizenship

5.7 Relationships and communication with stakeholders

5.1 Sustainability culture

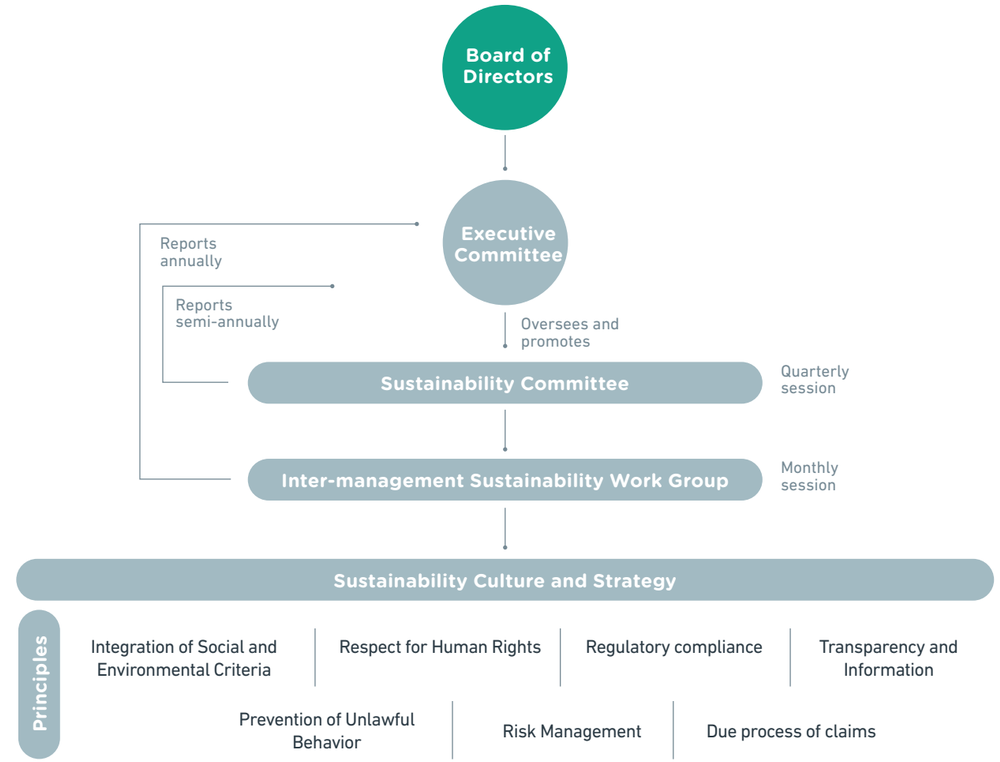
GRI 2-12, 2-13, 2-14, 2-23, 2-24

Our Corporate Sustainability Policy sets out our commitment to the challenges we face as a society. We have guidelines so that our institutional objectives have a long-term view, beyond immediate results, mobilizing our capabilities and integrating the challenges we face as a country and society.

The Executive Committee oversees the application of the Policy and promotes the establishment of a corporate sustainability culture. The Board of Directors is also informed annually of progress in the implementation of our Sustainability Strategy.

OBJETIVOS DE DESARROLLO SOSTENIBLE

Our commitment to the sustainable development of Chile is materialized in the Sustainability Policy, through 13 lines of action:



	Environmental Management	Social Managemen	Governance and Economic Management
Areas of work			
Lines of action	• Operational Emissions Management • Sustainable Finance • Climate Change Strategy	• Financial Inclusion • Deployment of Public Policies • Respect for Human Rights • Universal Customer Service • Women's Economic Empowerment • Employee Attraction, Retention and Development • Corporate Citizenship	• Ethics and Compliance Management • Non-Financial Risk Management • Responsible Sourcing
ODS			

5.2

Dow Jones Sustainability Indexes as a management tool

Since 2017, we have been voluntarily evaluated in the Dow Jones Sustainability Indexes (DJSI), allowing us to analyze how we are doing in relation to the industry and to take timely actions in the different sustainability areas that concern us.

We have been measuring our sustainability performance on a voluntary basis for six years, considering that BancoEstado is not listed on stock exchanges as it is a 100% public bank. Throughout these years, we have had an upward performance, obtaining results that set us apart from the industry average and placed us among the 15% of the world's best evaluated banks in sustainability in 2022, surpassing by 40 points the average obtained by the 506 banks evaluated to be part of the S&P Dow Jones Sustainability Indexes. This achievement has reflected our active commitment to sustainability, which, aligned with our public role, challenges us to be an institution with strong governance and a genuine concern about the social and environmental impacts of our activity.

We remain in the top 15% of the industry, as shown by the Sustainability Yearbook published by S&P Global.

Dow Jones Sustainability Indexes

DJSI RESULTS	2018	2019	2020	2021	2022
BE Score	65	59	62	68	68
Industry average score	54	46	39	38	28

5.3

We are committed to a carbon neutral Chile

BancoEstado is the only public bank in the world to commit to Carbon Neutrality by 2030 in operational emissions, and by 2050 in financed emissions, together with the group of banks in the world that make up the Net Zero Banking Alliance and the United Nations Race to Zero Campaign.

We are an organization committed to the fight against climate change. Our Climate Change and Environmental Management Policy embodies this commitment and is the basis for generating concrete actions to reduce and mitigate environmental and climate change impacts.

Defining our baseline

BancoEstado has a long history of measuring and managing its operational emissions. Since 2011 we have been measuring our Carbon Footprint annually, incorporating the subsidiaries in 2016, the same year in which we joined the Huella Chile program of the Ministry of the Environment, thus supporting the maintenance of an aggregate emissions registry at a national level.

We measure our carbon footprint based on the methodological guidelines of the Natural Resources Institute (WRI) Corporate Accounting Protocol for the measurement of greenhouse gases, and the parameters of the World Business Council for Sustainable Development (WBCSD), known as the GHG Protocol, which is supported by the Partnership for Carbon Accounting Financials (PCAF). It is worth mentioning that the names of the categories we use to measure our footprint correspond to those of the GHG Protocol.

Carbon Footprint BancoEstado Corporation 2022
(Tons of CO_2 equivalent)

A. Operational Emissions	37,427
B. Financed Emissions	21,907,853
TOTAL Corporate Carbon Footprint (A+B)	**21,945,280**

For our emissions, we defined 2021 as the baseline for our financed emissions. Regarding the measurement, we seek to develop a mitigation and compensation plan for our internal operation, and a decarbonization strategy for our client portfolio, together with the incorporation of climate risks and adaptation measures. The following is our track record on environmental and climate issues.

Roadmap to achieve operational carbon neutrality by 2030, and financed emissions by 2050

2007

We started energy mitigation measures: LED illumination in headquarters and efficient air conditioning systems.

We gradually include other mitigation measures for the rest of energy sources.

2011

We began the annual measuring of the Carbon Footprint of our Bank.

In 2016 we added our subsidiaries.

2016

We established a sustainability department and policy.

We join the **Dow Jones Sustainability** Indices to measure ourselves.

We launched our first green product: the Ecovivienda Mortgage Loan (with KFW).

We got our first LEED certification for a corporate building: Santa Ana. In 2018 we certificate its habilitation

2017

We launch our **Energy Efficiency & NCRE** loan, a partnership with the Sustainability Agency and Ministry of Energy.

We began a technical cooperation with IADB to develop the **Energy Savings Insurance (ESI).**

We joined the **Min. of Environment's Chile Footprint** to track the operational footprint of our Bank and subsidiaries (since 2011, only in the Bank).

2018

We established our **Environmental and Social Risk Policy** that evaluates the ESG variables of the projects we finance.

2019

We established our **Climate Change and Environment Policy.**

We joined the **Green Agreement** by the Ministry of Finance

2020

We launched **Mundo Verde**, platform that brings together current green products and add others to the offer: electromobility, circular economy, irrigation and soil recovery works, Green Mutual Fund, Energy Savings Insurance.

2021

We measured **direct and financed emissions** for 2019 and 2020.

We established a **roadmap for carbon neutrality** by 2050.

We joined the **"Race to Zero"** campaign.

2022 2023

We are defining our funded emissions targets to be presented to SBTi in March 2023

2025

We will certify the progress and adjustments to the financed emissions targets.

2030

0%

Ton CO_2 eq

Direct Emissions Operational Footprint

0%

Ton CO_2 eq

Financed Emissions

As of 2021 we are members of the Net Zero Banking Alliance (NZBA), the banking component of the Glasgow Financial Alliance to Net Zero, which is made up of 114 banks from 41 countries, BancoEstado being the only Chilean bank. The objective of this alliance is to achieve carbon neutrality of its financed emissions by 2050. In addition to joining the NZBA, we have also joined the United Nations Race to Zero campaign.

In 2022, we participated in COP27, where we made new commitments to mobilize in the fight against deforestation.

5.4

Environmental and Climate Strategy BancoEstado

CMF 3.6.ii.a, 8.1.3

Our Environmental and Climate Strategy determines three main pillars with their respective objectives and action plans, from an internal and external view of climate impacts and offsets. Based on these, we are developing different initiatives that will lead us to operational carbon neutrality by 2030 and **carbon neutrality of financed emissions by 2050.**

Environmental and Climate Strategy BancoEstado

1. Operational footprint

We seek to achieve carbon neutrality in our operations by 2030 through our mitigation and residual compensation plan.

2. Sustainable Finance

Sustainable financial products:
We incorporate ESG criteria in financial products for various client segments, seeking to reduce the carbon emissions we finance and encourage companies and individuals to invest in sustainable projects (clean energy, circular economy, etc.).

ESG Risks:
We integrate ESG aspects in the evaluation of credits or loans for clients, seeking to mitigate the environmental and social risks of our financing.

3. Climate Strategy

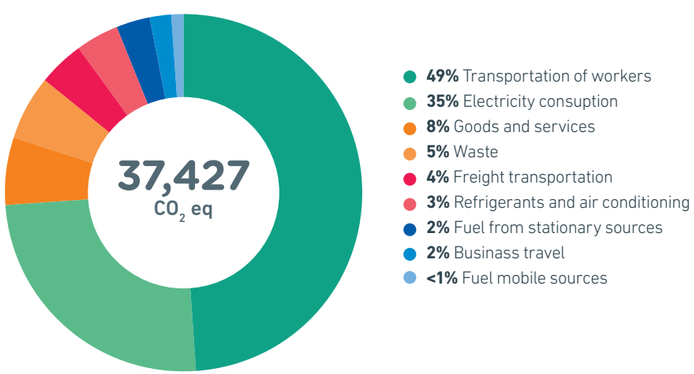
Through our climate strategy, we are prepared to face the business risks and opportunities linked to the global challenge of climate change, with mitigation and adaptation measures, and their respective commitment and plan for decarbonization of the portfolio, guided by a fair socio-ecological approach.

1. Operational Emissions: eco-efficiency to mitigate our internal emissions

GRI 305-1, 305-2, 305-3, 305-4

In terms of our operational emissions, as is to be expected in service companies, the category with the greatest weight corresponds to indirect emissions for the transportation of our workers, equivalent to 41%. These emissions are related to daily trip of our workers from their homes to the workplace, and vice versa, in different means of transportation declared in a mobility survey carried out in BancoEstado and its subsidiaries. They are followed by the emissions originated by purchase of electricity (or Scope 2), with 35%. The remaining seven categories together account for 24% of total operational emissions.

Operational emissions



It should be noted that the decarbonization of the electricity grid, together with different energy efficiency plans in branches and head offices, means that the rest of the categories will occupy a higher percentage of the Bank's total operational emissions, implying greater challenges in the mitigation of direct emissions in the coming years.

Based on the measurement of our emissions, we have been developing actions that contribute to greater operational eco-efficiency, focusing on measuring and reducing our energy and water consumption, in addition to managing waste generation and seeking opportunities for waste recovery.

Efficiency in our Energy Consumption

GRI 302-1

The most significant actions to reduce our operational emissions are those aimed at consuming less energy more efficiently and favoring the use of energy from renewable sources. In this last area, BancoEstado Corporation has electricity supply contracts under the free client modality in the Head Office and Santa Ana Buildings, as well as in the Temuco Branch, a condition that facilitates the acquisition of renewable energy.

In 2022 we have consumed a total of 3,406 MWh from the matrix of 100% renewable energy generation sources, equivalent to 1,049.61 tCO_2eq/MWh avoided.

In order to reduce energy consumption in our offices and branches, we have developed the following initiatives:

Energy efficiency seal

BancoEstado has been recognized with this seal awarded by the Ministry of Energy, in the Bronze category. This initiative seeks to highlight organizations that demonstrate a high commitment in matters related to energy from its management to its different areas, highlighting them from the competition and generating a positive perception in their customers and environment. This seal validates our commitment to deepen efficient and sustainable energy consumption.

Sello de EXCELENCIA ENERGÉTICA -BRONCE-

LED lighting installation

During 2022 we continued with our energy efficiency measures by installing LED lighting in the operation in our branch network and central buildings.

For our central buildings, we have reached a total of 10,280 LED luminaires installed, equivalent to 49% progress in this technology change. In branches, on the other hand, we have achieved 57% progress in the technological change, that is, 228 branches with LED lighting or mixed lighting system.

New air-conditioning and boiler plant at headquarters

We replaced the direct expansion air conditioning equipment at the head office, eliminating obsolete equipment with high failure rates and reducing the risk of refrigerant gas leaks. The project consisted of installing a new 100% electric air conditioning plant, increasing cooling capacity by 40% and eliminating the consumption of oil and gas for cooling. In parallel, we changed the boiler system, reducing gas consumption by 50% (previously coal and oil), with an installed capacity of 3,800kW.

In addition, in 2022 we removed 20 window air-conditioning units, achieving 29% progress in this initiative, which has a direct impact on the reduction of electricity consumption and the eventual leakage of refrigerant gases.

Eco-efficient renovation of air-conditioning systems in our branch offices

In 2022, as part of the technological renewal plan for air conditioning systems, we renewed air conditioning systems in 16 branches throughout Chile. The updating of these air conditioning systems involved the replacement of 160 units with energy-efficient ones.

We also installed VRV (Variable Refrigerant Volume) air conditioning systems in 58 branches of BancoEstado, reaching 14.5% of the total number of branches with this system, which is 30% more efficient in terms of electricity consumption than conventional systems.

On the other hand, in 2022 we replaced air conditioning systems in 10 of our branches in the southern part of the country. In addition to eliminating fossil fuels, the upgrade of these air-conditioning systems involved the installation of 73 energy-efficient units.

Offices with self-generation

We maintain other initiatives aimed at reducing energy consumption internally, such as the installation of Solar Photovoltaic Systems (SSFV) in 13 of our branches and offices throughout Chile, achieving emissions savings equivalent to 39.19 Ton CO2 /MWh per year.

Comprehensive real estate maintenance plan

During 2022 we have intervened 4,040 m2 of surface area in Head Office Buildings and 49 branch offices with an approximate surface area of 37,730 m2, representing 10% of the surface area of the Corporation's Properties. In this plan we incorporated some environmental sustainability elements, such as:

- Installation of VRV Air Conditioning System.
- Installation of air curtains and double doors to control air conditioning leakage to the outside.
- Incorporation of louvers for solar control.
- Roof with built-in insulation.
- In addition to installation of faucets and efficient equipment (saving in water consumption).

Waste management at our facilities

GRI 306-1

We have decided to periodically review the office materials required for the operation, reducing and/or eliminating those containing single-use plastics and favoring the purchase of biodegradable products, produced from recycled raw materials and/or with recyclable or reusable properties.

By 2022 we will manage for recycling or reuse:

502 ton

of recycled paper and cardboard.

240 kg

of hazardous materials such as batteries.

90

Office machines recovered and returned to operation, representing 66% of the annual replacement needs of the branches in the Metropolitan Region.

30%

branches with paper recycling, in addition to recycling paper generated in the Head Office Buildings and paper coming from the custody centers after its legal storage period has expired.

5

new recycling collection centers (2 in the regions), in addition to the existing one in the Santa Ana Building.

Convenio piloto

recycling management agreement between the Municipality of El Quisco and the BancoEstado Vacation Center in El Quisco.

360

individual landfills eliminated during 2022, reaching a total of 1,648 eliminated landfills.

2,000 m²

size of the new corporate item sorting center, allowing reception, sorting and sorting and dispatching recycling.

Featured Project: Sustainable Office

During the year 2022, we extended the Sustainable Office program to all BancoEstado branches and the Corporation's Head Office Buildings. This program incorporates measures such as periodic monitoring of offices, ensuring the removal and final disposal of unused items, freeing up space and improving the habitability for workers. Through this initiative we were able to manage:

296 Tons of paper

100 Multifunctional

60 Tons of debris

1,200 Custody boxes

4,600 Technological objects

1,990 Office machines

4,770 Furniture

Note: For more information on waste management data, see Annex 1.

Reducing Water Consumption

GRI 303-5

We are committed to reducing water consumption in our operations. We have implemented efficient faucets and equipment in our new branches, as well as comprehensive maintenance and modernization of physical spaces in our main buildings. In addition, we have enabled and renovated our green areas with endemic plant species with low water consumption, eliminating the use of grass.

Note: For more information on water consumption, see Annex 1.

Optimization of the value transport service

In the year 2022, the Treasury area of the Corporation has developed initiatives to reduce emissions in the area of securities transportation, which have an impact on the number of trips made by our carriers. Some of these are:

- Give autonomy to regional treasuries to self-supply currency locally, reducing the number of trips from Santiago to the regions by 480 trips (67%).
- Increase the number of suppliers so that transportation can be assigned according to the proximity of the cash-in-transit plants.
- Migrate cash withdrawals from a permanent modality to withdrawals based on minimum collection, reducing the number of trips by 783 (23%).
- Use of light vehicles for clients with low collections, maintaining the established security measures.

2. Sustainable finance

We are aware that promoting this issue is fundamental to face the challenges of climate change, and that for this purpose it is important to mobilize the different actors in the public and private sectors, developing alliances and supporting initiatives that enhance sustainable finance.

We seek to reduce the carbon emissions that we finance, and to encourage companies and individuals to invest in sustainable projects, such as clean energy, circular economy, among others, for which we incorporate ESG criteria in the financial products of our different client segments. Our action plan in this area includes continuing to expand the offer of sustainable financial products for our clients and, on the other hand, generating alliances with public and private entities to actively mobilize this demand, which requires more advice and support.

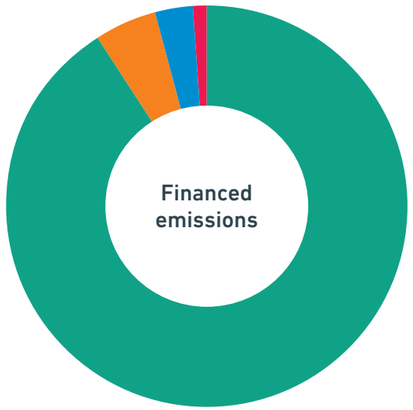
In this spirit, since 2019 we have been part of the Green Agreement, promoted by the Ministry of Finance, and the Green Finance Roundtable, a coordination space to address issues related to sustainable finance, which brings together the public sector, the private financial industry and regulatory entities.

With the Ministry of Energy and the Sustainability Agency, we have developed a plan that is updated annually to support electromobility, renewable energy and energy efficiency programs. Finally, as part of our relationship with trade associations, we participate in meetings and webinars with these clients to learn about their needs and generate business opportunities and other commercial alliances that mobilize investment in green projects.

In the same way that we are concerned with environmental opportunities, we are concerned with integrating ESG aspects in our view of risks, including them in the evaluation of credits or loans for clients, seeking to mitigate the environmental and social risks of our financing. To this end, we have a Social and Environmental Risk Assessment Policy and Manual, which define the social and environmental risk categorization of the portfolio stock and the social and environmental risk assessment of new financing and projects, as well as their follow-up.

3. Climate strategy: towards a just socio-ecological transition

As a public bank, we are developing a transition plan with a fair socio-ecological perspective, to accompany our customers, people and companies on the road to a carbon neutral Chile by 2050.



21,908
kt CO_2 eq

- **87%** Comercial loans
- **7%** Registered companies
- **5%** Estate
- **<1%** Transport

Considering the Framework Law on Climate Change, enacted during 2022, and our role as a public bank, we have the important challenge of accompanying our clients in a socio-ecological transition that is fair for everyone. This implies mobilizing changes in production processes to reduce emissions, protect ecosystems and take measures to adapt to the consequences of climate change, leaving no one behind, especially micro, small and medium-sized enterprises, from an approach that promotes sustainable production, solidarity, human rights and social inclusion.

Specifically, our responsibility is to create the conditions for everyone to join this path of changes and adaptations, in order to achieve a carbon neutral country by 2050.

One of the key actions to focus our work plan and achieve our mitigation and emissions reduction goals is to calculate our financed emissions, determining the most carbon-intensive sectors. As is to be expected in financial institutions, financed emissions (Scope 3) make up 99.8% of carbon emissions calculated in our baseline.

In our portfolio, commercial loans represent 87% of the issues of the total portfolio. This type of financial asset corresponds to those loans granted to companies where the purpose of the loan is not known, i.e., it is known which company it is, which sector it belongs to, but there is no knowledge of the specific activity in which the amount granted will be used. For this reason, it is interpreted that the large volume of issues associated with commercial loans is due to the fact that it is not possible to assimilate specific emission factors for the final activities that are carried out with the loans granted.

Second, financing for listed companies represents 7% of the financed issues. In this case, we collected Scope 1 and 2 emissions statements from listed companies (which usually publicly disclose them) to estimate the emissions associated with the financing. This is followed by loans associated with financing provided for specific purposes, such as real estate 5% and transportation <1%.

Our greatest commitment to contribute to the decarbonization of the country is to generate the necessary actions that allow our portfolio of clients to reduce their emissions and adapt to climate change.

With our baseline already defined, we are moving forward in setting science-based reduction targets with intermediate goals, the first of which will be submitted to the Science Based Target Initiative (SBTi) in the first half of 2023. After that, we will define new intermediate targets every five years to plan this path towards carbon neutrality. With this clear scenario, we are working on different fronts to define a strategy that takes into account the business risks and opportunities linked to the global challenge of climate change, with mitigation and adaptation measures, and the respective commitment and decarbonization plan for the portfolio. This also contemplates the internal elements that favor and facilitate this roadmap, such as a plan to generate internal capacities, the implementation of incentives related to the reduction of emissions and the rest of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Key actions for our Climate Strategy Pillar

- Determination of our traceable financed emissions from our portfolio of companies and investments.
- Definition of our reduction targets before SBTi.
- Identification of climate risks and opportunities (physical and transitional) for both our portfolio and fixed assets, and adaptation measures.
- Definition of decarbonization strategy.

5.5

Our role in the deployment of public policies

As a public financial institution, we have the responsibility to collaborate with the State in facilitating the deployment of public policies that support individuals and companies, especially those aimed at vulnerable groups and smaller companies. In total, we delivered social benefits equivalent to 32.9 million bond payments to BancoEstado accounts, for a total amount of Ch$ 3.9 billion. These payments implied a transfer to more than 9.2 million beneficiaries.

Channeling payments made by the State

We contribute as a payment platform for different initiatives promoted by the State. This responsibility challenges us, year after year, to improve our services and invest in technology that allows us to respond in a timely and secure manner to a large volume of transactions.

• During 2022, we paid the Universal Guaranteed Pension, which benefited people receiving a Solidarity Pension Contribution, with more than 5 million payments totaling Ch$ 1,107 billion.

• We made possible the payment of the Winter Bonus, Culture Bonus and Basket Bonus by the Social Security Institute (IPS) for the economic reactivation of the country and the sectors of the population most impacted by the pandemic and the economic crisis. More than 7.5 million payments were made, amounting to Ch$ 782,424 million.

Welfare benefits paid by BancoEstado

Welfare Benefits	No. of Payments	No. of Customers	Ch$ million
Ethical Family Income	9,389,750	1,096,595	641,049
Guaranteed Minimum Income	5,668,796	1,189,361	183,586
Universal Guaranteed Pension	5,624,811	910,585	1,107,348
Chile Apoya Winter Bonus	3,913,276	3,686,219	705,220
Basic Basket Compensatory Contribution	3,644,194	629,033	64,332
March Bonus	565,891	554,476	43,730
Culture Bonus	28,605	28,605	12,872
IFE Bonus	3,746	3,684	1,738
Other Payments	2,104	921	83
Total	**28,841,173**	**8,669,317**	**2,759,958**
IPS Payments	4,139,765	569,838	1,131,214
Total Payments	**32,980,938**	**9,239,155**	**3,891,172**

• Regarding payments associated with AFP withdrawals, during 2022 we made a total of 2.8 million payments to BancoEstado accounts, corresponding to a total of Ch$ 1.4 billion. Of the total payments, 75.6% correspond to Severance Insurance payments, where the difference in payments are pension fund withdrawals.

Payments at BancoEstado for withdrawals of 10% of pension benefits

	No. of Payments	No. of Customers	Ch$ million
Severance Insurance Payment	2,145,936	1,223,588	917,048
Third Withdrawal 10% AFP	556,303	553,638	493,471
First Withdrawal 10% AFP	61,849	61,725	14,626
Second Withdrawal 10% AFP	7,573	7,466	6,383
First Withdrawal Annuities	3,038	3,005	10,204
General Total	**2,774,699**	**1,849,422**	**1,441,732**

Collaborations with State Institutions

One of the tools that allow us to contribute to the implementation of public policies developed by the State are the collaboration agreements with different institutions. During 2022 we signed several agreements that strengthen our institutions and provide services to their respective users.

We are the banking institution of more than 250 state groups, including Ministries, Public Services, the Armed Forces and the Judiciary, with a 97% market share.

We have agreements with 15 regional governments and more than 235 municipalities nationwide with a 68% market share.

We are part of the modernization of the State

Judiciary

We have signed two agreements to contribute to the modernization and automation plan of this institution. One of them is related to the payment of court cases, allowing direct credit to the beneficiary's account and leaving behind the payment by check. The second is related to the taking and settlement of Automated Time Deposits on line, directly on the client's page.

Internal Revenue Service (SII)

We upgraded the payment button for the SII to a much more modern and efficient one, which will include forms 24 and 24.1, allowing full coverage of tax payments by this means. Through this improvement, Ch$ 589,316 million were collected as of October 2022.

General Treasury of the Republic (TGR)

We automated the TGR's lien payments, reducing the presence of tax collectors in BancoEstado branches, eliminating the generation of around 5,000 Demand Vouchers and their respective payments in our branches.

Additionally, with the use of the COMEX Portal for foreign payment orders by the TGR, we contribute to the efficiency, security and modernization of the State.

New maritime tax collection system

This new system enables the collection of checks and dollar cash through an "entry order" generated when users enter the port and request a maritime service, charging in dollars the taxes for the use and distributing it between the General Directorate of Maritime Territory and Merchant Marine and the Chilean Navy (Directemar) and the respective Maritime Governorate.

Better experiences for government suppliers

Through State Confirming, we contribute to the economic reactivation of the country with a focus on smaller companies. 4,302 suppliers have operated in this system during 2022, from a total of 470 Institutions (70% of the total number of Institutions), for a total of Ch$ 421,331 million.

Ministry of Public Construction (MOP)

Through a collaboration agreement with the MOP, we seek to support the Ministry's suppliers in three areas: Confirming Operations, Insurance Policies for Bid Seriousness on line from BancoEstado's web page, and Service Model for Construction Companies to qualify for financing.

Budget Directorate (Dipres)

We renewed the agreement with the Budget Directorate for two years, allowing us to support all state supplier companies, of which more than 64% are small companies, with an impact on more than 200 thousand operations.

Mejor Niñez

We signed an agreement with Mejor Niñez (former Sename), opening 33 checking accounts with average monthly balances of Ch$ 6,281 million, implementing 16 agreements for payments to suppliers, one agreement for salaries and another for miscellaneous payments. At the same time, we have participated in a working group to help improve the conditions of the children and adolescents living in the residences.

Ministry of Housing and Urban Development

The agreement with this institution allowed the authorization of 17 lines of Confirming for the Housing and Urbanization Service (SERVIU) and ParqueMet for Ch$ 120,000 million.

With the Centralized Payment of State Suppliers, through the TGR, 315,000 transactions were made for a total of Ch$ 4.8 billion pesos as of October 2022.

We support the State of Chile in providing innovative solutions for everyone.

In 2022 we will install ATMs in seven hospitals in the country: Copiapó, Rancagua, Exequiel González Cortés, Nueva Imperial, Padre Las Casas, Gustavo Fricke and Puerto Aysén.

PagoQR

During 2022, together with the Ministry of Transportation and Telecommunications, we implemented PagoQR as a new means of payment for public transportation for the Metropolitan Mobility Network, Metro de Santiago and Tren Nos. A key milestone of this period is that we reached the first million users of this application.

Digital Showcase

We made BancoEstado's Digital Showcase available for the first time to FOSIS users, in order to promote economic reactivation, especially in the area of vulnerable entrepreneurs, women and heads of household.

INDAP and FOSIS Inter-Administrative Agreements

Through these agreements, we have extended the financial and non-financial services in both institutions for four years, strengthening the link not only with the employees but also with the users, unions and civil organizations related to each institution.

5.6

Corporate citizenship

Our subsidiaries executed more than Ch$ 630 million in community impact programs in cultural initiatives, public competitions, agreements and scholarships, among others.

Our social role and commitment to reach all the inhabitants of Chile, has led us to generate closeness with the citizens in the different territories through initiatives that allow us to link with the community, contributing to the social and cultural integration of the country. To this end, we have developed a series of financial education initiatives, fairs, cultural activities, and volunteer work, among others.

Within the framework of our priorities, our corporate citizenship programs had a cost of Ch$ 520 million, and their administrative expenses in 2022 were close to Ch$ 609 million.

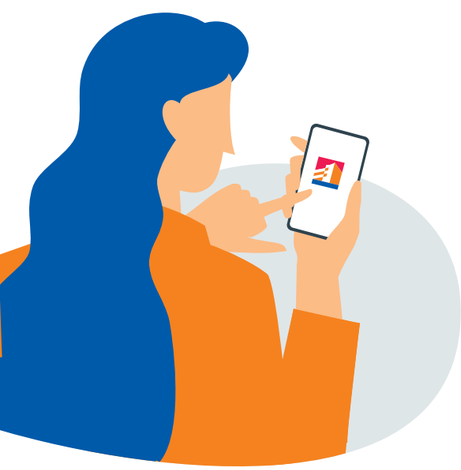
Our contribution to financial education

We want all Chileans to be able to make informed decisions regarding their personal finances. To this end, we have implemented initiatives that generate skills in people so that they can take better advantage of financial products and services.

Academia Emprende

This initiative is part of our Emprende Program and aims to promote the integral development of the country's entrepreneurs through business development instruments designed by the Bank to strengthen the training of micro and small entrepreneurs, improve their understanding of financial products and services throughout the different stages of their lives, develop skills, aptitudes and the necessary confidence to acquire greater awareness of their financial risks and opportunities.

During 2022, 23,795 entrepreneurs participated in Academia Emprende, reaching 87,233 people trained in one of the 569 lectures that have been developed since 2020.



En Fácil y en Chileno

Through our web platform "En Fácil y en Chileno" (www.enfacilyenchileno.cl) we deliver knowledge from a playful approach, in a simple and friendly language, accessible to the largest number of users. The site was developed with the technical support of the Center of Excellence in Economic and Consumer Psychology (CEPEC) of the Universidad de la Frontera, and has a set of educational content, including an interactive game profiled according to the age, gender, and financial objective of its participants. Another outstanding content is the e-learning course on financial education designed for high school students, teachers, adult beginners in the subject, and more advanced adults.

During 2022, the platform received 28,512 visits and 1,389 people participated in the e-learning course, reaching a total of 9,696 people enrolled since the launch of this course.

Vamos MiPYME Campaign Training

During the year 2022, and in the context of the "Vamos MiPYME" Campaign, available between July and September, we developed a series of trainings on Financial Education and the use of products that focus on three pillars: 1) Sound Finances; 2) Debt Reorganization; 3) Confirming and Factoring.

We conducted 63 talks, 45 digital and 18 face-to-face, with a strong territorial focus, covering all regions. We also used the social networks of the Emprende BancoEstado program to amplify the reach of the training sessions. A total of 3,459 entrepreneurs participated throughout the country.

Other financial education activities

In addition to our financial education programs, in 2022 we gave talks on this topic to Civil Society Organizations, with a total of 220 participants from six organizations. These actions were also carried out in agreement with public institutions such as the Ministry of the Interior, the Constitutional Court and institutions of the Armed Forces and Public Order such as the Investigation Police, the General Directorate of Maritime Territory and Merchant Marine and the Chilean Navy, where 560 people participated during 2022.

More access to arts and culture

For BancoEstado it is of special relevance to support Chilean art, the conservation of collective memory and the country's cultural heritage. Through different initiatives and campaigns, we seek to bring arts and culture closer to the communities of the different territories, recovering public spaces in complement with other Corporate Citizenship activities.

Plaza Cinema

In order to bring cultural spaces closer to the citizens, we continue with the PlazaCine project in Chilean towns with little access to this type of shows, bringing free Chilean films to the entire community. These activities are held in public spaces, together with a local Entrepreneurs Fair. This year we brought the films "Mentirita Blanca", "Nahuel y el libro mágico" and "Historia de un Oso".

Salamanca, El Monte, Alhué, María Pinto, Primavera, Queilen and other towns in the country enjoyed the PlazaCine BancoEstado, with the participation of 2,750 people.

Heritage Day

For more than 10 years, BancoEstado has participated in the Heritage Day activity, inviting the community to visit our Head Office. The entrance is through Morandé 25, with tours in groups of 20 people who are led by a guide who explains the history of the Bank, along with a group of specialists to tell them about its importance and functions.

There were 1,902 people who toured our heritage buildings to learn a little of the history preserved in our Museo del Ahorro and other emblematic BancoEstado facilities.

Christmas tree

We installed a large Christmas tree in the center of the Plaza de la Constitución together with the Palacio de la Moneda, with the aim of encouraging people to meet again after a complex period, contributing with a symbolic element that brings Chileans together and supports the redefining of culture and customs in one of the most representative places in Chile, as well as supporting the recovery of public spaces by giving a gift on this important date. In this activity we had the participation of the Rancagua Youth Orchestra.

Campaign to End Violence against Women and Girls

In the context of the International Day for the Elimination of Violence against Women, we joined the campaign #16DIASDEACTIVISMO, sending information to clients about the channels of guidance and help for victims and witnesses of gender violence.

More than 11 million customers received the information via e-mail and, additionally, it was hosted on our Web site banner during the active campaign period.

5.7 Relationships and communication with stakeholders

CMF 6.3, GRI 2-29

As a public bank, an essential part of our work is related to the articulation and linkage of the different actors in Chile, who are our main stakeholders. With the creation of the Public Affairs Deputy Management and our Corporate Sustainability Policy, we have established four priority stakeholders: customers, employees, community and suppliers. In addition, our link is extended to other groups that are important and relevant to our work and in line with our purpose.

Communities

We are interested in actively participating in the communities where we are present, becoming a relevant actor in each locality. That is why we have always collaborated with other state entities, the private sector and civil society, to promote the social and economic development of all those who live in Chile.

Civil Society Organizations (CSOs)

CSOs need more than a bank account, they need support and financial education, support to reduce the digital gap that often prevents them from accessing transactional services in non-face-to-face channels. In this regard, we have begun to focus our actions and strengthen them through joint work with the Social Organizations Division of the Ministry General Secretariat of Government. In this way, we are working on territorial plans to actively listen to the organized community.

An important axis to deepen the relationship with this sector has been the collaborative and articulated work with government agencies related to CSOs throughout our country. This linkage has allowed us to reach the organizations quickly and effectively with our value offer, in addition to keeping in tune with the different realities of the sector at the local level.

Within this framework of collaboration, we began a joint work with the Ministry of Science, Technology, Knowledge and Innovation, which seeks to accompany community organizations in the area of financial inclusion for the execution of the Environmental Protection Fund project, in order to establish lines of work and make our dissemination channels available to reach more CSOs and enhance their participation. In this area, we developed community projects such as Cine Solar Móvil, which consists of a solar-powered cinema, and Vereda Nativa, a project that intervenes in a sidewalk with native flora.

Focusing on reducing the digital divide, promoting participation, linkage, banking and the use of financial tools, we signed a collaboration agreement with the Solidarity and Social Investment Fund (FOSIS) in order to support and improve the capacities of CSOs living in vulnerable conditions.

In addition to the Agreements, we have a Donations Portal that functions as a payment platform for CSOs to have greater formality, ease and security when collecting their donations to contribute to social causes of those in difficult situations.

	2020	2021	2022
Institutions registered in the donation portal	40	38	37
Amount of donations through the portal (millions)	Ch$ 40.3	Ch$ 87	Ch$ 23

Guilds

Our work with the unions is part of our commitment to support the economic development of Chile, where micro, small and medium-sized enterprises are a key driver.

During 2022 we deepened our work with more than 56 unions, both cross-cutting and sectoral, positioning ourselves as their strategic allies in order to support and enhance their development. One of the highlights of the period was the meeting of BancoEstado's Executive Committee with the main unions with which we work, in order to listen to their concerns and expectations of the Bank, mainly focused on the contribution to the reactivation of their businesses and the reorganization of their debts. This activity gave rise to the "Vamos Mipyme" Campaign. We also participated in the activities of the unions, disseminating our Value Offering and deploying POS Compraquí and Compraquí QR in Taxi Colectivos.

Suppliers and contractors

CMF 7.2, GRI 2-6, 2-8

Sustainable supplier relations and management

Suppliers are one of BancoEstado's main stakeholders, due to their relevance in our value chain. We seek to ensure equitable, competitive and transparent access to our goods and services procurement processes.

We have a supplier network that allows us to minimize supply risks and that, in addition, covers our needs in a permanent and sustainable manner. Our future challenges are to continue advancing in the development of regional suppliers, as reactivating agents of local economies; to accompany suppliers committed to society in matters of diversity, gender, inclusion and environment; and to encourage our suppliers to comply with labor and social laws.

We have 1,029 suppliers, of which 96% are national and 4% are SMEs.

Total suppliers	1,029
Domestic suppliers	992
Foreign suppliers	37
Critical suppliers	49
Non-critical suppliers	980
Evaluated suppliers 2022	1,115
Domestic evaluated suppliers.	1,068
International evaluated suppliers.	47
Suppliers evaluated with respect to the total number of suppliers.	55%
% of annual purchases from domestic suppliers evaluated.	73%
% of annual purchases of foreign suppliers evaluated.	27%

Our procurement model is based on best practices in order to minimize risks and ensure a network of suppliers that meets our needs in a permanent and sustainable manner.

These guidelines are contained in our Goods and Services Procurement Policy, which contains guidelines to ensure competitive, transparent and symmetrical processes, based on impeccable execution and governance.

Through this policy we seek to align our suppliers with our commitment to sustainability and the economic, social and environmental development of our country.

For this reason, in all our tenders we include an evaluation based on sustainability criteria, which during the year 2023 will be optimized to deepen our commitment to sustainable development.

In addition, in order to promote the development of our suppliers, we conduct periodic training on ethics, compliance and probity issues.

Communication with stakeholders

CMF 3.7 i, CMF 3.7 ii

Our Public Affairs and Sustainability Management, through the Public Affairs Sub-Management, has the function of contributing to BancoEstado's relationship with its most relevant stakeholders, developing strategies for the institution's relationship network and developing new lines for those that do not exist. Likewise, among its objectives is the socialization of our strategic guidelines and axes with the different stakeholders, as well as with the press. In this sense, the Deputy Manager is responsible for the linkage and feedback of these strategic axes in the Bank's branches and subsidiaries, in addition to repositioning BancoEstado as a leading player in Financial Education, focusing on the audiences considered the most important.

Considering that the company must ensure that it maintains a single discourse that is consistent with its strategic guidelines and the corporate messages of its communications, we have established procedures to guide the Bank's relationship with the media. This procedure indicates how to operate in cases of direct contact with the media, face-to-face consultations, public events and the Bank's official accounts in social networks.

06 Our employees

6.1 Inclusion and diversity

6.2 Well-being and work environment

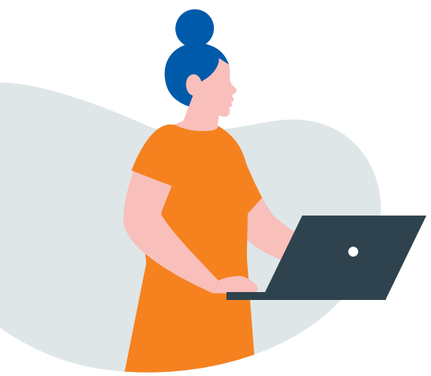
6.3 Organizational development

6.4 Employment relations

6.5 Health and Security

Corporate staffing by region

GRI 2-7



In order to achieve our social role and advance in our purpose, we require the commitment of all BancoEstado and its subsidiaries' employees. For this reason, we seek to attract the best talent, generating working conditions that allow for their professional and personal development, taking care of their welfare, while generating a safe and positive environment that allows us to reconcile the needs of our clients with the objectives of our workers. We are aware and are concerned about continuing to advance in good practices and welfare policies that promote equality, diversity, attraction and retention of the talent of those who help us to fulfill our daily work.

*Calculation includes endowment BancoEstado and Subsidaries.

We have 15,352 employees, present throughout Chile, committed to promoting an innovative, social and sustainable financial ecosystem that makes Chile a better country.

10,049
BancoEstado.

1,136
BancoEstado Microempresas.

1,774
BancoEstado Express.

1,320
BancoEstado Contacto 24 horas.

700
BancoEstado Cobranzas.

119
BancoEstado Corredores de Seguros.

67
BancoEstado Administradora General de Fondos.

56
BancoEstado CajaVecina.

49
BancoEstado Corredores de Bolsa.

82
Red Global.

15,352
Total Employees Corporation

BancoEstado

29%
of the people in management positions are women.

50%
of our staff are women.

98%
unionization.

59%
vacancies filled by internal personnel.

17.4
average hours of training.

BancoEstado Microempresas

29%
of the people in management positions are women.

63%
of our staff are women.

94%
unionization.

40%
vacancies filled by internal personnel.

72.7
average hours of training.

BancoEstado Express

14%
of the people in management positions are women.

60%
of our staff are women.

98%
unionization.

13%
vacancies filled by internal personnel.

80.6
average hours of training.

BancoEstado Contacto 24 Horas

67%
of the people in management positions are women.

78%
of our staff are women.

48%
unionization.

13.9
average hours of training.

BancoEstado Administradora General de Fondos

29%
of the people in management positions are women.

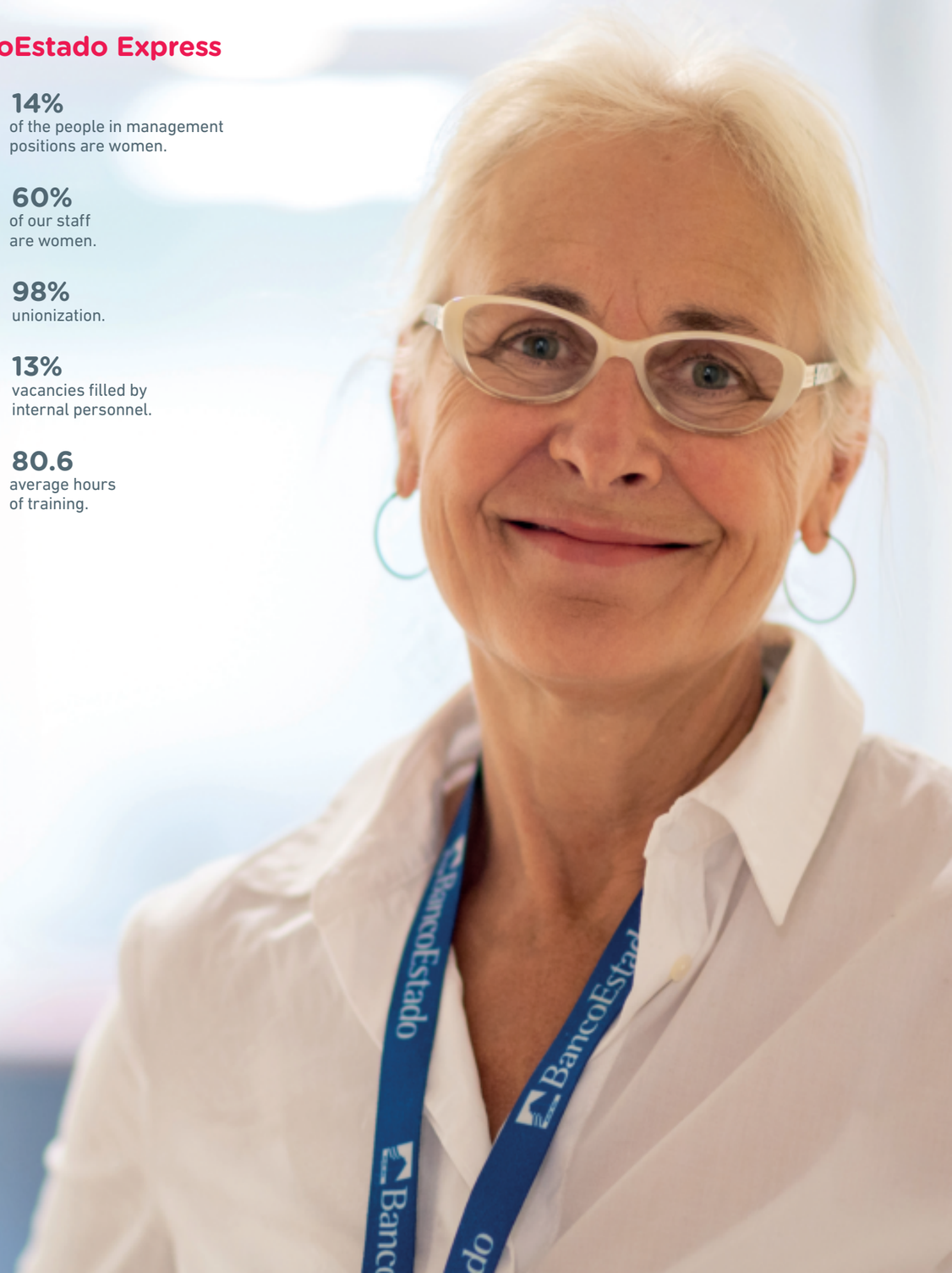
34%
of our staff are women.

85%
unionization.

63%
vacancies filled by internal personnel.

15.2
average hours of training.

Note: "the people in management positions are women", considers management an sub-management positions.



BancoEstado Cobranzas

22% of the people in management positions are women.

64% of our staff are women.

76% unionization.

50% vacancies filled by internal personnel.

76.5 average hours of training.

BancoEstado Corredores de Bolsa

50% of the people in management positions are women.

41% of our staff are women.

82% unionization.

43% vacancies filled by internal personnel.

24.30 average hours of training.

BancoEstado Corredores de Seguros

38% of the people in management positions are women.

62% of our staff are women.

82% unionization.

54% vacancies filled by internal personnel.

22.6 average hours of training.

BancoEstado CajaVecina

33% of the people in management positions are women.

57% of our staff are women.

There is no union.

50% vacancies filled by internal personnel.

11.9 average hours of training.

BancoEstado Red Global

40% of the people in management positions are women.

41% of our staff are women.

There is no union.

18% vacancies filled by internal personnel.

6.5 average hours of training.

Note: "the people in management positions are women", considers management an sub-management positions.

6.1

Inclusion and diversity

CMF 3.1.vi, 3.1.vii, 5.4.1, 5.5.a

We have made significant progress in the participation of women in senior management positions, reaching 46% of women executives in the first line of BancoEstado.

At BancoEstado we are committed to the implementation of actions that allow us to advance in issues related to inclusion and diversity in the organization. Based on BancoEstado's Diversity and Inclusion Policy, we ensure respectful and non-discriminatory practices, and encourage the hiring of people with disabilities and immigrants, expanding their presence to direct customer service in order to provide comprehensive attention. In addition to the above, we have proposed a gender balance in the different levels of positions, so that there is always a representation of at least 40% of each gender.

During 2022, we began the process of implementing Chilean Standard N°3262 "Gender Equality and Work-Life Balance" and the inclusion of people with disabilities.

In addition, we generated an accompaniment program for leaders who are appointed in this role for the first time, to advise them on the leadership practices of our organization, including a special module on Diversity and Inclusion, which incorporates gender issues. Additionally, we developed a Diversity course in partnership with the Universidad Adolfo Ibáñez (UAI).

BancoEstado Microempresas subsidiary was recertified this year 2022 with the Nch3262 standard.

In order to generate a culture of diversity, we continued with our awareness process through internal media articles related to gender and associated biases. In March 2022, to commemorate Women's Month, we held a conversation with women leaders called "Women who did not set limits", in which we addressed the experience of this role in our organization.

BancoEstado achieved first place in the financial sector in the IMAD 2022 ranking, an instrument that measures the presence of women in the top management of the country's largest companies. In the Development and Benefits item, we stand out with salary compensation policies and different benefits aimed at a better work-life balance.

6.2

Well-being and work environment

CMF 5.7.a, 5.7.b; 202 -1

A constant concern of the Bank is to generate workers who are motivated with their role and who can perform in working conditions that contribute to their development and integral wellbeing.

For this reason, we have a variety of benefits focused on health, conciliation and co-responsibility, education and recreation, which are communicated through the MiBE Intranet platform and the MiBE app, in addition to the websites of Wellness, the Isapre Fundación, the BancoEstado Sports Corporation (CODEBECH) and the BancoEstado Workers' Union.

Number of visits to internal communications platforms	2021	2022
MiBE app views	5,588	5,988
MiBE Intranet views	4,786	4,951

At BancoEstado we have a minimum remuneration policy of Ch$ 710,581 gross, 1.78 times the legal minimum salary. We have the BancoEstado Integral Benefits System for those workers, active and retired, who are members of Bienestar. This system is supported by contributions from the Corporation (2.5% of each worker's remuneration) and contributions from the workers (1% of each worker's or retiree's remuneration or pension).

In addition, all subsidiaries have their own portfolio of benefits for their workers. Family benefits are included, such as additional days of leave for parents, winter and summer benefits for sons and daughters, reimbursement for recreational activities during children's vacations, marriage bonus and leave, flexible working hours for fathers, among others.

For more information on parental leave and related benefits, please see appendix

Los Mejores Lugares para Trabajar™
Great Place To Work.
CHILE 2022

Great Place To Work (GPTW)

On an annual basis, we measure ourselves at the corporate level through the Great Place To Work (GPTW) survey, which allows us to monitor our employees' perception of their bosses and environment. We are very pleased and proud to report that in 2022 the results of the GPTW survey give us 86 points in area vision and 83 in corporate vision, improving in both visions and closing the gap between them. In addition, BancoEstado obtained the 7th place as the best company where women can work, in the category of companies with more than 1,000 workers. The following is a summary of the scores obtained:

Great Place to Work Findings – Corporate visión

- 83 points Credibility
- 81 points Respect
- 81 points Fairness
- 86 points Pride
- 86 points Camaraderie

90%
Employee engagement.

77%
Coverage of participation.

85%
Overall average target.

Our work in conciliation was recognized by Fundación Chile Unido and El Mercurio through the "Integrar Vida Personal y Trabajo, Mejores Organizaciones 2022" Study Awards, which each year recognizes organizations that demonstrate their concern for improving the quality of life of their workers and promoting the conciliation between work and personal life. We received four awards in the Public Organizations category; our bank won in the Public Organizations category; the other was received by BancoEstado Corredores de Seguros in the SMEs category, while the third and fourth were the "Seal of Distinction" achieved by our subsidiaries BancoEstado Corredores de Bolsa and CajaVecina.

During 2022, we created all the conditions so that, in March 2023, we will begin to reduce the working time to 40 hours a week, thus favoring the reconciliation between work and personal life, while implementing the first teleworking teams, affecting the perception of care of our workers.

6.3

Organizational development

Training, performance evaluation and career development are priorities for the people area, as they allow our employees to grow professionally and personally, while driving the achievement of our strategic objectives.

Since 2021 we have implemented the CampusBE learning platform for BancoEstado and seven of its nine subsidiaries (BancoEstado Microempresas and BancoEstado Express have their own platforms). This digital space is installed as the main learning place for workers, with a focus on incorporating training spaces that allow our workers to become certified, empowering people in their knowledge.

At CampusBE, we develop training related to each position, in addition to campaigns with shared financing and mandatory regulatory courses.

Complementarily, we make alliances with different academic entities to expand the offer of training programs, such as the UAI and the Universidad Técnica Federico Santa María.

During 2022, we made progress in the incorporation of new functionalities, such as automated reporting, which allows managers to take the lead in the development of their teams by being able to see the progress of their employees in terms of training and manage it based on better information. In addition, we deepened the training of the position, in order to reach every person in our institution with timely and cutting-edge training. We also implemented a new system called Agoras to store and manage training data in classroom, virtual and hybrid formats, allowing us better access and quality of information to guide our training processes.

All these advances have been recognized by our employees. In 2022, the development area obtained 61 points in the internal quality survey of the branch network, surpassing the industry standard of 50 points and increasing by 14 points compared to the previous year.

The main training programs in 2022 were oriented towards leadership, mentoring, support to advance agile methodologies, green finance, as well as enhancing change management to new platforms such as NuBE.

Outstanding training programs

GRI 404-2

School of Leadership

Its focus is to train leaders with the seal of integral leadership to manage their teams with a common, unique and distinctive style, through the acquisition of knowledge and skills to mobilize their teams towards the execution of the strategy.

During 2021-2022, the Corporation's executive staff and first-line managers participated in this training program in one of its four learning curriculums.

590

leaders graduated from the leadership school held jointly with UAI, with high-level professors and courses.

Mentor Training Program 2022

This program is complementary to the curriculum defined in the Leadership School and is intended for Managers and Assistant Managers of the BancoEstado Corporation. It develops mentoring competencies and skills to be used with other leaders.

52

executive leaders served as mentors.

Mentoring Program - Menteés 2022

Offers a space for development and professional growth to leaders of Corporación BancoEstado and Subsidiaries. Aimed at workers with a formal supervisory role, i.e., those who are in charge of people, whose performance is formally evaluated and, in the same way, are evaluated by them as leaders.

25

new mentors trained.

52

workers participated in mentoring program.

Business School

Program that since 2021 seeks to train employees in the commercial area of our branches, helping them to develop sales and commercial management skills, and to verify increases in individual and segment productivity. The contents are focused on reinforcing the commercial systematics of each role and enhancing customer management and communication skills from the perspective of agility.

300

people have participated in this course, with concrete positive results in 2022.

Leader Role Induction

Accompaniment program for leaders who assume the role for the first time, to induce them in the seal of integral leadership.

90

new leaders accompanied in their induction process.

Executive Induction

This program is designed to accompany appointed or hired managers and assistant managers as they assume their role in the organization, thus facilitating the process of alignment, cultural fit and effective contribution to their functions

107

new leaders accompanied in their induction process.

Performance evaluation

GRI 404-3

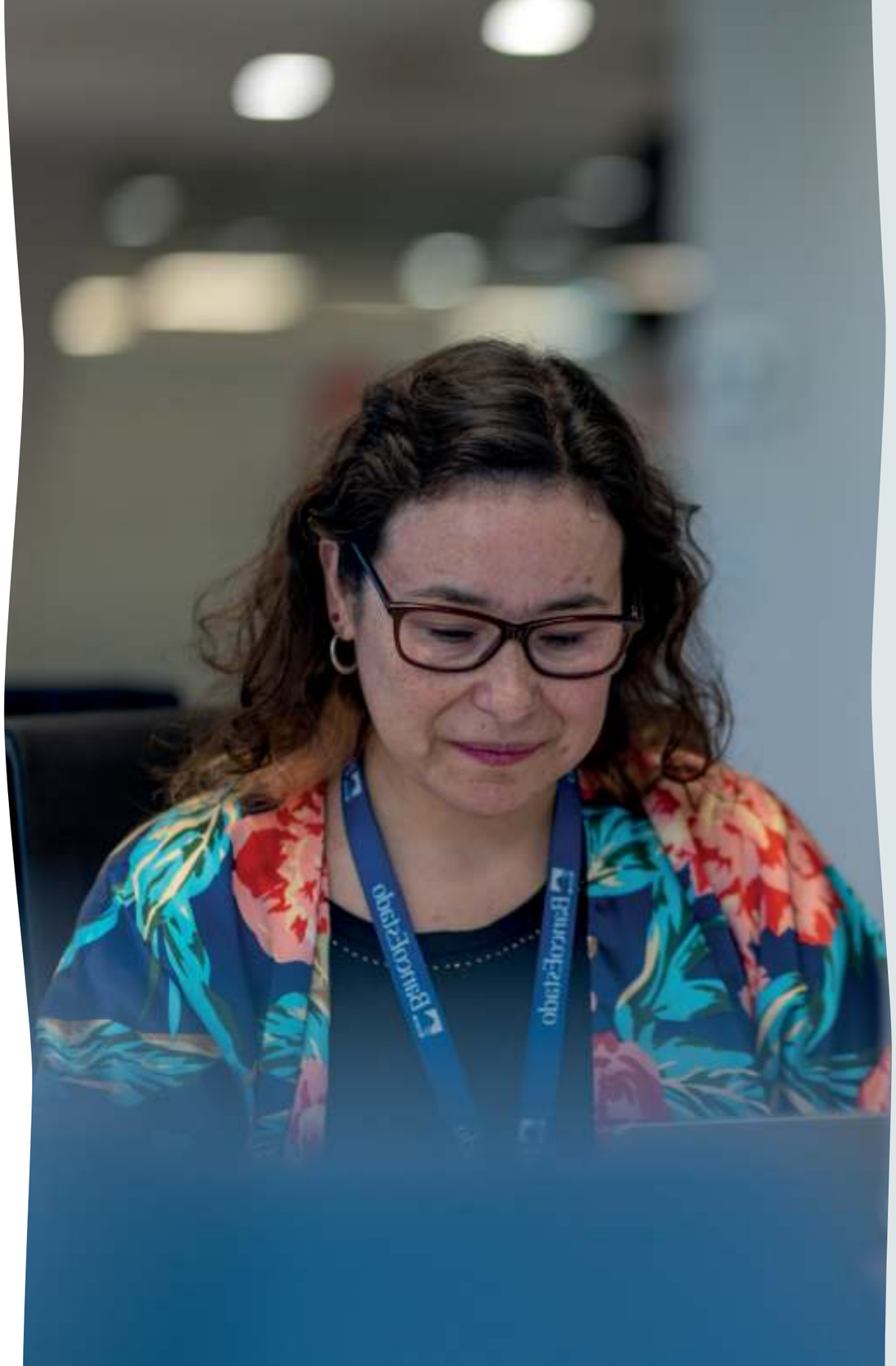
In terms of performance, we have a Performance Evaluation System (SED) linked to the incentive system, which includes 180° performance evaluations (bidirectional) based on the fulfillment of objectives both at the executive and managerial levels, as well as for male and female workers, where the conversations between leaders and their respective teams are key. During 2022, we focused on carrying out these feedback conversations, with a focus on growth and establishing commitments, in addition to generating Action Plans to accompany the development of workers.

We have an Executive Development Matrix, as a tool of the performance system, to map the organization's leaders, identifying talents and succession charts.

By 2022, we achieved 100% of executives calibrated, 82% of executives with identified successors, 27% of whom are women, and 86% of executives with an Executive Development Action Plan.

98%

of BancoEstado's employees were evaluated for their performance in the year 2022.



Career Development - Milestones 2022

- More than 4,600 workers have experienced mobility associated with career development. Of these, 434 people have taken on new positions, 1,558 have been promoted, 115 have been promoted for higher education and 2,427 have moved for merit-based promotions.

- In order to provide more development opportunities, we promoted a group of 160 branch employees who met different merit criteria.

- We trained more than 500 leaders in leadership skills, with emphasis on Development and Feedback Conversations, to guide the growth of their teams.

- We trained teams from different divisions on the importance of a good Performance Evaluation process with a focus on future development. This year we worked in particular with five management teams, covering more than 140 leaders, and we reinforced the meaning of this process with all employees through infographics and capsules of the evaluation process.

6.4 Employment relations

GRI 2-30

At BancoEstado we work so that labor relations add value to all our activities and improve the development of our Institution, always in a context of respect and shared adherence to BancoEstado's labor culture of dialogue. With this purpose in mind, during the year 2022, the permanent work with the union organization continued. Thus, the Labor Relations Management and the National Union, together with different areas of the Bank, executed the commitments of the Collective Bargaining Agreement in force, through the development of the Labor Agenda, organized in 13 commissions and tables. This instance was completed in 2022 with a total of 74 working meetings covering relevant topics such as teleworking, psychosocial risk factors, gender balance issues, inclusion and diversity, among others.

Collective bargaining 2022

- BancoEstado Cobranza carried out its regulated collective bargaining process.
- Centro Contacto Lota carried out early collective bargaining.
- BancoEstado Express developed its collective bargaining process with its three unions.

During 2022, BancoEstado's administration signed with BancoEstado's Union a new teleworking modality consisting of a three-day working day and two days of teleworking (3x2) for all positions identified as susceptible to telecommuting.

We were the first public government institution to implement the 40-hour workday, with a focus on improving our workers' quality of life.

The union celebrates its 65th anniversary with 98% of the company's workers affiliated, making it the largest union in the country.

6.5
Health and Security

CMF 5.6, GRI 403-1, 403-2, 403-4, 403-6, 403-8

Within BancoEstado's policies, we are committed to the safety and health of people. Currently, we have a Management System called BancoEstado Operational Risk Control (BECRO), covering 100% of our workers, which is aligned with international standards such as ISO 45001 and ILO conventions 87 and 98. Through this system we manage all aspects considered relevant to the business line and those established by current legislation on occupational health and safety.

Our Risk Prevention area, a key player in this management system, designs action plans and supervises practices, processes, facilities and work stations. Its work is complemented by that of the nearly 60 Health and Safety Joint Committees (CPHS) we have nationwide, which carry out accident investigations and follow up on corrective actions. At the same time, our workers, through the execution of Individual Work Programs, actively participate in BancoEstado's health and safety management.

Our management in terms of health and safety is characterized by:

- Comply with all legal provisions established in Law No. 16,744 on occupational accidents and occupational diseases, in addition to the decrees associated with that law.
- Establish priorities and action plans, in addition to defining continuous improvement in the performance of aspects that may impact workers.
- Encourage the participation of workers through the Joint Health and Safety Committees (CPHS).
- Promote that contractors and subcontractors comply with occupational health and safety standards.
- Measure and control potential risks of accidents and occupational diseases in the workplace, generating Individual Work Procedures, working in accordance with the provisions of the BECRO Plan, the annual safe work plan with Mutual de Seguridad, and the annual management goals for health and safe work.

We developed a Risk Matrix, called MIPER, in all our branches nationwide. This spreadsheet subdivides the general tasks, identifying hazards and risks associated with particular activities, assessing the priorities of frequency and severity of accidents. From it, we apply the corresponding mitigation measures according to their residual risk level. The matrices are constantly evaluated and revised in relation to the accident severity income, therefore, they are shared on an annual basis with the areas of scope.

On a monthly basis, the CPHS conducts evaluations of the work environment, with the aim of reducing the number of occupational accidents and occupational diseases. In addition, workers can report any health and safety risks or hazards through the CPHS, management and risk prevention communication channels (institutional box).

During 2022, the hazards identified that caused occupational accidents with the potential for major losses were related to criminal acts such as branch robberies. The activities carried out in the branch network to mitigate this risk correspond to the application of the Individual Work Programs through, for example, pre-opening checks. A second danger that has been present during the year 2022 is the Covid-19 pandemic; a risk that we have mitigated through the design, implementation and publication of more than six internal protocols.

During 2022, 6,281 workers participated in occupational health and safety risk identification activities.

In 2022, 100% of the branches were certified according to the Technical Evaluation Guideline for COVID-19 measures (COVID-19 GREEN SEAL). This recognition is indicative of compliance with all preventive health and safety measures for the health and welfare of BancoEstado workers. In addition, we reviewed the health and safety conditions in 300 branches during the year 2022.

For the prevention and mitigation of impacts on the health and safety of workers, the Bank conducts and reviews surveys of exposure to physical, chemical and biological agents present in the activities. By means of Industrial Hygiene and Industrial Safety techniques that contemplate the levels of exposure to these agents, we seek to determine the measures to avoid accidents and work-related illnesses. Additionally, we have a polyclinic exclusively for the use of workers in central areas, specific health examinations and preventive vaccination campaigns.

We carry out the following activities on an annual basis:

- We study the Bank's risk map and establish control measures.
- We identify different needs for the use of Personal Protective Equipment (PPE) or modifications to the workstation recommended by the Bank.
- We developed an Occupational Health program in conjunction with the Mutualidad and the Risk Prevention Department.
- We developed a training program to promote a safety culture and the proper use of PPE.

An important part of our health and safety management considers a constant concern for the psychosocial risks to which workers may be subjected. For this reason, we apply a Psychosocial Risk Protocol that allows us to evaluate those factors to which BancoEstado employees may be exposed, in order to generate action plans to reduce the incidence and prevalence of work-related stress and mental health problems of our workers.

In this area, we have the Beta Psychological Counseling Program, an individual and face-to-face psychological counseling service, which we offer to all BancoEstado employees, free of charge. Among the main topics we address are: relationship difficulties, management of school children and adolescents, loss of significant others, illnesses, various conflicts, domestic violence, among others. The counselor offers those who request the service, a private and confidential space to analyze and seek answers to their difficulties.

In 2022 we carried out the Application of the SUSESO ISTAS 21 instrument, for the management of psychosocial risk factors in the 400 branches from Arica to Punta Arenas. In this way we complied with the seven stages of the process, which includes the constitution of the Application Committee, Dissemination and Awareness, Application, Delivery of results and the Creation of an Action Plan for the management of psychosocial factors.

07 Consolidated Financial Statements

Independent Auditor's Report

To the Chairman and Board of Directors of
Banco del Estado de Chile:

The accompanying summary consolidated financial statements, which comprise the consolidated statements of financial position as of December 31, 2022 and 2021, and as of January 1, 2021, and the related consolidated statements of income, other comprehensive income, changes in equity, and cash flows for the years ended December 31, 2022 and 2021, are derived from the audited consolidated financial statements of Banco del Estado de Chile and its Subsidiaries for the years ended December 31, 2022 and 2021. We have expressed an unmodified audit opinion on these consolidated financial statements in our auditor's report dated February 27, 2023, which included an other matters paragraph, referred to the changes in the new Compendium of Accounting Standards for Banks issued by the Financial Market Commission (CMF) beginning on January 1, 2022. The audited consolidated financial statements and the summary consolidated financial statements derived therefrom do not reflect the effect of events, if any, that occurred subsequent to the date of our report on the audited consolidated financial statements.

The summary consolidated financial statements do not contain all the disclosures required by the accounting standards and instructions issued by the Financial Market Commission. Accordingly, reading the summary consolidated financial statements is not a substitute for reading the audited consolidated financial statements of Banco del Estado de Chile and its Subsidiaries.

Management's responsibility for the summary consolidated financial statements

Management is responsible for the preparation and fair presentation of the summary consolidated financial statements as described in the Note - Information Provided.

Auditor's responsibility

Our responsibility is to express an opinion as to whether the summary consolidated financial statements are consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which were performed in accordance with Auditing Standards Generally Accepted in Chile. Procedures consisted primarily of comparing the summary consolidated financial statements to the related information in the audited consolidated financial statements from which the summary consolidated financial statements have been derived and assessing whether the summary consolidated financial statements have been prepared in accordance with the basis described in the Note - Information Provided. We did not perform any audit procedures with respect to the audited consolidated financial statements subsequent to the date of our report on these audited consolidated financial statements.

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Santiago
Av. Presidente Riesco 5685,
piso 15, Las Condes

Opinion

In our opinion, the summary consolidated financial statements of Banco del Estado de Chile and its Subsidiaries referred to above as of and for the years ended December 31, 2022 and 2021 are consistent, in all material respects, with the audited consolidated financial statements from which they have been derived, based on the information described in the Note - Information Provided.

Danissa Castillo G. KPMG Ltda.

Santiago, February 27, 2023

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BANCO DEL ESTADO DE CHILE AND SUBSIDIARIES

Consolidated Statements of Financial Position
As of December 31, 2022 and 2021 and opening balance as of January 1, 2021
(In millions of Chilean pesos - MCh$)

	12.31.2022		12.31.2021	01.01.2021
	MUS$	MCh$	MCh$	MCh$
ASSETS				
Cash and due from banks	5,807	4,961,287	3,114,237	15,995,857
Transactions in the course of collection	184	157,118	288,601	174,045
Financial assets held for trading at fair value through profit or loss	4,597	3,927,649	2,801,577	2,701,557
Financial derivate contracts	2,990	2,554,646	1,730,742	1,589,908
Debt financial instruments	1,585	1,354,283	1,062,782	1,103,625
Other	22	18,720	8,053	8,024
Financial assets not held for trading mandatory values at fair value through profit or loss	-	-	-	-
Financial assets designated at fair value through profit or loss	-	-	-	-
Financial assets at fair value through other comprehensive income	12,106	10,341,975	15,869,156	4,883,433
Debt financial instruments	12,106	10,341,975	15,869,156	4,883,433
Other	-	-	-	-
Financial derivative contracts for accounting hedge	59	50,325	507,368	132,350
Financial assets at amortized cost	40,203	34,345,381	28,399,737	26,579,438
Rights under resale agreements and securities lending agreements	111	94,696	177,459	60,401
Debt financial instruments	3,737	3,192,215	45,670	77,870
Loans and advances to banks	875	747,705	800,190	622,440
Loans and accounts receivable from customers - Commercial	17,794	15,201,481	14,170,037	13,686,003
Loans and accounts receivable from customers - Mortgage	15,293	13,064,696	11,422,539	10,368,157
Loans and accounts receivable from customers - Consumer	2,393	2,044,588	1,783,842	1,764,567
Investments in associates	25	21,006	19,872	17,987
Intangible assets	52	44,657	53,749	76,394
Property, plant and equipment	380	325,005	326,713	348,653
Right-of-use assets	93	79,604	84,579	101,183
Current taxes	3	2,919	3,516	1,341
Deferred taxes	2,073	1,770,538	1,438,664	1,184,501
Other assets	1,244	1,062,393	673,761	915,606
Non-current assets and disposable groups for sale	1	927	641	1,742
TOTAL ASSETS	**66,827**	**57,090,784**	**53,582,171**	**53,114,087**

BANCO DEL ESTADO DE CHILE AND SUBSIDIARIES

Consolidated Statements of Financial Position
As of December 31, 2022 and 2021 and opening balance as of January 1, 2021
(In millions of Chilean pesos - MCh$)

	12.31.2022		12.31.2021	01.01.2021
	MUS$	MCh$	MCh$	MCh$
LIABILITIES				
Transactions in the course of payments	157	133,718	274,437	768,319
Financial liabilities held for trading at fair value through profit or loss	3,005	2,567,174	1,772,206	1,528,005
Financial derivative contracts	3,005	2,567,174	1,772,206	1,528,005
Other	-	-	-	-
Financial liabilities designated at fair value through profit or loss	-	-	-	-
Financial derivative contracts for accounting hedge	549	469,302	72,386	249,356
Financial liabilities at amortized cost	55,197	47,155,139	45,531,173	45,665,614
Deposits and other on-demand liabilities	17,602	15,037,612	17,265,263	16,938,270
Deposits and other time deposits	20,888	17,845,104	15,015,068	16,219,011
Liabilities for repurchase agreements and securities lending	1,384	1,182,342	1,112,794	824,293
Bank borrowings	5,400	4,612,921	4,325,079	3,593,925
Debt financial instruments issued	9,735	8,316,753	7,692,789	7,982,121
Other financial liabilities	188	160,407	120,180	107,994
Lease liabilities	94	80,325	83,295	93,734
Regulatory capital financial instruments issued	1,423	1,215,437	1,082,186	1,024,209
Provisions for contingencies	243	207,516	185,619	178,524
Provisions for dividends, interest payments and repricing of regulatory capital financial instruments issued	542	462,707	303,948	141,714
Special allowances for credit risk	1,142	975,393	697,007	568,805
Current taxes	216	184,942	564,326	244,756
Deferred taxes	-	670	7	151
Other liabilities	796	679,968	781,506	636,908
Liabilities included in disposable groups for sale	-	-	-	-
TOTAL LIABILITIES	**63,364**	**54,132,291**	**51,348,096**	**51,100,095**
EQUITY				
Capital	1,666	1,422,887	970,337	970,337
Reserves	1,556	1,329,181	1,143,802	1,072,945
Other accumulated comprehensive income	(37)	(31,764)	52,889	(36,421)
Items not to be reclassified to profit or loss	(8)	(6,534)	(1,367)	(8,103)
Items that can be reclassified to profit or loss	(29)	(25,230)	54,256	(28,318)
Retained earnings from prior years	-	-	-	-
Profit for the year	812	694,056	366,010	141,714
Less: Provisions for dividends, interest payments and repricing of regulatory capital financial instruments issued	(542)	(462,707)	(303,948)	(141,714)
Equity holders of the Bank	3,455	2,951,653	2,229,090	2,006,861
Non-controlling interest	8	6,840	4,985	7,131
TOTAL EQUITY	**3,463**	**2,958,493**	**2,234,075**	**2,013,992**
TOTAL LIABILITY AND EQUITY	**66,827**	**57,090,784**	**53,582,171**	**53,114,087**

BANCO DEL ESTADO DE CHILE AND SUBSIDIARIES

Consolidated Statements of Income
For the years ended December 31, 2022 and 2021
(In millions of Chilean pesos - MCh$)

	12.31.2022		12.31.2021
	MUS$	MCh$	MCh$
Interest income	3,299	2,818,445	1,338,594
Interest expenses	(1,758)	(1,502,255)	(502,448)
Net interest income	**1,541**	**1,316,190**	**836,146**
Inflation indexation income	2,573	2,198,679	1,016,609
Inflation indexation expenses	(1,577)	(1,347,524)	(623,472)
Net inflation indexation income	**996**	**851,155**	**393,137**
Commissions income	875	748,051	737,895
Commission expenses	(353)	(301,702)	(265,777)
Net commission income	**522**	**446,349**	**472,118**
Financial result for:			
Financial assets and liabilities held for trading	143	122,190	(171,749)
Non-trading financial assets mandatorily measured at fair value through profit or loss	-	-	-
Financial assets and liabilities designated at fair value through profit or loss	-	-	-
Income arising from derecognition of financial assets and liabilities measured at amortized cost and financial assets measured at fair value through other comprehensive income	54	45,818	19,985
Foreign exchange, indexations and accounting hedging of foreign currencies	12	10,117	296,562
Reclassifications of financial assets due to change of business model	-	-	-
Other financial income	-	-	-
Net financial income	**209**	**178,125**	**144,798**
Profit or loss from investments in companies	4	3,836	271
Gain or loss from non-current assets and disposal groups not eligible as discontinued operations	-	200	(1,599)
Other operating income	97	82,463	40,410
TOTAL OPERATING INCOME	**3,369**	**2,878,318**	**1,885,281**
Expenses for employee benefits obligations	(631)	(539,156)	(487,325)
Administrative expenses	(375)	(320,056)	(292,860)
Depreciation and amortization	(90)	(77,292)	(90,807)
Impairment of non-financial assets	-	-	-
Other operating expenses	(73)	(61,396)	(76,154)
TOTAL OPERATING EXPENSES	**(1,169)**	**(997,900)**	**(947,146)**
OPERATING INCOME BEFORE CREDIT LOSSES	**2,200**	**1,880,418**	**938,135**

BANCO DEL ESTADO DE CHILE AND SUBSIDIARIES

Consolidated Statements of Income
For the years ended December 31, 2022 and 2021
(In millions of Chilean pesos - MCh$)

	12.31.2022		12.31.2021
	MUS$	MCh$	MCh$
Credit loss expenses for:			
Allowances for credit risk loans and advances to banks and loans and accounts receivable from customer	(525)	(448,653)	(221,520)
Special allowances for credit risk	(325)	(277,332)	(128,202)
Recovery of written-off loans	89	75,707	89,755
Impairment for credit risk on other financial assets at amortized cost and financial assets at fair value through other comprehensive income	(61)	(51,857)	3,631
Credit loss expense	**(822)**	**(702,135)**	**(256,336)**
OPERATING INCOME	**1,378**	**1,178,283**	**681,799**
Income from continuing operations before income taxes	1,378	1,178,283	681,799
Income tax	(545)	(466,155)	(303,070)
Income from continuing operations after income tax	833	712,128	378,729
Income from discontinued operations before income taxes	-	-	-
Taxes from discontinued operations	-	-	-
Income from discontinued operations after taxes	-	-	-
CONSOLIDATED PROFIT FOR THE YEAR	**833**	**712,128**	**378,729**
Attributable to:			
Equity holders of the Bank	812	694,056	366,010
Non-controlling interest	21	18,072	12,719
	833	**712,128**	**378,729**

BANCO DEL ESTADO DE CHILE AND SUBSIDIARIES

Consolidated Statements of Other Comprehensive Income
For the years ended December 31, 2022 and 2021
(In millions of Chilean pesos - MCh$)

	12.31.2022		12.31.2021
	MUS$	MCh$	MCh$
CONSOLIDATED PROFIT FOR THE YEAR	**833**	**712,128**	**378,729**
Other comprehensive income for the year of:			
ITEMS NOT TO BE RECLASSIFIED TO PROFIT OR LOSS	**(6)**	**(5,167)**	**6,737**
Re-measurement of net defined benefit liability and actuarial results for other employee benefit plans	(17)	(14,784)	20,215
Changes in fair value of equity instruments designated at fair value through other comprehensive income	-	102	(302)
Changes in the fair value of financial liabilities designated at fair value through profit or loss attributable to changes in the credit risk of the financial liability	-	-	-
Other	-	-	-
OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO INCOME BEFORE INCOME TAXES	**(17)**	**(14,682)**	**19,913**
Income tax on other comprehensive income that will not be reclassified to profit or loss	**11**	**9,515**	**(13,176)**
TOTAL OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO INCOME AFTER TAXES	**(6)**	**(5,167)**	**6,737**
ITEMS THAT CAN BE RECLASSIFIED TO PROFIT OR LOSS	**(93)**	**(79,486)**	**82,574**
Changes in fair value of financial assets at fair value through other comprehensive income	71	60,418	(70,200)
Translation differences for foreign entities	-	19	(40,742)
Accounting hedges of net investments in foreign entities	-	-	43,855
Cash flow hedge accounting	(337)	(287,614)	297,250
Undesignated elements of hedging accounting instruments	-	-	-
Share in other comprehensive income of entities accounted for by the equity method	-	13	(6)
Other	-	-	-
OTHER COMPREHENSIVE INCOME THAT MAY BE RECLASSIFIED TO INCOME BEFORE INCOME TAX	**(266)**	**(227,164)**	**230,157**
Income taxes on other comprehensive income that can be reclassified to income	173	147,678	(147,583)
TOTAL OTHER COMPREHENSIVE INCOME THAT MAY BE RECLASSIFIED TO INCOME AFTER TAXES	**(93)**	**(79,486)**	**82,574**
TOTAL OTHER COMPREHENSIVE INCOME FOR THE YEAR	**(99)**	**(84,653)**	**89,311**
CONSOLIDATED COMPREHENSIVE INCOME FOR THE YEAR	**734**	**627,475**	**468,040**
Attributable to:			
Equity holders of the bank	713	609,403	455,320
Non-controlling interest	21	18,072	12,720
	734	**627,475**	**468,040**

BANCO DEL ESTADO DE CHILE AND SUBSIDIARIES

Consolidated Statements of Cash Flows
For the years ended December 31, 2022 and 2021
(In millions of Chilean pesos - MCh$)

	12.31.2022		12.31.2021
	MUS$	MCh$	MCh$
A) CASH FLOWS PROVIDED BY OPERATING ACTIVITIES:			
CONSOLIDATED PROFIT BEFORE INCOME TAXES FOR THE YEAR	**1,379**	**1,178,283**	**681,799**
Charges (credits) to income that do not represent cash movements:			
Depreciation and amortization	90	77,292	90,807
Impairment of non-financial ssets	-	-	-
Impairment due to credit risk	61	51,857	(3,631)
Allowances for credit risks	525	448,653	221,520
Allowances for contingent accounts receivable	19	16,395	9,375
Additonal allowance expenses for loans	307	262,599	116,500
Adjustment to market value of non-permanent investments	573	489,559	(65,338)
Income from investments in companies	(5)	(4,496)	(271)
Net gain on sale of goods received in lieu of payment	(1)	(1,273)	(2,183)
Income gain on sale of property, plant and equipment	-	(1)	(33)
Write-offs of assets received in payment	2	1,449	3,758
Other charges that do not represent cash flows	272	230,899	132,322
Net change in accrued interest and indexation on assets and liabilities	(950)	(812,011)	(195,968)
Net change in accrued commissions on assets and liabilities	4	3,398	(432)
Changes due to increase/decrease in assets and liabilities that affect operating cash flow:			
Decrease (increase) in investments for trading	65	55,209	(334,170)
Increase in loans	(4,198)	(3,586,287)	(1,815,331)
Increase in held-to-maturity and available-for-sale investments	(2,865)	(2,447,873)	(729,572)
Decrease (increase) in other credit operations	61	52,485	(177,750)
(Decrease) increase in current account payables	(296)	(252,983)	1,000,116
Increase (decrease) in deposits and fundraising	839	716,712	(1,527,000)
(Increase) decrease in other liabilities on demand or time deposits	162	138,656	(351,814)
Increase in other liabilities for document intermediation	81	69,548	288,501
Decrease in loans obtained from banks in the country	(1)	(580)	(1,014)
Increase (decrease) in loans obtained from foreign banks	341	291,322	(229,832)
(Decrease) increase of loans obtained from Banco Central	(3)	(2,900)	962,000
(Decrease) increase in other assets and other liabilities	(1,214)	(1,037,472)	128,018
Interest and inflation-indexation received	3,946	3,371,485	1,802,923
Interest and indexation paid	(2,360)	(2,016,151)	(748,084)
Commissions received	880	751,449	717,014
Commissions paid	(353)	(301,702)	(265,777)
Taxes paid	(1,138)	(972,369)	(388,909)
Sale of foreclosed assets received in payment	2	1,813	4,464
Total net cash flows used in operating activities	**(3,775)**	**(3,227,035)**	**(677,992)**

BANCO DEL ESTADO DE CHILE AND SUBSIDIARIES

Consolidated Statements of Cash Flows
For the years ended December 31, 2022 and 2021
(In millions of Chilean pesos - MCh$)

	12.31.2022		12.31.2021
	MUS$	MCh$	MCh$
B) CASH FLOWS FROM INVESTING ACTIVITIES:			
Acquisitions of investments in companies	-	-	(2,616)
Disposals of investments in companies	1	1,319	-
Dividends received from investments in companies	1	693	667
Property, plant and equipment acquisitions	(62)	(52,527)	(36,524)
Disposals of property, plant and equipment	-	7	9
Acquisitions of intangible assets	(15)	(12,417)	(11,181)
Disposals of intangible assets	-	-	-
Total net cash flows used in investing activities	**(75)**	**(62,925)**	**(49,645)**
C) CASH FLOWS FROM FINANCING ACTIVITIES:			
Attributable to the interest of the owners:			
Issuance of letters of credit	-	-	-
Redemption and payment of interest / principal on letters of credit	(112)	(95,505)	(110,221)
Issuance of current bonds	3,598	3,073,679	489,573
Redemption and payment of interest / principal on current bonds	(3,359)	(2,869,171)	(1,524,300)
Issuance of mortgage bonds	-	-	-
Redemption and payment of interest / principal on mortgage bonds	-	-	-
Payment of interest / principal on lease liabilities	(16)	(13,650)	(13,816)
Subordinated bond issuance	39	33,744	30,338
Payment of principal of subordinated bonds	(46)	(39,157)	(33,855)
Payment of interest on subordinated bonds	(47)	(40,064)	(37,561)
Issuance of bonds with no fixed term to maturity	-	-	-
Redemption and interest payments on bonds with no fixed maturity date	-	-	-
Issuance of preferred shares	-	-	-
Redemption of preferred shares and payment of preferred share dividends	-	-	-
Increase in paid-in capital	530	452,550	-
Payment of common stock dividends	(213)	(182,370)	(70,857)
Attributable to non-controlling interest:			
Payment of dividends and/or withdrawals of paid-in capital made with respect to Subsidiaries corresponding to non-controlling interest	(13)	(11,402)	(12,564)
Total net cash flows provided BY financing activities	**361**	**308,654**	**(1,283,263)**
D) CHANGE IN CASH AND CASH EQUIVALENTS DURING THE YEAR	**(3,489)**	**(2,981,306)**	**(2,010,900)**
EFFECT OF EXCHANGE RATE VARIATIONS	**-**	**93**	**79,764**
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	**16,621**	**14,199,841**	**16,130,977**
ENDING BALANCE OF CASH AND CASH EQUIVALENTS	**13,132**	**11,218,628**	**14,199,841**

BANCO DEL ESTADO DE CHILE AND SUBSIDIARIES

Consolidated Statements of Changes in Equity
For the years ended December 31, 2022 and 2021
(In millions of Chilean pesos - MCh$)

	Equity attributable to holders of the bank						
Sources of changes in equity	Capital	Reserves	Other accumulated comprehensive income	Retained earnings of prior years and profit for the year	Total	Non-controlling interest	Total equity
	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$	MCh$
Closing balances as of December 31, 2021	**970,337**	**1,148,905**	**52,889**	**60,791**	**2,232,922**	**4,985**	**2,237,907**
Effects of changes in accounting policies	-	(5,103)	-	1,271	(3,832)	-	(3,832)
Closing balances as of December 31, 2021 restated	**970,337**	**1,143,802**	**52,889**	**62,062**	**2,229,090**	**4,985**	**2,234,075**
Earning reserve from the effect of changes in accounting policies	-	1,271	-	(1,271)	-	-	-
Change in unrestricted lines of credit weighting	-	(395)	-	-	(395)	-	(395)
Opening balances as of January 1, 2022	**970,337**	**1,144,678**	**52,889**	**60,791**	**2,228,695**	**4,985**	**2,233,680**
Capital contribution	452,550	-	-	-	452,550	-	452,550
Transfer of credit risk impairment - IFRS 9 to profit or loss for the year	-	2,134	-	-	2,134	-	2,134
Reserves from aernings	-	182,369	-	(182,369)	-	-	-
Dividend payments	-	-	-	(182,370)	(182,370)	(2,424)	(184,794)
Provision for dividend payment	-	-	-	(158,759)	(158,759)	(13,793)	(172,552)
Subtotal: Transactions with owners in the year	**452,550**	**184,503**	**-**	**(523,498)**	**113,555**	**(16,217)**	**97,338**
Profit for the year	-	-	-	694,056	694,056	18,072	712,128
Other comprehensive income for the year	-	-	(84,653)	-	(84,653)	-	(84,653)
Subtotal Comprehensive income for the year	**-**	**-**	**(84,653)**	**694,056**	**609,403**	**18,072**	**627,475**
CLOSING BALANCE AS OF DECEMBER 31, 2022	**1,422,887**	**1,329,181**	**(31,764)**	**231,349**	**2,951,653**	**6,840**	**2,958,493**
Equity as of 12/31/2022 MUS$	**1,666**	**1,556**	**(37)**	**270**	**3,455**	**8**	**3,463**
Opening balances as of January 1, 2021	**970,337**	**1,072,945**	**(36,421)**	**-**	**2,006,861**	**7,131**	**2,013,992**
Reserves from aernings	-	70,857	-	(70,857)	-	-	-
Dividend payments	-	-	-	(70,857)	(70,857)	(4,572)	(75,429)
Provision for payment of dividends	-	-	-	(162,234)	(162,234)	(10,294)	(172,528)
Subtotal: Transactions with owners in the year	**-**	**70,857**	**-**	**(303,948)**	**(233,091)**	**(14,866)**	**(247,957)**
Profit for the year	-	-	-	366,010	366,010	12,719	378,729
Other comprehensive income for the year	-	-	89,310	-	89,310	1	89,311
Subtotal Comprehensive income for the year	**-**	**-**	**89,310**	**366,010**	**455,320**	**12,720**	**468,040**
CLOSING BALANCE AT DECEMBER 31, 2021	**970,337**	**1,143,802**	**52,889**	**62,062**	**2,229,090**	**4,985**	**2,234,075**

NOTE – INFORMATION PROVIDED

The full version of the Financial Statements and related notes, the Financial Report and the related Independent Auditors' Report are available to the interested parties on the website www.bancoestado.cl.

The publication of these Summary Consolidated Financial Statements, which are in accordance with the criteria established by the Financial Market Commission (CMF) in its Compendium of Accounting Standards for Banks (CNC), and do not include all the explanatory notes (disclosures) of the Audited Consolidated Financial Statements for 2022 and 2021. Accordingly, for adequate interpretation of these Summary Consolidated Financial Statements, they should be read in conjunction with the Audited Consolidated Financial Statements and their related notes.

On February 27, 2023, the External Auditors, KPMG Ltda., issued an unmodified audit opinion on the Consolidated Financial Statements of Banco del Estado de Chile and its Subsidiaries as of December 31, 2022 and 2021.

Company name
Banco del Estado de Chile

Fantasy Name
BancoEstado

RUT
97.030.000-7

Establishment
Banco del Estado de Chile was founded in 1953 with the merger of Caja Nacional de Ahorros, Caja de Crédito Hipotecario, Caja de Crédito Agrario and Instituto de Crédito Industrial. Its Organic Law is contained in Decree Law No. 2,079, published on January 18, 1978.

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Control and supervision
It is linked to the State through the Ministry of Finance and its operation is supervised by the Financial Market Commission (CMF).

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Sustainability Department

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