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| | |
|---|--|
| Name of the organization: | Itaú Corpbanca 102-1 |
| Taxpayer ID Number: | 97.023.000-9 |
| Ownership and legal form: | A special banking corporation governed by the General Banking Law and, as appropriate, Law No. 18,046 on Corporations and Law No. 18,045 on Securities Markets. 102-5 |
| Headquarters: | Rosario Norte N°660, Las Condes, Santiago. Presidente Riesco N°5537, Las Condes, Santiago. 102-3 |
| Mailing address: | P.O. Box 80-D |
| Telephone: | (56 2) 2687 8000 |
| Website: | www.itaui.cl |
| Reporting period: | 2018 102-50 |
| Questions about this document may be submitted to: | asuntos.corporativos@itaui.cl 102-53 |

Ch\$ = Figures expressed in Chilean pesos.

MCh\$ = Figures expressed in millions of Chilean pesos.

US\$ = Figures expressed in US dollars.

ThUS\$ = Figures expressed in thousands of US dollars.

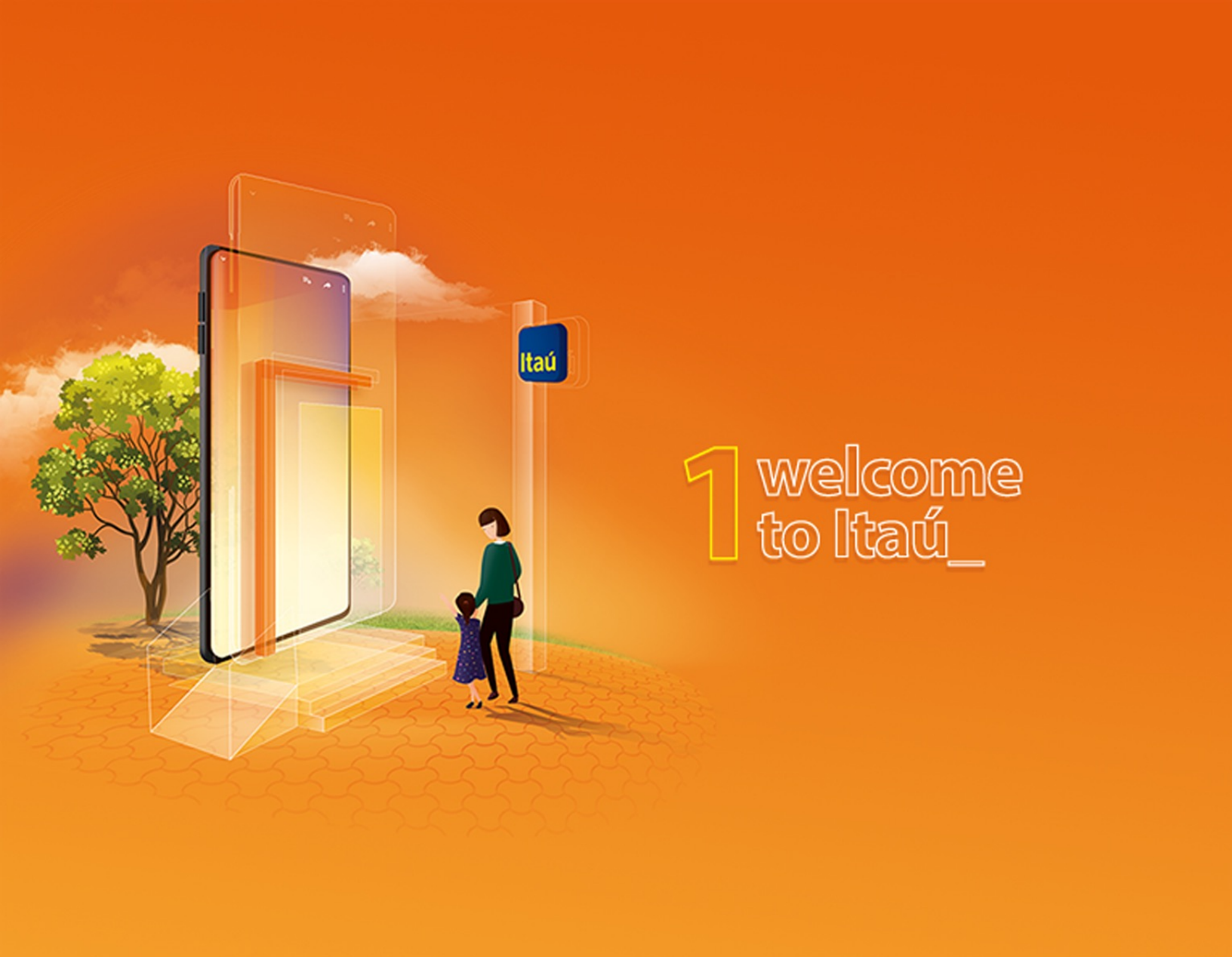
MUS\$ = Figures expressed in millions of US dollars.

COP\$ = Figures expressed in Colombian pesos.

MCOP\$ = Figures expressed in millions of Colombian pesos.

UF = Figures expressed in Unidades de Fomento (a Chilean inflation-indexed, peso-denominated monetary unit that is set daily based on changes in the Chilean Consumer Price Index).

UTM = Figures expressed in monthly tax units.



1 welcome
to Itaú_

Our Way

- Simple. Always.

Stakeholders

- Customers
- Employees
- Shareholders/Investors
- Society
- Suppliers
- Authorities
- Trade Unions
- The Media

1.1. A Word from Our Chairman

102-14

Dear Shareholders,

It is with great satisfaction that I present Itaú Corpbanca's first Integrated Report.

We have accomplished our goal of combining the Bank's annual report and sustainability report into a single document. The new integrated report provides a comprehensive look at our financial, social, environmental and economic performance.

The document enables us to disclose the most relevant financial and non-financial information on the Bank's 2018 performance to you, the investors and other stakeholders. As such, we assign it great importance.

This first Integrated Report marks the end of a very positive year in terms of consolidating the new bank.

The results contained herein reflect consistent, primarily customer-centered efforts along with a service and product offering designed with our portfolio's different segments in mind.

As this year comes to a close, we are in a favorable position to compete and grow alongside prestigious industry players.

The merger process has been long and complex; however, its benefits are apparent. Consolidating the two banks' operations brought us to a size that enables us to face the regulatory and market challenges that lie ahead.

Our 2018 achievements are not limited to the financial realm. We have never been indifferent to how our results are achieved. That is why we are proud to be continually recognized among the market leaders in economic and socio-environmental performance. For the third straight year, Itaú Corpbanca has earned a prominent place on the Dow Jones Sustainability Index Chile (DJSI Chile), one of the local market's leading sustainability indices.

We know that there is still room from improvement and that we must make progress without neglecting our strategic pillars: maintaining our leadership position in the Chilean banking industry; continuing to improve quality and customer satisfaction in order to become our customers' main bank; attracting and retaining talent; and becoming the industry's leading digital bank.

With this challenge in mind, we began the year determined to improve and digitize the retail banking segment's offer. Today, we are pleased to report that more than 80% of our sales are made via online channels. Thanks to the collaborative work of the branch network and the digital channel area, we have surpassed industry average growth in consumer loans, which has enabled us to regain market share.

In wholesale banking, we finished adjusting our portfolio to better fit future growth prospects for Chile and our customers. We announced expansion of commercial portfolios and observed increased demand in projects. A growing, recovering economy drives demand, from both companies and individuals, for financing for new projects.

New challenges are on the horizon for the Chilean banking industry. The new General Banking Law, passed by Congress in 2018, modernizes legislation that had been in place for 30 years. The new version aligns local regulations with international Basel III standards, particularly in terms of capital requirements.

In Colombia, the economic scenario is more complex and the challenge is more long term. Nonetheless, we are on the right path and we expect results to improve in 2019.

I would like to thank the more than five thousand bank employees throughout the country whose professionalism, commitment, enthusiasm and daily work enables us to accomplish every goal we set for ourselves.

In closing, I think it timely and fair to recognize the three years of hard work, devotion and dedication that Milton Maluhy contributed to this project. I thank him for his support and wish him the greatest success in his new endeavors. Likewise, I welcome Manuel Olivares Rossetti, the new Chief Executive Officer of Itaú Corpbanca, who will be leading this new phase.

I would like to close by thanking all shareholders for your support, which has been fundamental to the success and consolidation of this project.

I invite you to take a detailed look at the Bank's performance this year.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jorge Saieh', with a horizontal line underneath.

Jorge Andrés Saieh Guzmán
Chairman
Itaú Corpbanca

1.2. A Word from Our Chief Executive Officer

102-14

Dear Shareholders:

It is with great pleasure and pride that I address you for the first time as the new Chief Executive Officer of Itaú Corpbanca in our bank's first Integrated report. In this document, we want to provide an account of our financial, social and environmental performance in 2018.

This was a year of important accomplishments. As reflected in the attached financial statements, our results have been positive, showing improved performance relative to previous years.

For the year 2018, we reported profit of MCh\$172,047, triple the 2017 figure.

In loans, we grew at a pace of 5.4% annually, with retail banking at the lead. Consumer loans met the goal of strong growth, supported by two key aspects: customer segmentation with differentiated value offerings and a new digital strategy for 2018.

This new digital strategy substantially increased sales of consumer loans through web and mobile channels, which already account for more than 80% of the segment. It also streamlined important processes in critical internal areas, freeing up time for executives to better advise our customers.

At Itaú, we see digital transformation as an ongoing process that is part of our DNA. In 2018, we implemented 20 digital innovation centers, where we are using streamlined methodologies similar to those used by the world's largest digital companies.

This is where the Bank's digital transformation is coming to life with the creation of both internal and face-to-face customer solutions. Multidisciplinary teams blend youth and experience with co-working, ongoing innovation and creativity flow.

At the same time, we have developed some initiatives that tie us to the world of fintechs, innovation and entrepreneurship. One example, which fills us with pride, is the UC Finance Laboratory. The laboratory is a chance to contribute to financial practice in the classrooms where students are preparing for their professional lives, but also to discover talent and new ideas applicable to our line of work.

Consolidating our digital strategy is one of the major challenges for 2019. The goal is very clear: to become an end-to-end digital bank, offering an Itaú experience to all our customers. We have made substantial progress, but there is still a great road of opportunity before us, particularly in a constantly evolving industry like ours.

In Wholesale Banking, migration of customers to the new Itaú systems was among the highlights in 2018. With concerted effort to generate the least-possible impact, we successfully completed the process.

In Colombia, results have been in line with expectations, reaching the break-even point in 2018 and recording earnings of Ch\$7,620 million.

Conscious of the multiple challenges that remain in Colombia, we are convinced that as our project advances, our performance in 2019 will be in line with the forecasts of gradual economic recovery for the country.

In concrete terms, 2018 was a year of consolidation and much work inside the Bank. We have prepared ourselves to surprise the market with our distinctive way of doing things: putting the customer at the center of our work. At Itaú, we are “people that move people”. A great deal of our efforts is concentrated on constantly improving the quality of our products and services and, ultimately, the experience of being an Itaú customer.

We have made noteworthy progress in the last year; however, there is still much to be done in order to become the leading bank in sustainable performance and customer satisfaction.

In 2019, we will continue working to take our place among local industry leaders.

Warmly,

A handwritten signature in black ink, appearing to read 'MOR', with a horizontal line underneath and a vertical line extending downwards from the 'M'.

Manuel Olivares Rossetti
Chief
Executive Officer

1.3. We are Itaú

1.3.1. Operating in Chile and the World

102-4, 102-6

We are a commercial bank, headquartered in Chile, that offers comprehensive solutions to the needs of all our customers, individuals and companies.

We also have operations in Colombia and Panama, a branch in New York and representation offices in Lima (Peru) and Madrid (Spain).



1.3.2. How We Got Here and 2018 Milestones

We were born of the merger of two leading banks in Chile. The first is one of the oldest in Chile and the other is a subsidiary of Latin America's largest private bank.

This merger of operations in Chile and Colombia was announced in 2014, approved by our shareholders in June 2015 and by the Superintendency of Banks and Financial Institutions (SBIF) in September of the same year.

In March 2016, the Boards of Directors at Corpbanca and Banco Itaú Chile confirmed that the conditions of the merger had been met. Thus, Itaú Corpbanca was born April 1, 2016.

On that date, we became Itaú, a bank we all build together, Our Way.

Milestones in 2018

January

Ahorro Plus launched. The mutual fund alternative to time deposits, which combines comparable or higher returns with daily liquidity, attracted deposits of MCh\$100,000 in its first 8 months on the market.

April

On April 1st, Corpbanca Corredores de Seguros S.A. absorbed Itaú Corredora de Seguros Limitada, forming the new Itaú Corredores de Seguros S.A. and necessitating migration of the absorbed brokerage portfolio to Itaú systems. Migration was successfully completed within the established time frame.

March

At the annual general shareholders' meeting on March 27th, the shareholders approved the official appointment of Independent Director Bernard Pasquier.

On March 28th, the Board of Directors accepted the resignation of Alternate Director Camilo Morales Riquelme and appointed Diego Fresco Gutiérrez to the position.

June

Itaú Administradora General de Fondos S.A. won first place at the 2018 Salmon APV awards in the Balanced Conservative Fund category.

August

On August 1st, the Board of Directors agreed to appoint Manuel Olivares Rossetti as Chief Executive Officer of Itaú beginning January 1, 2019. Manuel spent the next six months working with Milton Maluhy, then Chief Executive Officer, immersing himself in and building comprehensive knowledge of the Bank and Itaú Unibanco.

The 8th Itaú Sustainability and Foundations Conference took place on August 28-31st. The conference brought together all the relevant players on social and sustainability issues from different Itaú operations across Latin America to reflect on and analyze the Bank's role in matters of diversity and inclusion, volunteering, urban mobility and climate finance.

BH Compliance Limitada, an external certification firm, once again certified the Crime Prevention Model (Law No. 20,393) at Itaú Corpbanca and subsidiaries.

At a conference for local institutional customers on August 28th and 29th, Itaú's Equity Research, Strategy and Macroeconomics teams held individual meetings with nearly 90 analysts participating in the conference. Milton Maluhy (CEO) and Gabriel Moura (CFO) also participated in a discussion panel, responding to investor questions.

September

For the third straight year we are listed on the Dow Jones Sustainability Index Chile, strengthening our commitment to the social, economic and environmental performance of our operations.

We launched the Itaú Finance Laboratory at the UC School of Engineering, which offers the opportunity to simulate transactions on the stock exchange as well as access information and analysis platforms that are commonly used to make economic decisions.

October

Purchase of 100% of share capital in Saga II SpA and Saga III SpA was announced on October 12, 2018. The transaction increased Itaú Unibanco's ownership interest in Itaú Corpbanca to approximately 38.14%.

November

Itaú Administradora General de Fondos S.A. completed the country's largest fund merger, going from 49 to 23 funds without impacting customers.

This migration of our Wholesale Banking customers consolidated the merger process that began in 2017.

December

Itaú Administradora General de Fondos S.A. earned second and third place at the 2018 ALAS20 Chile awards in the categories of Leading Institution in Responsible Investment and Leading Institution in Sustainable Research, respectively.

The Chilean Electronic Stock Exchange awarded Itaú Corredores de Bolsa Limitada first place in value traded in money market instruments in 2018, while the Bank's Treasury earned first place for value traded in dollars.

1.4. Itaú at a Glance

1.4.1. Our Financial Products and Solutions

102-2

| LEGAL ENTITIES | | FINANCIAL PRODUCTS AND SOLUTIONS |
|-------------------|--------------------------------------|---|
| Wholesale Banking | Corporate Banking | 1) Current account and associated services (Cash Pooling, MT940) |
| | Large Companies Banking | 2) Mass payments 3) Large payments 4) Online payroll 5) Online payments 6) Teller deposits |
| | Real Estate and Construction Banking | 7) Electronic deposits 8) Commercial banking web site 9) International cash management 10) Loans 11) Performance bonds 12) Foreign trade 13) Leasing 14) Factoring 15) Time deposits 16) Purchase and sale of foreign currency 17) Foreign exchange hedging products 18) Long-term derivatives 19) Liabilities structuring (bilateral loans, syndicated loans, project financing, bond issuances, syndication and underwriting) 20) Products offered by our subsidiaries |
| Retail Banking | Itaú Companies | 1) Current account plan (current account, line of credit, debit card and credit card) 2) Mass payments 3) Large payments 4) Online payroll 5) Online payments 6) Commercial banking web site 7) Loans (consumer and mortgage) 8) Foreign trade 9) Leasing 10) Factoring 11) Time deposits 12) Purchase and sale of foreign currency 13) Foreign exchange hedging products 14) Payment and collections services 15) Products offered by our subsidiaries |

| INDIVIDUALS | | FINANCIAL PRODUCTS AND SOLUTIONS |
|-------------------------------|--------------------|---|
| Retail Banking | Itaú Private Bank | 1) Current account plan (current account, line of credit, debit card and credit card) |
| | Itaú Personal Bank | 2) Loans (consumer and mortgage, for housing and unrestricted) |
| | Itaú | 3) Insurance tied to a consumer loan (credit life, life and unemployment) |
| | | 4) Insurance tied to a mortgage (credit life, earthquake and fire) |
| 5) Other individual insurance | | |
| | | 6) Time deposits |
| | | 7) Purchase and sale of foreign currency |
| | | 8) Foreign exchange hedging products |
| | | 9) Products offered by our subsidiaries |
| | Banco Condell | 1) Consumer loans |
| | | 2) Products offered by our subsidiaries |

1.4.2. Key Figures in 2018

102-7, 102-41

Number of Transactions

| | No. of transactions |
|---|---------------------|
| Total physical transactions in 2018 | 10,000,000 |
| Average number of transactions performed through the website each month | 3,800,000 |
| Number of transactions performed through the App each month | 400,000 |
| Number of transactions performed at ATMs each month | 2,800,000 |

Number of Customers¹

| | No. of customers |
|-------------------|------------------|
| Wholesale Banking | 7,500 |
| Retail Banking | 400,000 |

¹ About the calculations:

- The data corresponds to December and November 2018, respectively.
- Includes customers with a loan, active current account or time deposit. Does not include state-backed loans (CAE in Spanish) or other demand deposits.
- The data represents individual Chilean Taxpayer IDs.

Number of Branches

| | 2017 | 2018 |
|----------------------------------|------|------|
| Number of Itaú branches | 124 | 123 |
| Number of Personal Bank branches | 20 | 20 |
| Number of Condell branches | 56 | 55 |
| Total | 200 | 198 |

Number of ATMs

| | 2017 | 2018 |
|----------------|------|------|
| Number of ATMs | 469 | 464 |

Number of Employees

| | 2017 | 2018 |
|---------------------|-------|-------|
| Number of employees | 5,817 | 5,638 |

Labor Relations

- 5 labor unions
- 62% unionization
- 100% of the workforce, with the exception of executives (managers and deputy managers), are covered by a collective bargaining agreement.

Number of Suppliers

2,038

Environmental Performance

14,038 kg of electronic waste recycled and/or refurbished

1.5. Financial Summary

The following table presents select financial and operating information on Itaú Corpbanca, including foreign operations, for the 2015-2018 period. Prepared on the basis of pro forma data for the years 2015 and 2016, this summary combines Corpbanca and Banco Itaú Chile's audited consolidated financial statements as presented to the SBIF.

| Figures in millions of Chilean pesos (MCh\$) at the close of each year | | 2018 | 2017 | 2016 | 2015 |
|---|--|-------------|-------------|-------------|-------------|
| Results | Profit (loss) attributable to owners of the bank | 172,047 | 57,447 | -24,008 | 306,107 |
| | Total operating income ^{a/} | 1,169,030 | 993,860 | 933,651 | 1,295,998 |
| | Net interest and indexation income | 846,991 | 760,734 | 756,204 | 838,827 |
| Profitability | RoAA | 0.6% | 0.2 % | -0.1 % | 1.1 % |
| | RoAE b/ | 8.3 % | 2.8 % | -1.2 % | 18 % |
| | Risk index (Provisions / Total loans) | 3.1 % | 3.3 % | 2.8 % | 2.2 % |
| | NPL ratio (+ 90 days past due) – Total | 2.1 % | 2.3 % | 1.7 % | 1.3 % |
| | NPL ratio (+ 90 days past due) – Chile | 1.8 % | 2.1 % | 1.6 % | 1.3 % |
| | NPL ratio (+ 90 days past due) – Colombia | 3.2 % | 2.8 % | 2 % | 1.3 % |
| | NPL coverage ratio – Total | 147.6 % | 145.5 % | 169.8 % | 161.8 % |
| | Efficiency ratio (Operating expenses / Total operating income) | 57.6 % | 67.3 % | 70.9 % | 49.6 % |
| | Risk-adjusted efficiency ratio (RAER) | 78.3 % | 101.4 % | 108.8 % | 65.8 % |
| Statement of Financial Position | Total assets | 29,455,654 | 28,060,724 | 29,106,183 | 29,383,737 |
| | Gross loans | 21,502,648 | 20,403,680 | 21,025,944 | 21,634,113 |
| | Total deposits | 14,421,586 | 14,206,910 | 16,034,901 | 17,861,144 |
| | Loans / Total deposits | 149.1 % | 143.6 % | 131.1 % | 121.1 % |
| | Equity attributable to owners of the bank | 3,324,531 | 3,189,876 | 3,173,516 | 1,976,225 |
| Other | No. of employees ^{c/} | 9,179 | 9,492 | 9,659 | 10,397 |
| | Chile | 5,685 | 5,848 | 5,932 | 6,642 |
| | Colombia | 3,494 | 3,644 | 3,727 | 3,755 |
| | Branches ^{d/} | 360 | 375 | 398 | 401 |
| | Chile | 199 | 201 | 224 | 224 |
| | Colombia | 161 | 174 | 174 | 177 |
| | ATMs | 638 | 645 | 682 | 667 |
| | Chile | 464 | 469 | 502 | 487 |
| | Colombia | 174 | 176 | 180 | 180 |

Notes: a/ Total operating income = Net interest and indexation income + Net fee and commission income + Net financial operating income and foreign exchange transactions + Other operating income; b/ Equity: Equity attributable to owners of the bank excluding goodwill; c/ Chile includes New York Branch employees and, as of first quarter 2018, also considers representation offices in Lima and Madrid; Colombia includes Itaú employees in Panama; d/ The New York Branch is included under Chile and the Panama office is included under Colombia.

2 customer-centered_



Our Way

- Ethics are non-negotiable.
- It is only good for us if it is good for the customer.

Stakeholders

- Customers

Material Issues

- Customer satisfaction
- Digital banking
- Prevention and regulatory compliance
- Cybersecurity and information privacy

2.1. Our Way

102-16

2.1.1. Purpose, Vision and Attitudes

Life is full of invitations to make the most of it. To do so, we can never stop searching, discovering what we like... and working toward a common cause: **motivating the transformational power of people.**

This is why we do what we do, what guides us, moves us and inspires us each day. As a result, we were able to achieve great transformation and accomplishments in 2018. We became a better bank, made up of people who put the customer at the center of their decisions, and who repeatedly reinvent themselves to work toward sustainable results.

Sustainable performance means generating shared value for employees, customers, shareholders and society in general to ensure the sustainability of our business and the satisfaction of our customers.

The road ahead is long and there are still many challenges to overcome. That is why we keep working Our Way, to achieve our vision and become the **leading bank in sustainable performance and customer satisfaction.**

This vision motivates us to:

- Implement a culture that aims to satisfy customers, has a commercial focus and seeks operational simplicity.
- Maximize shareholder returns, visualizing organizational growth.
- Be the bank with the best talent, at all levels.
- Attract and retain committed, ethical professionals who show ownership and organizational pride.
- Develop shared leadership, earned through talent and ability, and focused on meritocracy.
- Promote an environment that stimulates creativity, innovation and debate.
- Seek cutting-edge technology, always attempting to add value and provide our customers better service.
- Be a beacon of ethical conduct for our customers, employees, authorities, society and the market.
- Be among the country's three largest banks.
- Be recognized as the bank for Latin America.

As we set out to meet these challenging goals, our employees' efforts and performance are guided by a set of seven attitudes, called Our Way. Each day, we work on integrating and transmitting this unique culture to all our employees. In 2018, we offered more than 100 activities meant to invite conversation and internally publicize our seven attitudes.

Our Seven Attitudes

1. It is only good for us if it is good for the customer

We are people at the service of people, with passion and excellence. We work with and for the customer because they are the reason behind everything we do.

2. Performance fanatics

Generating sustainable results is in our DNA. The ongoing challenge of achieving leadership in performance has brought us to this point and will continue to guide our company toward our objectives.

3. People are everything to us

Everything we do is done through people, talented people who like to work in a collaborative, high-performance meritocracy.

4. The best argument wins

We cultivate a challenging environment, open to questioning and constructive debate. The only hierarchy that matters to us is the hierarchy of best ideas.

5. Simple, always

We believe that simplicity is the best road to efficiency so we fight to make sure depth is not confused with complexity and simplicity does not become simplism.

6. We think and act like owners

We always think like owners of the bank, leading by example and prioritizing collective goals over personal ambition.

7. Ethics are non-negotiable

We do the right thing without tricks or short cuts. We exercise leadership in a transparent, responsible way. We are totally committed to society and best practices in governance and management.

We are Itaú. We dream it, do it and it works ;)

2.1.2. Our Ethical Concerns

102-17

Ethics, anti-corruption, transparency and best practices guide all our work. At Itaú, ethical conduct is defined in several guidelines, including the General Code of Conduct, Code of Ethics, Securities Market Code of Conduct and Market Information Manual. Employees of the Bank and its subsidiaries must respect and abide by these four documents, which regulate and support bank values on matters like conflicts of interest, confidentiality and handling insider information. These documents are accompanied by other standards, the majority of which are available to the public.

| Title of Document | Available Via | Access (Public or Internal) |
|---|-----------------------|------------------------------------|
| Code of Ethics | Intranet and Internet | Public and internal access |
| General Code of Conduct | Intranet and Internet | Public and internal access |
| Securities Market Code of Conduct | Intranet and Internet | Public and internal access |
| Market Information Manual | Intranet and Internet | Public and internal access |
| Anti-Corruption Policy | Intranet and Internet | Public and internal access |
| Employee Gifts and Invitations Policy | Intranet and Internet | Public and internal access |
| Asset Laundering, Terrorism Financing and Bribery Prevention Policy | Intranet | Internal |

The Compliance Division has made several communications channels available for employees and other relevant stakeholders who wish to request guidance, ask questions or file complaints. All requests are fielded and/or responded to during working hours. Information is available in Spanish in accordance with Chilean regulations.

Confidentiality is a cornerstone of the procedure for investigating and receiving complaints. All information is treated with discretion and confidentiality. We have channels that ensure anonymity if the employee so wishes and our website features a channel for complaints from suppliers, customers and/or third parties.

As part of the investigation, which is always in accordance with the non-retaliation guidelines set forth in our Code of Ethics and Code of General Conduct, ethical and conduct matters are reported to the Ethics and Fraud Commission as well as the Compliance Committee.

Complaint Management Procedure

The Complaint Management Procedure, based on the pillars of confidentiality, neutrality and independence, consists of the following steps:

1. Initiate an investigation: complaints received through the channel are processed by the Compliance Division and sent to the Evaluation Commission, which assigns the investigation to the proper area: Fraud, HR or Compliance.
2. The assigned area and the investigation: the area responsible for investigating meets with the informant and the accused party to gather information and requests information from other areas.
3. The area responsible for investigating presents a report and final recommendation to the Ethics and Fraud Commission, which announces its decision and, possibly, sanctions.
4. Monitoring and reporting on the investigation: periodic meetings are held to review progress, outstanding matters and next steps.
5. Cases and indicators are reported to the Ethics and Fraud Commission twice a year.

| Questions | Complaints |
|--|--|
| <p>In 2018, there was a total of 26 requests for guidance or questions</p> <p>(up from 17 in 2017), 100% of which received a response.</p> | <p>92 complaints filed Ninety percent of the complaints have been resolved; the remainder are under investigation.</p> <p>This figure has fallen relative to 2017, when 116 complaints were filed.</p> |

Each year, the Compliance area, in conjunction with the Internal Communications area, produces a communication plan to build the institutional culture and communicate policies, internal regulations and mechanisms for filing complaints and asking questions. This information is available on the intranet as well as the website: www.ita.cl

The Bank offers an annual e-learning course available to all employees. In 2018, a total of 5,141 employees took the virtual course, which addresses issues related to conflicts of interest, insider information, Anti-Money Laundering (AML) and channels for questions and complaints. It also includes contents on the Code of Ethics and Corporate Anti-Corruption Policy.

Furthermore, the Deputy Manager of Compliance participates in the induction program for new hires called "Bienvenidos", the Comprehensive Training Program for Executives, face-to-face and area-specific trainings. These training sessions address themes related to ethics and conduct and encourage employees to use the existing complaint channels.

SOX Financial Fraud Complaint Channel

The Itaú Corpbanca Audit Committee has set up a channel for fielding, assessing, investigating and acting on complaints filed by employers, customers, suppliers, shareholders and third parties regarding matters of accounting, internal accounting controls and audit issues. This confidential channel is for Itaú and all its subsidiaries in Chile and abroad (Colombia, United States, Panama and Peru).

The channels are:

- E-mail: denuncias.fraudefinancierosox@itau.cl
- Traditional mail: confidential letter to the Chairman of the Itaú Corpbanca Audit Committee - c/o Internal Audit Secretary - Avenida Presidente Riesco 5537, 8th floor, Las Condes, Santiago

Crime Prevention Model

205-2

The Crime Prevention Model, mandated by Law No. 20,393 which establishes criminal liability for legal entities, was certified for a two-year period starting August 30, 2018. The certification, which includes the Bank and its subsidiaries in Chile, aims to prevent crimes like money laundering, terrorism financing, bribery and receiving stolen goods.

Crime Prevention Model

Phases of certification:

1. Initial request (10/2017)
2. Diagnostic report (04/2018)
3. CPM assessment and analysis (05/ to 08/2018)
4. Compliance report (08/27/2018)
5. Certification of bank and its subsidiaries (08/30/2018)

Training:

- Face-to-face at branches, between the months of July and December.
- Specific to risk areas in 2018 and induction for all new employees with open-term contracts.
- E-learning with a deadline of January 11, 2019.
- Total: 5,010 employees trained

2.2. Creating Value

2.2.1. Our Business Model

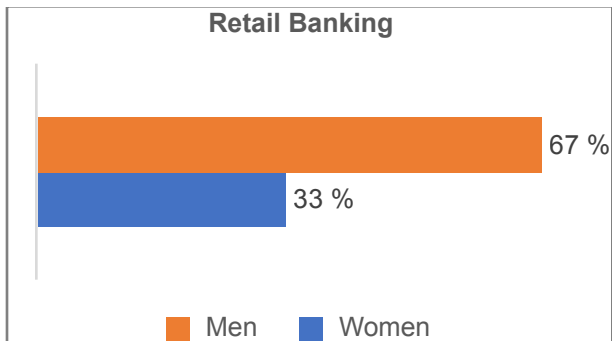
102-9

| Risk Management | | | | | |
|--------------------------------|-----------------------|--|-------------------|---------------|-----------|
| Products | | Loans, insurance, current accounts, investments, credit cards, foreign trade, leasing, factoring, mass payments, etc. | | | |
| Individuals and Legal Entities | | | | | |
| Capital | Environmental | Financial | Social relational | Manufacturado | Humano |
| Stakeholders | Society and customers | Shareholders, investors, trade unions and the media | Society | Suppliers | Employees |
| Purpose Vision Our Way | | Motivate the transformational power of people "To be the leading bank in sustainable performance and customer satisfaction" <ul style="list-style-type: none"> • It is only good for us if it is good for the customer. • Performance fanatics • People are everything to us • The best argument wins • Simple. Always • We think and act like owners • Ethics are non-negotiable | | | |
| Corporate Governance | | | | | |
| Regulator, Market, Competitors | | | | | |

2.3. Customer-Centered

2.3.1. Our Customers

| LEGAL ENTITIES | | Number (Approximate) |
|-------------------|--------------------------------------|----------------------|
| Wholesale Banking | Corporate Banking | 7,500 |
| | Large Companies Banking | |
| | Real Estate and Construction Banking | |
| Retail Banking | Itaú Companies | 400,000 |
| | Itaú Private Bank | |
| | Itaú Personal Bank | |
| | Itaú | |
| | Banco Condell | |



2.3.2. The Best for Our Customers

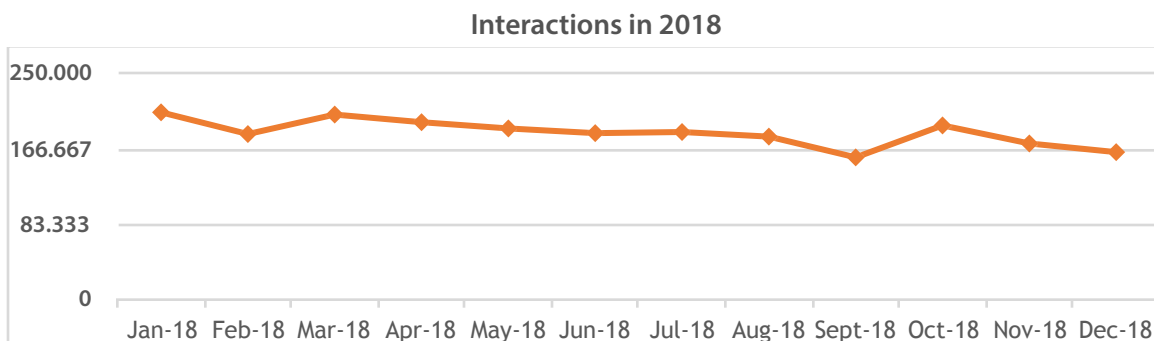
| Region | 2018 | | | |
|-------------------------------|------------|-----------|-----------|------------|
| | Itaú | PB | Condell | ATM |
| Arica y Parinacota | 1 | 0 | 1 | 3 |
| Tarapacá | 4 | 1 | 1 | 15 |
| Antofagasta | 4 | 1 | 4 | 25 |
| Atacama | 1 | 0 | 1 | 17 |
| Coquimbo | 4 | 0 | 3 | 41 |
| Valparaíso | 10 | 2 | 12 | 42 |
| Libertador Bernardo O'Higgins | 4 | 0 | 2 | 26 |
| Maule | 5 | 0 | 3 | 18 |
| Biobío | 11 | 1 | 5 | 41 |
| La Araucanía | 3 | 0 | 2 | 14 |
| Los Ríos | 2 | 0 | 1 | 6 |
| Los Lagos | 4 | 0 | 2 | 4 |
| Aisén | 0 | 0 | 1 | 2 |
| Magallanes | 2 | 0 | 1 | 6 |
| Metropolitana | 68 | 15 | 16 | 204 |
| Total | 123 | 20 | 55 | 464 |



How We Communicate

We want to constantly improve alignment between our services and the needs of our customers. That is why we seek to always be in contact with them, offering the best service and responding to their concerns and requests. We do so through several customer service and information channels and platforms:

- Branches throughout Chile.
- Customer service hotlines (available 24 hours a day, 365 days a year), where customers can:
 - Block and reissue credit and debit cards
 - Stop payment on checks
 - Pay for products and access transactional information
 - Receive support for navigating and accessing the website
- Itaú web site and App, where customers can:
 - Check balances on current accounts, lines of credit, credit cards and investments
 - Review recent current account and credit card activity
 - Pay lines of credit, credit cards and service accounts
 - Transfer funds
 - Get cash advances from credit cards
 - Invest in time deposits
 - Simulate and contract lines of credit (pre-approved customers only)
 - Increase limits on credit cards and preferential credit line
 - Access information on credit card benefits and payments
 - Search for the closest branch or ATM
 - and much more...
- Social networks:
 - Facebook: www.facebook.com/itauchile
 - Twitter: @itauchile
 - Instagram: @itauchile



Customer Satisfaction

[Tema material] 103-2, 103-3, Itaú 1

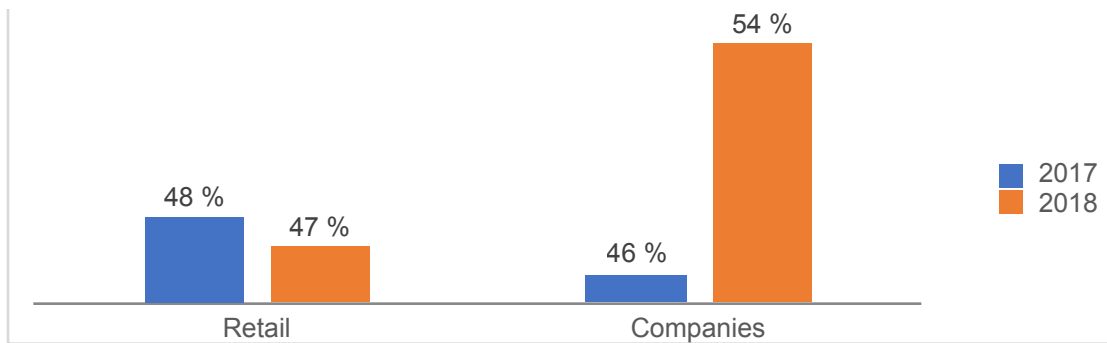
Our customers' experience is important. We monitor satisfaction levels constantly in order to generate the management tools we need to improve quality.

We took two measurements in 2018:

- Internal measurement: monthly study for all bank segments.
- Servitest: benchmark performed annually on all bank segments by an external agency.

Based on the results, we launched a joint, ongoing, organization-wide effort. All bank areas were involved since everyone who works at Itaú is responsible for customer satisfaction. That is why these indicators are included in the targets set for every executive.

Satisfacción de clientes



Note: The retail figure includes Itaú Personal Bank and Itaú customers. The companies figure is a weighted average of Servitest Corporaciones which measures Corporate Banking customers and Servitest Empresas which measures Itaú Companies customers.

2.3.3. Digital Banking

[Material issue] 103-2, 103-3

At Itaú, we recognize the relevance of the digital world in our customers' lives. Thus, we have made significant progress in that area, at the product level as well as in terms of technology and processes, to ensure that our customers' digital experience is efficient and effective, end-to-end.

Within the framework of the Digital Banking program, we implemented a series of new functionalities for the retail and companies segments in 2018. More than 250 employees from different areas and specialties directly participated in the creation of 18 digital innovation centers. These work teams organized into communities and conducted organization-wide initiatives to train and share their expertise.

The Bank's digital transformation process, which aims to positively impact the customer experience, has given rise to a challenging internal work methodology, which has produced significant results and will continue generating improvements in this area.

Some of the most noteworthy are:

Itaú 2

| Functionality | Available Digital Platform | Highlights |
|--|-----------------------------------|--|
| First digital access via the App | App | By the second month, close to 30% of customers were using this channel to create their Internet password and activate their cards. |
| Temporarily block credit cards online | App and web | More than 6,000 customers use this function each month. |
| Online credit card activation | App and web | One hundred percent of credit cards for new retail customers are now activated digitally, thereby eliminating paper passwords. |
| New website browsing menu | Web | The new debt statements and service renewal via card payment has improved net satisfaction for these service variables by 10%. |
| New online account application | Web | Product launched in August 2018. Digital solution for new current accounts via the “open an account” button on the website. The potential customer enters their personal information and required documentation then indicates a branch preference. Within 48 hours, an executive makes contact to sign the contracts, deliver the account kit and activate the product. As of November 2018, 35% of the total new accounts sold by the Bank had been opened online. |
| Contracting online payroll services via website | Commercial banking web site | More than 7% of customers currently use this product, up from less than 1% last year. |
| Contracting pre-approved loans online | Commercial banking web site | Twenty-eight percent of installment loan operations for the Itaú Companies segment are conducted via the web platform. |
| Contracting pre-approved loans online, retail segment | Web | The development enables sale of end-to-end online consumer loans. As of December 2018, 82% of total consumer loans sold by the Bank were processed online. |
| Online international transfers | Commercial banking web site | In the first two months, nearly 10% of regular customers had already begun conducting transactions via the web site. |
| New dollar trading flow for companies | Commercial banking web site | In six months, this new flow has increased the number of dollar purchase and sale transactions by more than 60%. |

| | | |
|--|-------------|---|
| Insurance | Web | <p>The online insurance option is available for two product types.</p> <p>Credit life: policies contracted along with a consumer or mortgage loan. With this option, insurance policies can be taken out online when the loan is contracted. Fifty-two percent of credit life policies are taken out online.</p> <p>Individual insurance: policies taken out by the individual customer (travel, health, etc.) There are two ways to take out individual insurance policies: 1) online: customers can choose a policy to meet their needs from among a pool of insurance products; or 2) in-person: customer requests insurance at a branch.</p> <p>The process of taking out an insurance policy is 100% paperless; conditions are accepted by typing in a password. Ninety-three percent of all individual insurance policies use online channels (paperless).</p> <p>As of September 2018, 89% of individual insurance sales had been made online.</p> |
| Limit increases on credit lines and cards | | <p>Customers who have been offered a limit increase on their credit line or credit card accept it in just a few clicks through their private site.</p> <p>As of September 2018, 77% of limit increases on lines of credit and 65% of increases on credit cards were conducted online.</p> |
| Mutual fund investments | | <p>An improved mutual fund investment experience.</p> <p>Online solutions aim to improve activation of mutual fund investment accounts, pending assessment of customer risk level and acceptance of terms of use from the Bank's mutual fund subsidiary.</p> <p>Fifty-one percent of mutual fund investments are made via this digital solution.</p> |
| Digitization | Web and app | <p>This solution aimed to improve time deposit rates for customers by creating segmented offers that provide differentiated rates to each customer. Seventy-five percent of time deposits are made online.</p> |

2.3.4. Cybersecurity

[Material issue] 103-2, 103-3, 418-1, Itaú 3

At Itaú, we strive to provide our customers with the best experience. Cybersecurity is a fundamental element of that. Currently a nationwide issue, cybersecurity has generated several debates at industry, customer and regulatory levels.

The world is in the midst of a digital revolution that broadens individual opportunities and delivers a unique experience that is tied to immediacy, speed and efficiency. This has posed a challenge for the industry and the Bank as we constantly work to make sure customers are protected from different network attacks like phishing, for example.

We are aligned with Chilean regulations and have implemented an internal regulatory framework for effectively addressing these situations. **Cybersecurity is a major concern. We invest to keep systems updated and always protect customers.**

It is worth noting that the customer is the weakest link in the chain of fraud. As such, customers have the duty and obligation to adopt all necessary measures to protect their passwords. We at Itaú and the banking industry in general are constantly educating people on the necessary safeguards so they can avoid becoming victims of phishing or pharming. In any event, the Bank maintains its commitment to contact customers who could be affected and find a solution to the issue.

We are certain that our systems have not been compromised. In an active commitment to our customers, we will always ensure the security of our systems, services and products and always comply with applicable banking and consumer regulations.

In terms of protecting customer data and information, **we have applied tools at different security layers to mitigate and detect events that could potentially compromise customer information.** These tools include monitoring for phishing and fake websites, periodic penetration testing of the Bank's websites, vulnerability management and analysis, employee browsing policies (authorized sites), application firewall, sending controls on e-mails (DLP), encryption of employee laptops, blocking removable devices and assessing suppliers with cloud-based services. This is all internally reinforced with informational talks as well as information security and cybersecurity campaigns to raise employee awareness of how to handle and safeguard information.

2.4. Risks and Opportunities

2.4.1. Prevention and Regulatory Compliance

[Material issue] 103-2, 103-3, Itaú 4

At Itaú, we go beyond compliance with applicable standards and laws to undertake preventative measures that monitor market and regulatory demands.

To that end, we study Chilean market regulations, the regulatory procedures implemented in 2018 and any proposed legislation that, if passed, could impact the organization. The following are particularly noteworthy:

Market Regulations

1. Law No. 21,130 which Modernizes the General Banking Law (GBL)

This law perfects the current GBL by updating the Chilean banking system in accordance with best international practices and increasing capital requirements in keeping with Basel III accords in order to strengthen Chile's capacity to compete in the globalized world and be better prepared to face future risks.

The following are some of the main amendments:

- I. New regulatory institution: incorporation and transfer of all SBIF powers to the Financial Market Commission (CMF). Thus, the CMF—an authority with a global view of the financial market and a modern, independent, transparent and efficient structure—will regulate the banking industry.
- II. New capital requirements: Adjusts to Basel III standards on matters of capital requirements and risk management, which will require increases in the quantity and quality of capital requirements. Likewise, the law authorizes the CMF to determine the risk weight for assets using standardized methodologies and authorizes banks to implement their own methodologies within CMF limits. It authorizes the CMF to impose additional requirements on banking institutions of systemic importance; and introduces additional limits on dividend distribution in the event that capital requirements are not met.
- III. Bank resolution: incorporates new measures for regularization of banking companies, through new regularization or early intervention tools that effectively prevent bank insolvency. Likewise, it establishes procedures for reorganization or bankruptcy liquidation and liquidating a bank.
- IV. Other amendments: (a) increased state guarantee on time deposits, (b) greater demands on directors of banks, (c) inclusion of business groups within individual credit limits, (d) ratification of legitimate interest in knowing information subject to banking secrecy and establishing a new procedure for delivery, and (e) solvency and eligibility requirements for controlling shareholders.

The law was published in the Official Gazette on January 12, 2019.

2. Law No. 21,081 which modifies Law No. 19,496 Consumer Rights Protection Act (Law No. 21,081)

With the publication of Law No. 21,081 on September 13, 2018, SERNAC became a supervisory body and was granted new inspection authority, including the power to enter and search properties in order to verify regulatory infractions.

Thus, under this law (i) the statute of limitations was extended from 6 months to 2 years, calculated from the time the infraction ceased (not the time the event first occurred); (ii) there are substantial increments to applicable fines and the possibility of damages for pain and suffering in class actions; (iii) a new class action mediation process, called the Voluntary Collective Procedure (PVC in Spanish), was created; and (iv) the following new separate and independent subdivisions of SERNAC were created: (A) Inspection; (b) PVC and (c) class actions lawsuits and actions.

(a) Supervision: As it became a supervisory institution (on par with the Comptroller General of the Republic, National Economic Prosecutor's Office, Labor Bureau, National Customs Service, etc.) SERNAC's inspection authority was expanded from those granted to it under the Consumer Rights Protection Law. Consequently, SERNAC personnel are now authorized inspectors and certifying officers.

At the same time, suppliers cannot refuse to provide the required information for the aspects under inspection. In the event of unjustified refusal to provide the information requested during inspection, they risk fines of up to 750 Monthly Tax Units (UTM).

SERNAC officials will have the authority to enter property, search the inspected site and goods, issue certificates and give testimony. They must disclose the specific matter under inspection.

Likewise, SERNAC officials are authorized to request, through a judge, law enforcement assistance.

The amount for the following fines increased:

- Fines related to financial products increase from 750 UTM to up to 1,500 UTM (including the process of releasing guarantees).
- Sanctions for breaking the law increase from 50 UTM to up to 300 UTM.
- Fines for false or deceptive advertising went from 750 UTM to 1,500 UTM.

Likewise, attenuating and aggravating circumstances were added.

(b) PVC: PVC is a mediation mechanism for use in the event that conduct impacts consumer interest, jointly or severally. The procedure begins with a SERNAC resolution, ex officio or at the request of the supplier or a consumer association.

If an agreement is reached, the PVC culminates in a SERNAC resolution indicating (i) cessation of the unlawful conduct, (ii) calculation of reimbursements, compensation or damages for each consumer, (iii) the manner in which the agreement will be fulfilled and (iv) procedures to enforce the agreement.

The agreement must be approved by a civil court judge.

SERNAC may require a Compliance Plan, overseen by a compliance officer, with implementation deadlines.

(c) Class action: Fines associated with class actions are graduated based on the number of consumers affected and the weight assigned to the attenuating and aggravating circumstances so that they are proportionate to the impact on consumer rights.

The court may apply a fine for each consumer affected, when the nature of the violation produces an impact on each of them, or an overall fine, when the supplier has comprehensively and effectively repaired the damage caused to the impacted customers. Total fines may not exceed 30% of sales from the product or service associated with the infraction or double the profit obtained from the infraction. Furthermore, under no circumstances may fines exceed 45,000 Annual Tax Units (UTA), the approximate equivalent of US\$38 million.

Damages may be awarded for pain and suffering if the consumers' dignity or physical or psychological integrity was impacted. The court may set a common minimum amount.

As a precautionary measure, the Court may order cessation of collections for the charges that gave rise to the case. Affected consumers may testify as witnesses. Settlement deals must be detailed, including the basis for calculating damages, and settlements must include mechanisms for informing, publicizing and facilitating collection of amounts owed.

The law, including PVC, went into effect on September 13, 2018. Nonetheless, standards on fine increases; attenuating and aggravating circumstances; the new procedures before local criminal judges (juzgado de policia local) and for class action before ordinary courts; and SERNAC's new authority, including entering and searching property, will take effect in 24 months in the Metropolitan region and 12-18 months in other parts of the country.

3. Bill to modify Law No. 19,628 on the protection of private life ("New Personal Data Law")

The specific objectives of the New Personal Data Law consist of: (a) establishing the regulatory conditions that reinforce the rights of owners of personal data; (b) providing the country with modern, flexible legislation on the handling of personal data that is consistent with the international commitments made following its incorporation into the Organization for Economic Cooperation and Development (OECD); (c) increasing legal standards in Chile for the handling of personal data with adequate levels of protection and security; (d) establishing regulatory standards, operating conditions and a security framework for personal data by public agencies; and (e) providing technical oversight authority and public institutional structure that handles the regulatory and oversight challenges, ensuring respect for and protection of the fundamental rights and freedoms of data owners (individuals), particularly the right to private life.

By virtue of this bill, the owner of personal data has the following essential, free rights and exercise of these rights cannot be limited in a conventional manner:

- Right to access: This right allows individuals to request and obtain confirmation regarding whether their personal data has been handled by the responsible party and if so, access the data.
- Right to amendment: This right ensures that data that is imprecise or incomplete can be modified or supplemented.
- Right to cancellation: This right allows for the removal or elimination of the data of the owner based on the causes provided in the law.
- Right to opposition: This right allows the right to prevent a certain handling of data due to the concurrence of the causes set forth in the New Personal Data Law.

The New Personal Data Law establishes a direct and effective procedure so that any data owner may contact the party responsible for said data directly, ensuring the effective exercise of the

aforementioned rights and allowing him or her to temporarily block the data in question. The decision of the oversight authority can be appealed through the respective Court of Appeal.

Furthermore, the New Personal Data Law establishes consent as the main source of legitimacy in the handling of personal data. The owner's consent must be free, informed, and unequivocal and offered prior to handling and must be specific in regard to the purpose or purposes.

A series of obligations and duties are created for the parties responsible for the data, such as confirming the legality of the handling in question; information duties; privacy and confidentiality; information and transparency; and the duty to take security measures and report on the violation of said measures.

The law also regulates the ceding or transfer of personal databases and automated treatment of large volumes of data, or Big Data, protecting the owner's ability to control his or her own information.

The New Personal Data Law regulates the cross-border flow of personal data, distinguishing between countries that have a regulatory framework that provides adequate levels of data protection and those that do not. In adequate countries, broad autonomy of parties to transfer data is recognized. In countries that do not have an adequate regulatory framework, this is only allowed when a series of requirements are met.

The New Personal Data Law creates the Personal Data Protection Agency, a specialized technical oversight authority endowed with the power to regulate, supervise, oversee and, ultimately, sanction non-compliance.

It also includes a specific set of infractions against principles and obligations set out in the law, establishing sanctions that correlate to the severity of the infraction. These range from a written warning to fines from UTM 1 to UTM 5,000. The infractions and application of the respective sanction are determined by the Personal Data Protection Agency.

The New Personal Data Law incorporates a judicial claim procedure to report illegal activities for any individual or legal entity impacted by a decision of the Personal Data Protection Agency.

Adoption of violation prevention models by public and private sector entities is regulated in accordance with OECD recommendations. Mandatory minimum standards and requirements have been set.

4. Law No. 21,121, which modifies No. Law 20,393 on Criminal Liability of Legal Entities (Law No. 21,121)

Published on November 20, 2018, Law No. 21,121 adds new crimes for which companies may be held liable and increases the sanctions that may be applied upon conviction. Prior to this law, the list included asset laundering, funding terrorism, bribery and handling stolen goods.

The new crimes are:

- Misappropriation: Appropriating money, goods or any other tangible object that has been received as a deposit, commission or for management or for any other reason that produces an obligation to turn it over or return it.
- Conflicting negotiation: Anyone who directly or indirectly participates in any sort of contract or transaction in which there is a conflict of interest based on their position.

- Corruption among private entities: Requesting, accepting, offering or paying a bribe to encourage one offering entity to be hired over another.
- Improper management: Criminal conduct committed against the assets of third parties who authorized the perpetrator to manage said assets.

Furthermore, this Law increased the main and ancillary penalties: (i) fines for legal entities were raised from UTM 400 to UTM 300,000 and (2) ancillary penalties were created, incorporating confiscation by equivalence, that is, a sum of money equivalent to the value produced by the crime. The law also provides for the confiscation of earnings derived from the crime. The value of said assets would correspond to the amount of the earnings obtained from committing the crime.

2.4.2. Our Risk Culture

We know that, as a result of our banking activities, we are exposed to several types of risks mainly related to financial, credit, operational, legal and compliance issues.



Risk Management at Itaú

The Corporate Risk Manager, who reports to the Chief Executive Officer, is responsible for risk management. The Risk Division aims to make its role a competitive advantage for the Bank. It uses comprehensive risk management to help business areas meet their objectives in an appropriate control environment and within the established risk appetite.



(*) Note: Asset Laundering, Terrorism Financing and Bribery Prevention Committee

The critical functions are as follows:

- Manage and control the Bank's credit risk. Participate actively in all stages of the credit cycle, from origination to collections and normalization, for all business segments.
- Establish the Bank's credit risk policies and procedures.
- Establish and develop credit risk and provisioning methodologies that are consistent with the standards and guidelines issued by senior management and external regulators.
- Establish and develop the Bank's processes for analysis, control and monitoring of credit risk management.
- Manage operational risk. Play a central role in controlling risk in operational processes in order to ensure business continuity, information security controls, fraud identification and control and preventative monitoring.

Risk Management Policies

Las políticas de administración de riesgo tienen el propósito de identificar y analizar los riesgos que enfrenta el banco, además de fijar límites y procesos de control suficientes que permitan que estos se enmarquen en el apetito de riesgo deseado. Las políticas y estructuras de administración de riesgo se revisan en forma periódica, con el fin de reflejar los cambios en las actividades de nuestra institución.

A través de diversas normas y procedimientos, buscamos desarrollar un ambiente de control apropiado en medio de una cultura integral de gestión de riesgos, en la que todos los colaboradores comprendan sus roles y responsabilidades.

Policies and Documents that Support the Risk Culture:

1. Corporate Technology Policy
2. Corporate Anti-Corruption Policy
3. Financial Risk Policy
4. Market Risk Policy
5. Operational Risk Policy
6. Liquidity Risk Policy
7. Valuation Policy
8. Management of Financial Risk Models Policy
9. Volcker Rule Policy
10. Internal Audit Policy
11. Business Continuity Policy
12. Information Security Policy
13. New Products and Processes Policy
14. Creation, Modification and Approval of Institutional Documents Policy
15. Subsidiary Corporate Governance Policy
16. Policy on Gifts and Invitations from Customers and Third Parties
17. Employee Gifts and Invitations Policy
18. General PEP Management Policy
19. Code of Ethics

20. General Code of Conduct
21. Securities Market Code of Conduct
22. Asset Laundering, Terrorism Financing and Bribery Prevention Manual
23. Market Information Manual
24. Liquidity Contingency Plan

2.4.3. Risk Rating

International Risk Ratings

Itaú Corpbanca is rated internationally by two leading global agencies: Moody's Investors Services ("Moody's") and Standard & Poor's Global Ratings ("Standard & Poor's" or "S&P Global").

On July 27, 2018, Moody's affirmed its 'A3/Prime 2' risk rating for Itaú following the downgrade of Chile's sovereign rating to 'A1' from 'Aa3', which reflected the government's reduced capacity to provide financial support to the country's banks. Although the government's capacity to provide support has decreased slightly, it remains very strong. Consequently, the Bank's long-term ratings continue to benefit from two notches of uplift from its 'baa2' adjusted baseline credit rating.

Our 'A3' rating reflects conservative risk management and improving business prospects in Chile and Colombia ('Baa2 / Negative'), which will support the stabilization of asset quality and profitability following two years of average performance below its peers. However, Moody's ratings will remain constrained by its low capitalization and could face downward pressure if the Bank's ongoing retail strategy implementation does not lead to higher profitability and lower dependence on wholesale funding. Following a substantial improvement in the return on tangible assets, Moody's expects Itaú Corpbanca's future profitability to benefit from loan growth and lower funding costs, which will boost its already solid 3% net interest margin, despite still high credit costs. Our funding strategy, however, may take time to materialize.

The Outlook is 'Stable' reflecting our conservative risk management and improving business prospects in Chile and Colombia, which will support stabilization of asset quality and profitability following two years of average performance below its peers.

| Moody's | Rating |
|--------------------------------------|---------|
| Long-term counterparty risk | A2 |
| Long-term foreign currency deposits | A3 |
| Long-term foreign currency debt | A3 |
| Short-term foreign currency deposits | Prime-2 |
| Outlook | Stable |

On August 22, 2018, Standard & Poor’s affirmed our ‘BBB+/A-2’ ratings and revised our outlook and the outlook of nine other Chilean financial institutions to ‘Stable’ from ‘Negative’ following the revised economic risk trend for Chile to ‘Stable’ from ‘Negative’, reflecting diminished pressures on economic imbalances. Therefore, the Banking Industry Country Risk Assessment (BICRA) on Chile remained at group '3' and the industry risk trend remains stable.

Our ratings continue to reflect our business scale and market participation in the Chilean financial system. S&P expects our results to gradually improve as our business strategy advances and credit provisioning recedes amid better credit conditions expected for 2018–2018 first quarter results already point in that direction. In addition, the Bank had a sound regulatory capital level of 14.3% as of March 2018, above its target capital ratio. S&P forecasts that our risk-adjusted capital (RAC) ratio will average 6.0%–6.5% in the next two years. The ratings also reflect that our funding structure and availability are in line with the average for the industry, which underpin its comfortable liquidity levels. Since the merger, our asset and liability management strategy has been to adjust funding costs while looking for a longer tenor maturity and a more diversified funding structure.

We are perceived as a subsidiary isolated from and thereby unaffected by any liquidity problems the parent may experience.

The stable outlook reflects S&P expectations that Itaú Corpbanca's credit fundamentals will remain stable in the next 24 months with the integration of the merged operations and healthy asset quality. S&P expects the Bank's capital metrics to remain at moderate levels and funding and liquidity to be in line with Chilean banking industry average.

| Standard & Poor’s | Rating |
|----------------------------------|---------------|
| Solvency | BBB+ |
| Long-term foreign currency bonds | BBB+ |
| Short-term foreign currency debt | A-2 |
| Outlook | Stable |

Local Risk Ratings

Itaú Corpbanca is rated domestically by Feller Rate Clasificadora de Riesgo Ltda. ('Feller Rate') and by Standard & Poor’s Global Ratings Chile Clasificadora de Riesgo Ltda. ('Standard & Poor’s Chile' or 'S&P Chile').

On August 7, 2018, Feller Rate ratified a local rating of 'AA' and revised our outlook from 'Stable' to 'Positive', reflecting a strong business profile, sound risk profile, adequate capital and liquidity positions and a moderate revenue generation capacity. The 'Positive' outlook reflects a favorable trend in generation capacity, with growing results derived from greater commercial activity and controlled provisions for loan losses.

To the extent that the implementation of the strategy, the completion of the merger process and higher levels of activity allow the Bank to consolidate profitability—and consistently achieve results in line with banking system averages—with a healthy credit quality, Feller Rate should upgrade its ratings.

| Feller Rate | Rating |
|--|---------------------|
| Solvency | AA |
| Time deposits maturing in more than 1 year | AA |
| Letters of credit | AA |
| Bonds | AA |
| Bond lines | AA |
| Subordinated bonds | AA- |
| Subordinated bond line | AA- |
| Time deposits maturing in less than one year | Level 1+ |
| Single-series shares | First Class Level 1 |
| Outlook | Positive |

On August 22, 2018, S&P Chile affirmed our 'cAA' solvency rating and revised our outlook from 'Negative' to 'Stable' following S&P Global's revised outlook on our international ratings. The basis for the local and international ratings assigned by S&P Global is the same.

| Standard & Poor's Chile | Rating |
|--|---------------------|
| Solvency | cAA |
| Letters of credit | cAA |
| Bonds | cAA |
| Bond lines | cAA |
| Subordinated bonds | cAA- |
| Subordinated bond line | cAA- |
| Time deposits maturing in less than one year | cA-1+ |
| Single-series shares | First Class Level 1 |
| Outlook | Stable |

2.4.4. Risk Management

The risks defined by Itaú are constantly monitored under the institution's risk management structure:

- Financial risks
- Credit risks
- Operational and compliance risks
- Emerging risks

| | Risk | Risk Management at Itaú | 2018 Highlights |
|-----------------------|---|--|--|
| Financial Risk | The Bank's main activities, fund brokerage and offering financial solutions, implicitly generate exposure to financial risks (market, liquidity and counterparty risk). | <p>The Board of Directors defines risk management by setting policies and financial risk appetite, which translate into limits for different risk metrics. The Treasury manages market and liquidity risks. It is also the unit responsible for managing the consolidated risks of our operations in Chile and Colombia. The Financial Risk Division is responsible for applying the control framework and periodically monitors the different risk metrics. It reports to senior management and those responsible for managing the Bank's exposure.</p> <p>In terms of market risks, we measure risk for the currencies in which the Bank operates (dollar, Chilean peso, Colombian peso), local and foreign interest rate risk, among others. Liquidity risk limits are established in accordance with short- and long-term corporate objectives, which seek to promote diversification of funding sources and preserve adequate liquidity reserves.</p> <p>Furthermore, the Financial Risk Division is responsible for calculating Treasury results, tying risk measurement to returns.</p> | <p>Financial risk governance, roles and processes were reviewed in 2018, resulting in a new version of the Financial Risk Policies.</p> <p>Progress was also made on consolidating bases and processes as well as reconciling and validating data to generate financial risk reports.</p> <p>A new model, aligned with industry best practices, was developed to measure counterparty risk from derivatives.</p> <p>Finally, in an important milestone for the financial risk area, the Bank received its first visit from the Brazilian Central Bank.</p> |

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| <p>Credit Risk</p> | <p>Given the nature of these risks and in order to better manage them, we have specialized areas for each commercial segment: Wholesale Credit and Retail Credit.</p> | <p>The Wholesale Credit Division works with the credit risk control area to monitor customer behavior and, if necessary, processes administrative and judicial collections for the Wholesale Banking Division.</p> <p>This division administers the credit approval process for all of this division's customers, which requires maintaining adequate control at all stages of the process: conducting technical studies of the customers' economic and financial position; giving presentations on financial projections, sector and economic studies to the pertinent decision-making authorities; as well as carrying out loan analysis, structuring and assessment.</p> <p>The Executive Loan Committee—chaired by the Chief Executive Officer and comprised of the Chairman of the Board, an appointed director, the Corporate Risk Manager and the Wholesale Credit Manager—is the highest body for local assessment. However, Itaú Unibanco Executive Loan Committee must ratify the local committee's decisions for loans involving exposure amounts and risk ratings in excess of established limits.</p> | <p>In 2018, service focused on consolidating processes, training teams and ongoing review of the credit portfolio.</p> |
|---------------------------|---|--|--|

The Retail Credit Division is responsible for all Retail Banking credit processes.

Due to the more large-scale nature of this segment, use of proactive loan origination models, based on statistical models of approval and behavior, are encouraged. Thus, the division has developed differentiated strategies for each retail segment.

We use an automated process to assess credit applications submitted by individual Banco Condell, Itaú and Itaú Personal Bank customers. The process verifies that each request meets requirements established in the credit policy and the corresponding standards for granting the credit as well as controls the level of authority and approval required. On the other hand, a structured, case-by-case methodology is used to assess financing proposals from Itaú Companies and Itaú Private Bank customers.

We promote and develop proactive credit-granting models by generating pre-approved or pre-evaluated offers. Internally developed statistical behavior and approval models are used to identify customers and prospects with high potential and good credit to whom financing is offered in a more active, direct manner. As a result, growth in consumer loans exceeded relevant competitors in 2018.

In 2018, the Bank strengthened clear corporate governance that regulates internal risk management and appetite. It established formal opportunities for approval and control to ensure that operations remain within the established limits and strict compliance with current regulations.

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| <p>Operational Risk and Compliance</p> | <p>The main purpose of the management model adopted by the Bank and its subsidiaries is preventative and effective risk management in five stages: identification, prioritization, response to risk, monitoring and reporting.</p> | <p>Given the importance of managing operational risk, including legal risk, in achieving the organization's strategic objectives, a functional structure has been set up for this task. It is comprised of the Board of Directors, Operational Risk Committee and a division specialized in matters of operational risk, information security, business continuity and internal control.</p> <p>The Operational Risk and Compliance Division is responsible for creating a regulatory framework for risk management and communicating a risk culture at the Bank, raising awareness of the three lines of defense: the business and support areas, the Operational Risk and Compliance Division and the Internal Audit Division.</p> <p>Our governance model includes the Bank's security framework, which is aligned with international standards and best industry practices. Applied to the group's international units and aligned with existing guidelines for these units, it provided standardized, dynamic and active understanding of control.</p> <p>In 2018, there were important advances in the application of methodologies and guidelines from Itaú Unibanco to subsidiaries and international units on matters of operational risk, information security, business continuity and compliance, establishing monthly executive commissions that report to the Operational Risk and Compliance Division. These commissions carry out monitoring and follow-up in accordance with unit methodologies.</p> | <p>In 2018, we began the process of independently validating credit and financial risk models for Chile and units abroad. We began with credit models in Chile and defining governance on the matter. This was a joint effort with Itaú Unibanco. We earned SOX Certification in Chile and Colombia, through the Operational Risk and Compliance Division. We made progress on the Business Continuity Program by expanding the coverage and scope of the processes and improving the methodological framework.</p> <p>We finished setting up our contingency operating sites, enabling the Bank to continue operations in the event of incidents that impact our physical infrastructure.</p> <p>The testing program for the risk scenarios described in the methodological framework advanced according to the approved plan with a greater number and depth to the exercises. These tests were performed to ensure the Bank's capacity to continue serving our customers during events that impact business continuity.</p> <p>This year, opportunities to work collaboratively with different areas were created, including commissions on security and management of vulnerabilities as well as the Operational Risk Committee.</p> |
|---|--|---|--|

| | | | |
|------------------------------|--|---|---|
| | <p>Cybersecurity</p> <p>Risk that non-detected vulnerabilities could be exploited to allow invasion and compromise the Bank's information assets causing losses to the information's confidentiality, integrity and availability or compromising customer or third-party data, the consequence of which could be disastrous and even hinder business continuity.</p> | <p>As a bank, one of our objectives is to guarantee the security of processes and operations in today's digitalized environment. To do so, we continuously strengthen the control environment with solutions that translate into rapid responses to any attack and enable the Bank to face threats in a clear, convincing manner.</p> <p>We move quickly in digital transformation. In terms of information security, the Bank continued efforts to strengthen the control environment on digital platforms and applications, with special emphasis on cybersecurity.</p> | <p>In 2018, the Bank formalized instances for different areas to come together and address cybersecurity events in Chile. We improved the process for handling security incidents, implemented security baselines for the Bank and international units, and created awareness and training campaigns. We also improved security in the system for transferring high amounts (SWIFT).</p> |
| <p>Emerging risks</p> | <p>Money Laundering</p> <p>Risk of being used as a vehicle for money laundering or terrorism financing via use of our financial instruments to provide a legal source for funds that originate in criminal activities. Such an event could compromise our reputation and expose us to the sanctions set forth by law.</p> | <p>The Bank has strengthened its structure and processes with systematic improvements in customer knowledge and transaction monitoring as well as stronger training and governance of international units.</p> <p>We constantly ensure that we are in alignment with regulatory modifications and international best practices.</p> | <p>In 2018, we earned certification for the Crime Prevention Model under Law 20,393.</p> <p>We also improved transaction monitoring by establishing parameters by customer segment. On the other hand, the branch training and annual e-learning plan, which aim to raise employee awareness of the importance of preventing money laundering, are complete (100%).</p> <p>Finally, we implemented the Financial Analysis Unit's regulations on identifying beneficiary owners, contacting more than 97% of the customer portfolio.</p> |

Other Risk Factors

We also know that other situations give rise to exposures that warrant our attention if we are to do our best banking work. Our position as a non-US company gives rise to a series of risks that we consider important in terms of investing in American Depository Shares (“ADS”). In order to evaluate these other risk factors, we write a series of reports analyzing risk factors associated with our operations in Chile and Colombia (our second largest market). These are then filed with the Securities and Exchange Commission (“SEC”).

The following are some of those risks²:

We are dependent on key personnel.

Our development, operation and growth depend significantly on the efforts and experience of our Board of Directors, senior management and other key executives.

We are subject to market risk.

We are directly and indirectly affected by changes in local and international market conditions. Changes in market conditions that may affect our financial condition and results of operations include fluctuations in interest and currency exchange rates, securities prices, changes in the implied volatility of interest rates and foreign exchange rates, among others.

Our results of operations are affected by interest rate volatility and inflation rate volatility

In today’s global economic climate, there is greater uncertainty and unpredictability regarding political decisions and interest rates established by the Chilean Central Bank and the Colombian Central Bank. Interest rate volatility could negatively impact us and, potentially, our future financial behavior and market value of our securities, while volatility in the inflation rate could negatively impact the net interest margin due to differences in UF-indexed assets and liabilities.

Increased competition and industry consolidation may adversely affect the results of our operation.

The Chilean and Colombian markets for financial services are highly competitive and competition is likely to increase.

² For further information, see our Form 20-F report, available at www.itauc.cl, Investor Relations > Financial Information > Annual Reports.

Our risk management system may not be sufficient to avoid losses that could have a material adverse effect on our business, financial condition and results of operations.

We use various processes to identify, analyze, manage and control our risk exposure, both in favorable and adverse market conditions. However, these processes involve subjective and complex judgments and assumptions, including projections of economic conditions and assumptions on the ability of our borrowers to repay their loans. Because of the nature of these risks, we cannot guarantee that our risk management efforts will prevent us from experiencing material losses.

We are subject to concentration risk.

We believe that an excessive concentration with respect to a particular risk factor could have a material adverse effect on our business, financial condition and results of operations.

Our reliance on short-term deposits as our principal source of funds exposes us to sudden increases in our costs of funding which could have a material adverse effect on our revenue.

If this were to happen, our business, results of operations and financial condition may be materially and adversely affected.

Currency fluctuations could adversely affect our financial condition and results of operations and the value of our securities.

Economic policies and any future changes in the value of the Chilean peso or the Colombian peso against the U.S. dollar could affect the dollar value of our securities, since the equity value of Itaú Corpbanca is hedged against our base currency Chilean peso.

Our business is highly dependent on proper functioning and improvement of information technology systems.

Our business is highly dependent on the ability of our information technology systems to accurately process a large number of transactions across numerous and diverse markets and products in a timely manner. Our ability to remain competitive and achieve further growth will depend in part on our ability to upgrade our information technology systems and increase our capacity on a timely and cost-effective basis.

We rely on third parties for important products and services.

Third-party vendors provide key components of our business infrastructure. Any problems caused by these third parties could adversely affect our ability to deliver products and services to customers and otherwise to conduct business.

Banking regulations may restrict our operations and thereby adversely affect our financial condition and results of operations.

Changes to laws regarding our regulators could result in additional changes to banking regulations or other consequences that could negatively impact our financial position and results of operations.

Other businesses controlled by Itaú Unibanco may face difficulties from a business or reputational standpoint and affect us.

Since we are part of a larger conglomerate of companies owned by Itaú Unibanco, if other businesses controlled by Itaú Unibanco face difficulties from a business or reputational standpoint, we may suffer adverse consequences.

Our growth and profitability depend on the level of economic activity in Chile, Colombia and other emerging markets.

The Chilean and Colombian economies have been influenced, to varying degrees, by economic conditions in other emerging market countries. Future developments in or affecting the Chilean or Colombian economies, including consequences of economic difficulties in emerging and developed markets, including some of our neighbor countries, or a deceleration in the economic growth of Asian or other developed nations to which Chile and Colombia export a majority of their respective goods, could materially and adversely affect our business, financial condition or results of operations.

Risks relating to expansion and integration of acquired businesses

We have been expanding the scope of our operations over the past few years, and we expect that this expansion will continue. Failure to integrate, monitor and manage expanded operations could have a material adverse effect on our business, reputation and financial results. If we fail to achieve the business growth opportunities, cost savings and other benefits we anticipate from mergers and acquisition transactions, or incur greater integration costs than we have estimated, our results of operations and financial condition may be materially and adversely affected.



3 financial capital_

Our Way

- Performance fanatics
- We think and act like owners

Stakeholders

- Shareholders/Investors
- Trade Unions
- The Media

SDG

- SDG 8

Material issues

- Economic performance

3.1. Local and International Macroeconomic Context

The following analysis of the international and local macroeconomic context in 2018 focuses especially on our most relevant markets.

3.1.1. Global Economic and Financial Environment

Economic events and political decisions made 2018 a volatile year on international financial markets. Global growth peaked in 2018 and seems to be slowing, most evidently in economies like China and the developed world outside the US.

Global growth reached its highest point for the second half of this decade, coming in at 3.8% (3.7% in 2017). Despite the slowdown, China's 6.6% expansion (6.8% in 2017) continues to be the main driver of global growth. Nonetheless, the US economy recorded robust growth of 2.9% in 2018 (2.2% the previous year), benefiting, although temporarily, from Trump's 2017 tax reform. The European bloc posted moderate growth of 1.8% (2.5% in 2017). A weak third quarter (due to temporary factors) and increased political volatility affected performance in the region.

Growth forecasts for Latin America fell last year, primarily reflecting a recession in Argentina, which opened the year with 2.2% contraction (while robust expansion was anticipated in early 2018). Expansion in Brazil (1.1%), Colombia (2.6%), Mexico (2.0%), Peru (3.9%) and Chile (4.0%) countered poor performance in Argentina leaving overall growth for the region at 1%, somewhat below 2017 figures. In this context, growth outlooks vary within the region. For example, despite significant political changes, Colombia and Peru will move towards potential growth in 2019.

In Brazil, financial conditions have improved with the imminent change in administration and expectations of key tax and pension reform that would contain the public debt increase and provide fiscal sustainability. These conditions should be favorable enough to usher in a medium-term recovery of growth. In Mexico, by contrast, the slowdown of its main trade partner (the US), trade discussions and uncertainty regarding the new administration's new domestic policies have worsened the situation for investors and sounded a cautionary note regarding economic growth. Argentina may see stabilization of activity, but the political uncertainty of an election year may adversely impact economic outlook.

Both indicators of high frequency activity (industrial production and matching activity indexes) and the purchasing managers' index (PMI) reveal a slowing of global growth. With less space for countercyclical economic policy, lower growth seems to be the base scenario for the coming years.

3.1.2. Chilean Economic and Financial Environment

Following four years of below-potential growth, Chile's economy started the year on the right foot. Marked improvements in private sentiment (along with higher copper prices and culmination of the political cycle with the December 2017 presidential elections), a favorable basis of comparison for mining (given the strike at Chile's largest private copper mine

in the first quarter of 2017) and prospects of a thriving global economy resulted in first quarter growth of 4.9%. Activity slowed significantly in the third quarter, along with a slowdown in mining activity and some moderation in domestic consumption, revealing persisting gaps in the capacity of the economy. In this context, solid investment performance is noteworthy with high growth rates in both construction (mainly civil projects) and machinery and equipment. Overall, the economy grew 4.0% after closing 2017 at just 1.5% growth.

Despite solid economic performance, sentiment among economic agents gradually deteriorated over the course of the year. Consumers were again pessimistic during the second half of 2018, possibly due to the lower-than-anticipated rebound in the labor market. Employment growth rates have been lower than those recorded in late 2017 and the quality of the jobs created (mainly salaried work) has improved significantly. The unemployment rate has not dropped below 7% and salaries are stable, though somewhat less dynamic than in years past. The deterioration in commerce (partly due to the drop in Argentine tourism as a result of the crisis) led to pessimism among business owners, while the construction industry continues to expect a clear rebound in the real estate sector.

With a marked recovery in the price of copper and weakening of the dollar in multilateral terms, the Chilean peso had appreciated significantly by the close of 2017. This lasted until mid-year when the dollar was below 590 pesos; however, it rose again in response to the drop in copper prices and increased aversion to risk at the global level. After reaching highs of close to 700 pesos, the dollar finished the year below 690.

Inflation, which ended 2017 at 2.3%, stabilized as the price of imports stopped falling (thanks to depreciation of the peso and higher fuel prices) and prospects indicated a somewhat smaller gap. After briefly reaching target in September, inflation fell to 2.7% at year end, revealing very constrained inflationary pressures. In its September quarterly report, Chile's Central Bank announced a monetary stimulus normalization process in the coming months. The monetary policy rate that had been steady at 2.5% since May 2017 was raised to 2.75% in October. This was the first step on a gradual, cautious path toward neutral levels (4-4.5%), which the Central Bank hopes to reach by mid-2020.

The year ended with a fiscal deficit of 1.7% of GDP, below the 2.8% recorded for 2017. The government passed a budget with the lowest real growth in public spending in several years. As a result, the 2019 deficit is expected to close at 1.7% of GDP.

The price of copper, Chile's main export, was up relative to 2017. However, that recovery did not contain the effect of increased oil prices, rebounding investment and the still-robust consumption of imported goods on the growth of imports. Consequently, the current account deficit as a percentage of GDP rose to 2.6% (the highest since 2013) from 1.5% in 2017.

3.1.3. Colombian Economic and Financial Environment

With general elections in the first half of the year, 2018 was a year of political transition in Colombia.

The fiscal deficit of the central government was 3.1% of GDP in 2018, down from 3.6% in 2017 and the lowest since 2015. Moving forward, the structural balance rule requires additional consolidation in order to meet the 2019 deficit goal of 2.4% and the long-term goal of

1% by the end of the 2020s. After taking office in August, the current administration had to focus on debating the 2019 budget (submitted by the outgoing administration, as per the law).

Should the deficit goal not be met, public debt (which ended up around 47.6% in 2018) would take longer to reach levels that are sustainable over time. However, two of the main risk-rating agencies (S&P Global and Fitch Ratings) reiterated their current rating of the country's sovereign debt (BBB- and BBB, respectively, both with stable outlook), arguing that the failure to comply with the fiscal rule in 2019 would not pose a structural risk to the economy. This rating agency opinion gives the administration room to maneuver in coming quarters; however, concrete fiscal consolidation measures are a pre-condition for maintaining investment levels in the Colombian economy.

With growth limited by the electoral cycle, activity expanded approximately 2.6% in 2018 (1.8% in 2017). Consumption expanded over the course of the year, aided by low inflation and interest rates. Fixed gross investment leveled out during the second half of the year as the machinery and equipment component slowed. Construction began to show signs of improvement. Finally, net exports started the year driving growth but weighed it down as imports accelerated amid the incipient recovery that has fed a slight rebound in purchases of intermediate goods and capital. The product gap continues to expand due to gradual recovery of activity levels. The labor market did not recover despite improved activity and private sentiment, which has leveled over the course of the year with the exception of the trade sector. New obstacles have emerged and may limit the speed of recovery going forward.

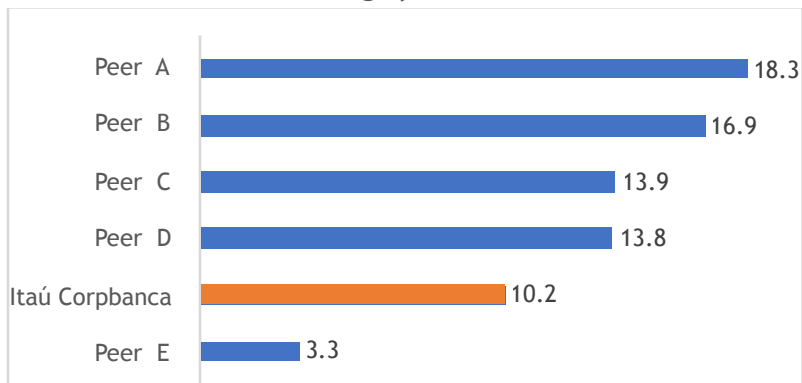
The correction for the current account deficit was interrupted at the end of the year as internal demand rose and the income deficit expanded. By the third quarter of the year, the deficit accumulated over the last four quarters stabilized at 3.2% of GDP. Direct foreign investment over the last four quarters dropped from US\$14 billion in 2017 to US\$12.2 billion, led by the transportation and manufacturing sectors. Together, net direct foreign investment was US\$8.4 billion accumulated over the 12-month period, which was insufficient to fully fund the period's current account deficit. The slowed correction of the current account was attributable to lower oil prices. The year closed with a practically stable deficit of 3.2% of GDP (3.3% in 2017). The exchange rate, affected by lower oil prices, closed near 3,200 pesos to the dollar, down nearly 10% from the close of 2017.

The Colombian Central Bank held the monetary policy rate at 4.25% for most of the year. Controlling inflation near the 3% target in response to weak internal demand despite depreciation of the Colombian peso has helped. In contrast to recent experience, it has had very limited impact on inflation of imported goods and has favorably impacted food products. Inflation closed the year at 3.2%, down from 4.1% in December 2017. With inflation expectations controlled and close to (slightly above) the 3% target, the risks of increase have dissipated thanks to the change in the finance law and lower likelihood of a strong El Niño phenomenon. The Colombian Central Bank has thus signaled that it is not in a hurry to start the monetary normalization cycle, which would not begin until late in the first half of 2019.

3.2. The Chilean Banking System

The Chilean financial market is comprised of diverse sub sectors. The largest of these, commercial banking, includes 1 state bank and 18 private banks, which all operate under the same regulatory framework. Some are controlled by a Chilean entity while others are international banks that operate in the country under the direction of a foreign entity.

Total Loans - Chilean Banking System*



(* Note: Chilean market share was calculated on the basis of SBIF figures as of December 31, 2018. Excludes operations at Chilean banks' foreign banking subsidiaries (i.e. Itaú Corpbanca Colombia and the National Bank of Florida) and includes CMR Falabella and Walmart Servicios Financieros.

In keeping with global trends, the Chilean banking system has undergone consolidation involving mergers and acquisitions of banking entities in recent decades. In Chile, the financial market has become heavily concentrated in a few market leaders. The origins of this process can be traced back to 1990. The industry's two main banks comprised 35.2% of total loans in 2018. It is important to note that this year, Scotiabank merged with BBVA, BCI purchased TotalBank Florida and CMR Falabella became part of Banco Falabella.

Chilean Banking System: Loans, Risk, Provisions and Returns, 2017-2018* (in millions of Chilean pesos and percentages)

| Chile | 2017 | 2018 |
|---------------------------|-------------|-------------|
| Total loans | 156,476,425 | 177,028,608 |
| Commercial loans | 90,010,000 | 101,084,837 |
| Consumer loans | 21,455,761 | 25,792,525 |
| Mortgage loans | 45,010,664 | 50,151,246 |
| Risk index | 2.5 % | 2.5 % |
| Provisions and write-offs | 1,697,277 | 1,871,828 |
| Return on capital | 13.4 % | 13.8 % |

Source: Superintendency of Banks and Financial Institutions.

Loan amounts and ratios were calculated on the basis of SBIF figures as of December 31, 2018. Includes subsidiary operations as well as CMR Falabella and Walmart Servicios Financieros.

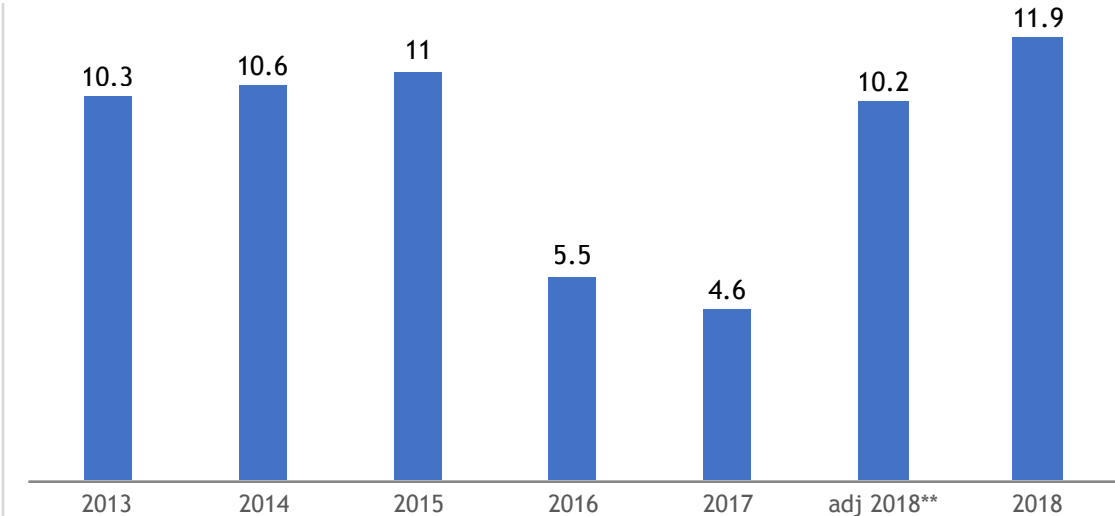
After continual growth since 2013, the banking system's total loan growth fell substantially, from double to single digits, in 2016. The slowdown was exacerbated by low growth in the commercial portfolio in 2017. However, growth went from 4.5% in 2017 to 11.9% at the end of 2018.

This was partially attributable to having included CMR Falabella and Walmart Servicios Financieros. Isolation of this effect reveals organic growth that is lower, but substantially higher than in previous years.

This increase was driven by strong growth in commercial and consumer loans that was attributable to improved expectations, which according to Bank Loan Survey results were, in turn, attributable to the change in government, falling interest rates and relaxation of loan conditions. In 2018, GDP is expected to grow by 4.0%, where year-on-year gross fixed capital formation and total consumption are set to rise 5.5% and 3.6%, respectively.

Our Bank has the means to expand its financial product offering using proven segmentation and digitization models, inspired by the excellence of our parent company, Itaú Unibanco.

Total Loan Growth (%)*



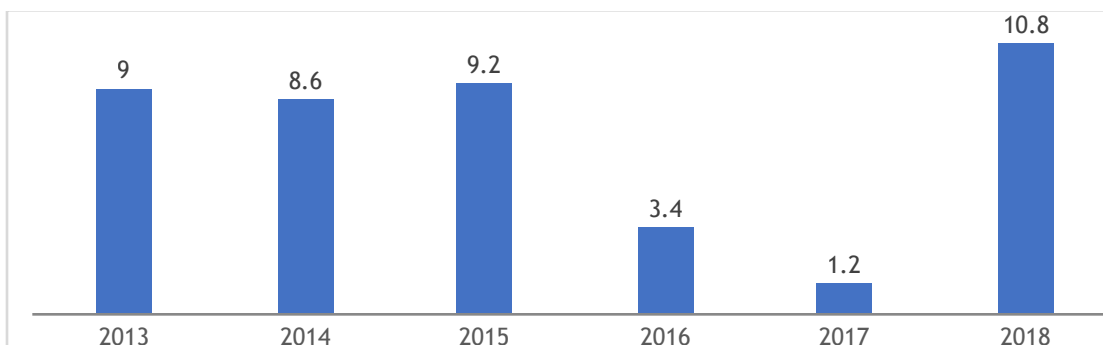
Source: Superintendency of Banks and Financial Institutions.
 (*) Loan growth was calculated on the basis of SBIF figures as of December 31, 2018. Excludes subsidiary operations and includes CMR Falabella and Walmart Servicios Financieros.
 (**) The adjusted 2018 figure is an estimation of loan growth excluding CMR Falabella and Walmart Financial Services.

Following two years of low growth, the system recorded an increase in 2018, which exceeded 2013-2015 levels. The commercial portfolio managed to grow 10.8% in comparison to the 5-year average growth of 6.3%. The improvement was attributable to increased economic activity in Chile, particularly in mining, manufacturing, construction and retail and wholesale commerce. The expected 5.5% growth in investment was driven by an increase in expenditures on machinery, equipment, construction and other works. While corporate debt as a percentage of GDP fell in 2017, the level of debt taken on by companies began to rise as of the first quarter of 2018, which is in line with this growth in loans. The ratio of debt to GDP for non-financial companies reached 101.4%

in the third quarter, due to an increase in loans and depreciation of the Chilean peso to the US dollar, which consequently increases the value of the obligations.

Commercial banks are facing growing competition for commercial portfolios from other financial intermediaries, which provide access to capital markets for large companies as an alternative to bank loans. Given the regulatory framework of the General Banking Law, we aim to maintain a competitive position in the investment banking market through our subsidiary Itaú Asesorías Financieras.

Growth in Commercial Loans (%)*



Source: Superintendency of Banks and Financial Institutions

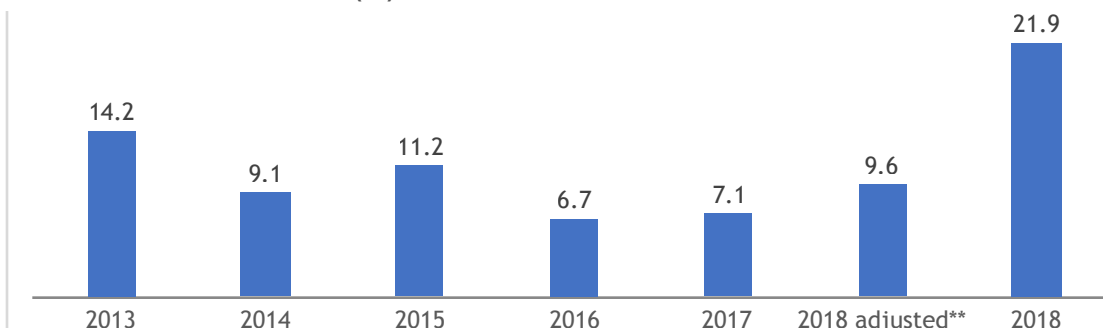
(*) Loan growth was calculated on the basis of SBIF figures as of December 31, 2018. Excludes subsidiary operations; includes CMR Falabella and Walmart Servicios Financieros.

Consumer loans rose 21.9% relative to the prior year, when they only grew 7.1%. This increase was primarily attributable to having included Walmart Servicios Financieros and CMR Falabella.

When this effect is isolated, organic loan growth is also observed. The increase in the ratio of debt to annual household available income, which reached 73.3% of income in the third quarter of 2018, reaffirms organic growth, as interest rates remained low in the first part of the year. It was only in the last quarter that the MPR was increased from 2.5 to 2.75.

Like Chile's other banks, our main competitors in the credit card area are department stores and other non-bank issuers of private credit cards.

Growth in Consumer Loans (%)*



Source:

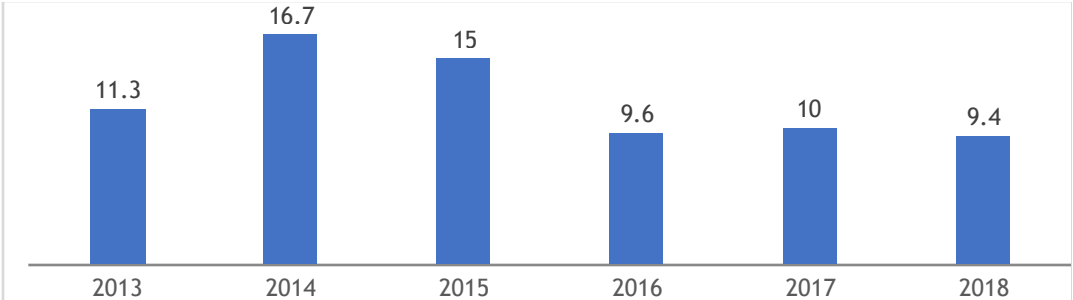
Superintendency of Banks and Financial Institutions

(*) Loan growth was calculated on the basis of SBIF figures as of December 31, 2018. Excludes subsidiary operations; includes CMR Falabella and Walmart Servicios Financieros.

(**) The adjusted 2018 figure is an estimation of loan growth excluding CMR Falabella and Walmart Financial Services.

In 2016, the real estate industry experienced a significant drop relative to preceding years, due to a tax reform and its impact on the sale of new homes without VAT, which had a substantial impact in 2015. In 2017, interest rate stagnation drove up demand for mortgage loans; however, growth in 2018 came in below the previous year at 9.4%.

Growth in Mortgage Loans (%)*



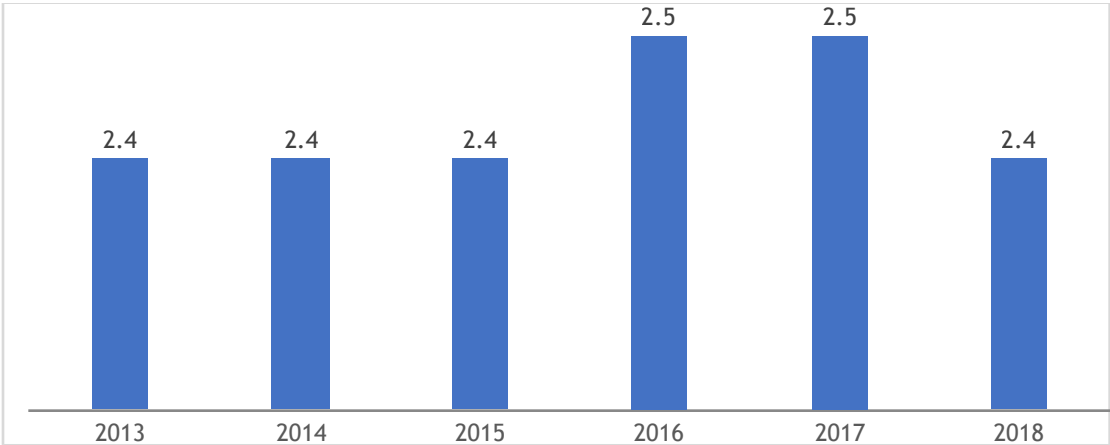
Source: Superintendency of Banks and Financial Institutions
(*) Loan growth was calculated on the basis of SBIF figures as of December 31, 2018. Excludes subsidiary operations; includes CMR Falabella and Walmart Servicios Financieros.

Insurance companies, now allowed to grant mortgage loans, became relevant competitors in mortgage and consumer loans.

We also face competition from banks that provide international private banking services, like JP Morgan Chase, BNP Paribas and others. Our competitive advantage in private banking has been the ability to provide customized products and diligently respond to customer needs. Banco Condell, our financing unit specializing in low-income segments, competes with other banks’ consumer banking divisions and several non-banking providers of consumer credit, like department stores. Its competitive advantage lies in its ability to respond quickly, know its customers and provide a fair pricing structure.

In 2018, the risk index for our loans fell to 2.4%, returning to 2013-2015 levels.

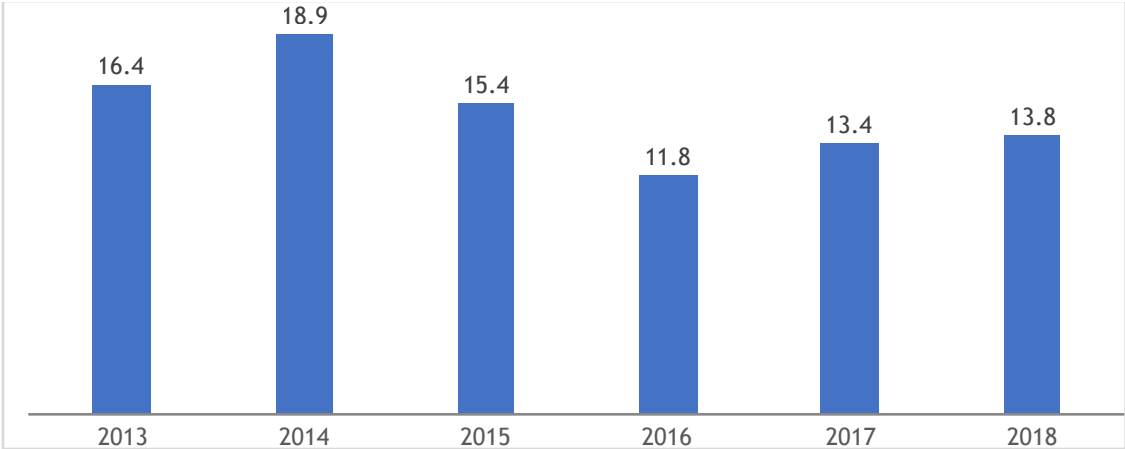
Total Risk Index (%)*



Source: Superintendency of Banks and Financial Institutions
(*) Loan growth was calculated on the basis of SBIF figures as of December 31, 2018. Excludes subsidiary operations.

The system's return on capital reached 13.8%, surpassing the 2017 figure of 13.4%.³ The improved indicator primarily reflects higher year-on-year earnings, which reached BCh\$2,396 as of December, up from BCh\$2,204.

Return on Capital (%)*



Source: Superintendency of Banks and Financial Institutions
(*) Note: Return on capital was calculated using SBIF figures, including subsidiary operations and excluding goodwill.

3.3. Economic Performance

[Tema material] 103-2, 103-3, Itaú 5

3.3.1. Business Activity

Total Loans and Market Share in Chile and Colombia

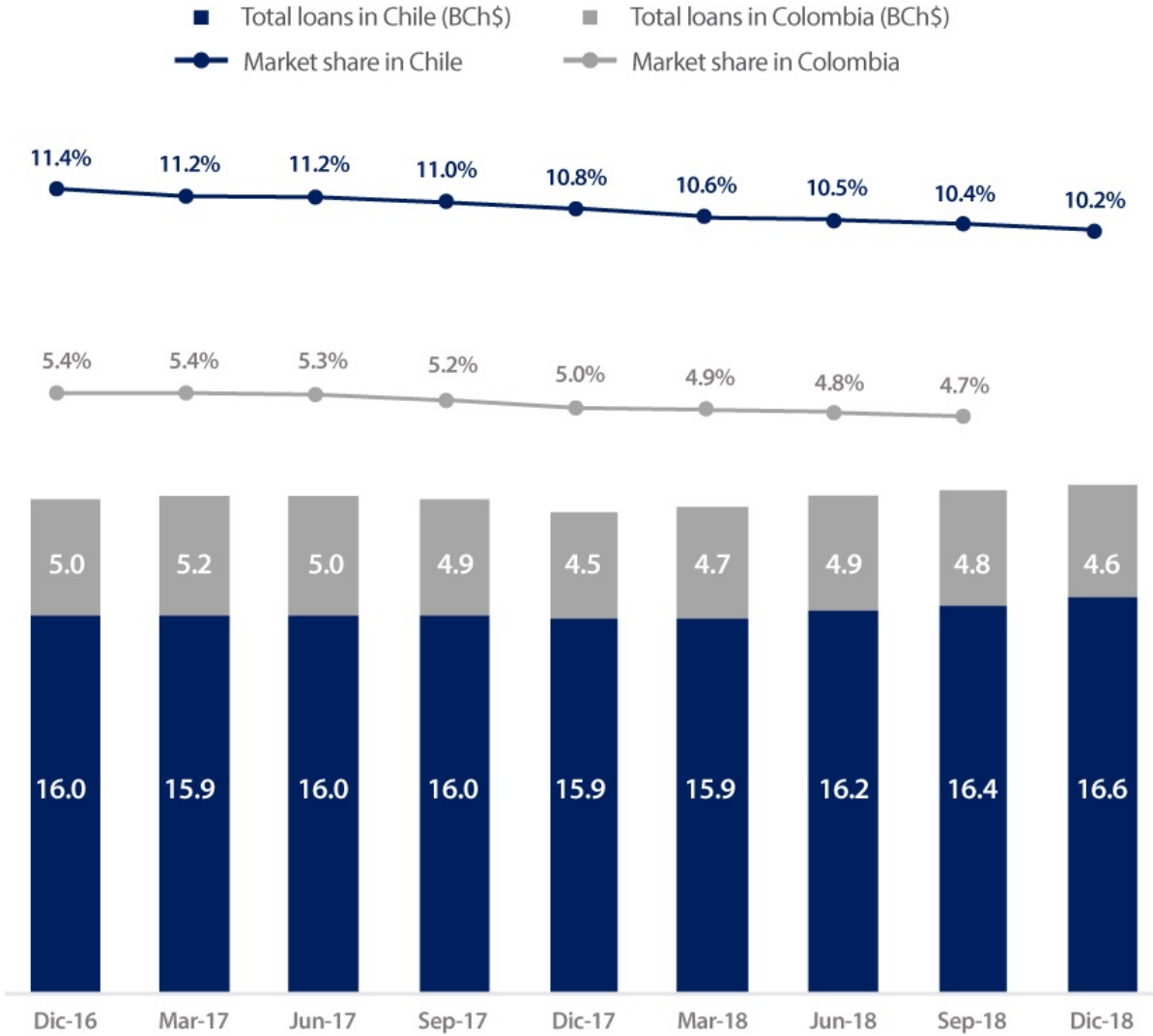
As of December 31, 2018, Itaú's total consolidated loan volume reached MCh\$21,502,368, which represents 5.4% growth over the previous year. This trend is attributable to the solid performance in consumer loans, particularly in fixed-term installment loans; a positive response to our strategy and platform for expanding the retail segment; and growth in commercial loans and the mortgage portfolio.

We adjusted our risk appetite to reduce elevated concentrations and, as a result, we experienced below-industry growth in the wholesale segment, particularly real estate. Driving down our market share in commercial loans, this led to lower market share in total loans in Chile. In Colombia, financial system loans continued on an upward trend. In that context, the Itaú Corbanca Colombia's loan portfolio grew 4.9%, largely thanks to the moderate increase in the commercial portfolio (6.5%).

In 2018, the retail segment in Chile grew thanks to expansion in the consumer and mortgage portfolios (13.9% and 6.4%, respectively). At Itaú in Colombia, the consumer portfolio fell 5.2% and the mortgage portfolio grew by 14.7%.

Consequently, our market share in Chile and Colombia shrunk, as shown below:

Total Itaú Loans and Market Share in Chile and Colombia (2016-2018)



Note: According to the most recent figure available from the Colombian Financial Superintendency as of the date of this report, Itaú Corpbanca Colombia had market share of 4.7% in November 2018.
Sources: Itaú, SBIF and Colombian Financial Superintendency (SFC)

Consolidated Loans by Industry

The following table shows positive diversification of the loan portfolio by industry, without significant concentration in any one industry.

Itaú Loans by Economic Sector

| | Domestic Loans | Foreign Loans | Total | Total |
|----------------------------|----------------|---------------|------------|----------|
| | MCh\$ | MCh\$ | MCh\$ | % |
| Commercial loans | | | | |
| Manufacturing | 982,497 | 114,714 | 1,097,211 | 5.10 % |
| Mining | 424,883 | 252,894 | 677,777 | 3.15 % |
| Utilities | 600,667 | 356,706 | 957,373 | 4.45 % |
| Agriculture and livestock | 207,271 | 139,098 | 346,369 | 1.61 % |
| Forestry | 24,511 | 5,172 | 29,683 | 0.14 % |
| Fishing | 1,945 | 1,530 | 3,475 | 0.02 % |
| Transport | 509,354 | 191,047 | 700,401 | 3.26 % |
| Telecom | 23,886 | 62,191 | 86,077 | 0.40 % |
| Construction | 1,436,096 | 310,530 | 1,746,626 | 8.12 % |
| Wholesale and retail trade | 861,291 | 758,817 | 1,620,108 | 7.53 % |
| Services | 2,735,023 | 1,137,037 | 3,872,060 | 18.01 % |
| Others | 2,456,495 | 793,403 | 3,249,898 | 15.11 % |
| Subtotal | 10,263,919 | 4,123,139 | 14,387,058 | 66.91 % |
| Mortgage loans | 3,852,962 | 592,865 | 4,445,827 | 20.68 % |
| Consumer loans | 1,750,986 | 918,777 | 2,669,763 | 12.42 % |
| Total | 15,867,867 | 5,634,781 | 21,502,648 | 100.00 % |

Source: Itaú.

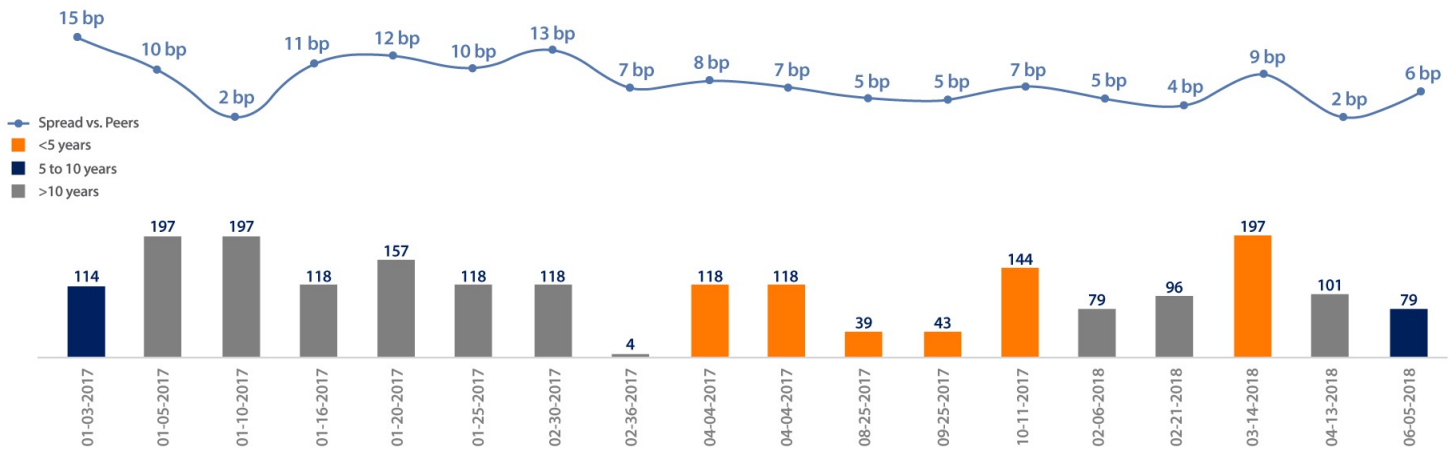
3.3.2. Funding Structure

Our strategy is designed to diversify sources of funds according to cost, availability and in light of the Bank's asset and liability management, which aims to extend maturities.

Total funding, including interbank deposits, reached Ch\$23.8 trillion as of December 31, 2018, up MCh\$966,000 (4.4%) from December 2017. Demand and time deposits were the main funding sources, up 1.5%, in line with the pace of commercial activity. Bonds and subordinated bonds followed in order of funding importance (0.9% and 3.2%, respectively) and consistent with the diversification strategy and quest for longer maturities.

In order to extend the maturity profile and retain high liquidity levels, Itaú placed MCh\$551 in senior bonds on the Chilean market. The spreads generated by these issuances have continually improved the cost of funds.

Bonds Issued in Chilean Pesos and UF (Figures in millions of US\$)



Source: Itaú

Further diversification of our funding sources can be seen in two syndicated loans signed in 2017. The first is for US\$465 million maturing in April 2020 and the second is a US\$200 million AB Loan, led by the International Finance Corporation (IFC), with a term of 5 years (A Loan) and 3 years (B Loan), maturing in December 2020 and December 2018, respectively.

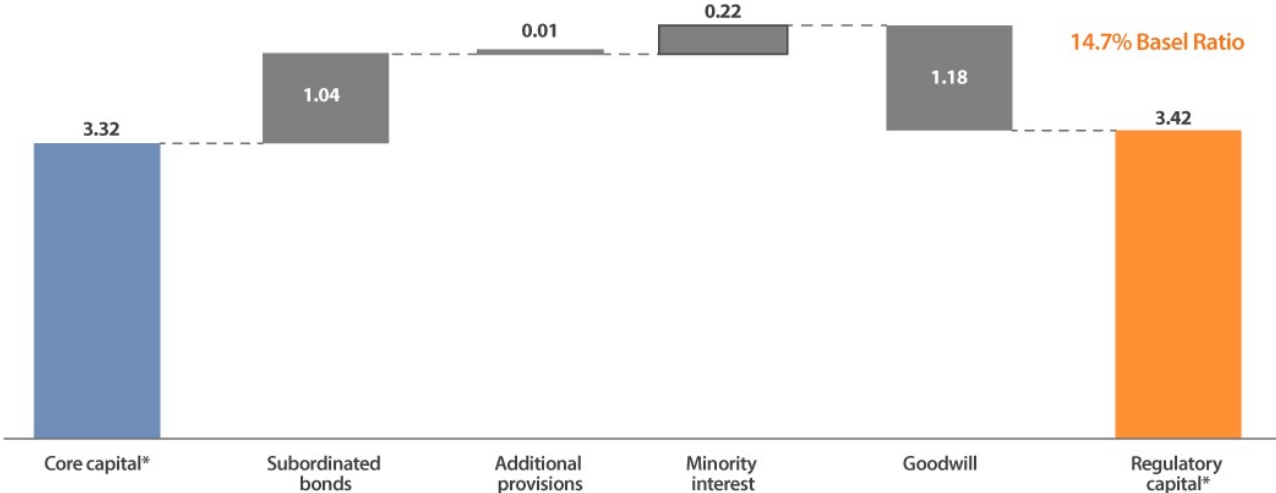
3.3.3. Capital Adequacy

Itaú Corpbanca Regulatory Capital

Our minimum capital requirements remain within the definitions set forth by the SBIF in Chile, which are based on Basel I standards. These requirements are expressed as the ratio (quotient) of equity—capital or total capital comprised of Tier I and Tier II—to risk-weighted assets (RWA). Our minimum capital requirement is 10.0% of total capital.

According to SBIF data, as of October 31, 2018, the average regulatory capital of the three largest private banks in Chile was 12.8%. As of December 31, 2018, Itaú’s regulatory capital ratio was 14.7%, broken down as follows:

Itaú Corpbanca Regulatory Capital (December 2018)



a/ Core capital = capital and reserves, in accordance with the SBIF BIS I definition, includes pertinent adjustments from the business combination.
 b/ Regulatory capital = capital required under the SBIF BIS I definition.
 c/ Basel ratio = regulatory capital / RWA under the SBIF BIS definition.

3.3.4. Financial Results for 2018

The consolidated results for 2018 are profit of MCh\$172,047,—comprised of MCh\$162,611 in Chile and MCh\$9,432 in Colombia—, reflecting an increase of 199.5% compared to 2017.

From a macroeconomic perspective, the events with the greatest impact on our results were:

(i)(i) increased economic activity in both countries (Chile and Colombia), which favored generation of new business as well as credit risk for a portion of our loan portfolio; (ii) the Colombian monetary policy rate cuts—, which went from 4.75% at the beginning of the year to 4.25% at the end of December—, positively impacting our cost of funds for the year; and (iii) higher inflation in Chile —with a CPI variation of 2.8% in 2018 compared to 2.3% in 2017—, which improved our financial margin.

Results and Comparisons for 2018 and 2017

| (In millions of pesos) | 2017 | 2018 | Δ '17-'18 (\$) | Δ '17-'18 (%) |
|---|----------|-----------|----------------|---------------|
| Net interest and indexation income | 760,734 | 846,991 | 86,257 | 11.34 |
| Net fee and commission income | 177,571 | 186,129 | 8,558 | 4.82 |
| Net financial operating income | 53,979 | 174,199 | 120,220 | 222.72 |
| Other operating income | 1,576 | -38,289 | -39,865 | s.d. |
| Total operating income | 993,860 | 1,169,030 | 133,924 | 13.34 |
| Operating expenses | -668,817 | -673,328 | -4,511 | 0.67 |
| Net provisions and write-offs | -339,118 | -242,490 | 96,628 | -28.49 |
| Net operating loss | -14,075 | 253,212 | 267,287 | n/a |
| Income attributable to investments in other companies | 1,479 | 1,528 | 49 | 3.31 |
| Profit (loss) before taxes | -12,596 | 254,740 | 267,336 | n/a |
| Income tax benefit (expense) | 65,910 | -77,894 | -143,804 | n/a |
| Profit for the year | 53,314 | 176,846 | 123,532 | 231.71 |
| Non-controlling interests | 4,133 | -4,799 | -8,932 | 199.49. |
| Profit attributable to owners of the bank | 57,447 | 172,047 | 114,600 | 199.49 |

The higher consolidated results are primarily attributable to three elements:

- Lower expenses with provisions and write-offs of MCh\$96,628 reflecting reduced expenses in the Colombian wholesale portfolio;
- Greater net interest and indexation income thanks to the monetary policy rate cut in Colombia, which positively impacted our funding costs, and increased indexation income in Chile as a result of higher inflation for the period; and
- Results from financial operations improved thanks to more favorable market conditions and adjustments to the credit value adjustment (CVA) of derivatives.

In order to illustrate the impact of Colombian operations on Itaú's consolidated results, the following table discloses Chilean and Colombian figures separately as of December 31, 2018.

Importantly, Itaú in Chile accounted for some expenses related to the operations in Colombia, particularly expenses related to the fiscal hedge position, which impacts the net interest margin; and the hedge on net investments in a foreign operation, which affects net financial operating income. This is in addition to the inherent effect of the fiscal hedge on net financial operating income and income tax.

In our opinion, these adjusted results as of December 31, 2018, are the best approximation to Itaú's stand-alone operations in Chile.

Adjusted Results for Chile and Colombia for the Year Ended December 31, 2018

| | For the Year Ended December 31, 2018 | | | Change (%) Dec '18/ Dec '17 | | | | Chile adjusted | |
|---|--|----------|----------|-----------------------------|-----------|----------|-------------|--------------------------------------|---------------------------------|
| | (Figures in millions of Chilean pesos) | | | | | | | For the Year Ended December 31, 2018 | |
| | Consolidated | Chile | Colombia | Consolidated | Chile | Colombia | Adjustments | MM\$ | Change (%) Dec '18 / Dec '17 |
| Net interest and indexation income | 846,991 | 574,023 | 272,968 | 11.34 % | 7.93 % | 19.26 % | 2,139 | 576,162 | 7.2 % |
| Net fee and commission income | 186,129 | 154,086 | 32,043 | 4.82 % | 9.95 % | -14.38 % | - | 154,086 | 9.95 % |
| Net financial operating income | 174,199 | 154,640 | 19,559 | 222.72 % | n/a | -71.34 % | -36,436 | 118,204 | 278.76 % |
| Other operating income | -38,289 | -22,137 | -16,152 | n/a | -192.64 % | -27.63 % | - | -22,137 | -192.64 % |
| GROSS OPERATING INCOME | 1,169,030 | 860,612 | 308,418 | 17.63 % | 26.26 % | -1.22 % | -34,296 | 826,316 | 12.78 % |
| Net provisions and write-offs | -242,490 | -158,272 | -84,218 | -28.49 % | -25.78 % | -33.10 % | - | -158,272 | -25.78 % |
| OPERATING INCOME, NET OF CREDIT RISK PROVISIONS | 926,540 | 702,340 | 224,200 | 41.51 % | 49.94 % | 20.32 % | -34,296 | 668,044 | 28.60 % |

| | | | | | | | | | |
|--|----------|----------|----------|-----------|-----------|-----------|---------|----------|-----------|
| Operating expenses | -673,328 | -460,874 | -212,454 | 0.67 % | 2.72 % | -3.49 % | - | -460,874 | 2.72 % |
| NET OPERATING INCOME | 253,212 | 241,466 | 11,746 | n/a | n/a | -134.75 % | -34,296 | 207,170 | 192.65 % |
| Income attributable to investments in associates | 1,528 | 287 | 1,241 | 3.31 % | -12.50 % | 7.82 % | - | 287 | -12.50 % |
| PROFIT BEFORE TAXES | 254,740 | 241,753 | 12,987 | n/a | n/a | -139.77 % | -34,296 | 207,457 | 191.70 % |
| Income tax benefit (expense) | -77,894 | -79,119 | 1,225 | -218.18 % | -274.02 % | -94.01 % | 43,901 | -35,218 | -240.54 % |
| PROFIT FOR THE YEAR | 176,846 | 162,634 | 14,212 | 231.71 % | 148.21 % | -216.42 % | 9,605 | 172,239 | 79.08 % |
| PROFIT ATTRIBUTABLE TO OWNERS OF THE BANK | 172,047 | 162,611 | 9,436 | 199.49 % | 148.19 % | -216.89 % | 9,605 | 172,216 | 79.06 % |

Net Interest and Indexation Income

The net interest margin rose Ch\$86.257 billion (11.3%) relative to the prior year. The improved result is attributable to (i) the impact of a reduction in Colombian interest rates, which was 1.76 percentage points lower than the 2017 average. This affected the operating margin in Colombia, where the local balance sheet structure caused liabilities to be repriced significantly faster than assets, and (ii) greater inflation in Chile with a variation in the indexation unit that was up 1.16 percentage points relative to 2017. Given the Bank's active inflation position, the higher indexation had a positive impact on the banking book.

Net Fee and Commission Income

Net fee and commission income totaled MCh\$171.941 in 2018, compared to MCh\$161.036 in 2017, which represents an increase of 6.8%.

This growth is attributable to 10.6% growth in net fee and commission income in Chile, driven primarily by higher commissions on insurance sales and financial advising as the volume of Wholesale Banking structuring operations rose.

Net Financial Operating Income

In 2018, financial operating income net of foreign exchange transactions rose 222.7% as a result of fiscal hedge derivatives, improved market opportunities and CVA adjustments.

Administrative Expenses

Administrative expenses were up MCh\$4,511 (0.7%) relative to 2017, reflecting the Bank's ongoing effort to seek efficiency in expenses at operations in both Chile and Colombia.

Net Provisions and Write-Offs

In 2018, net provisions and write-offs were down 28.5%, the equivalent of Ch\$96.628 billion. This decrease is primarily explained by a 25.8% reduction in net expenses in Chile and a lower number of Wholesale Banking credit events relative to 2017. Net expenses were down 33.1% in Colombia, also thanks to a favorable year for wholesale banking.

Itaú's active risk management policy extends to its operations in Colombia. This has translated into a healthy consolidated portfolio with a 90-day past-due portfolio of 2.11% and a 148% provision coverage ratio for this portfolio.

Taxes

Given that the equity method value of the investment in Colombia is in US dollars and pre-tax operating income increased significantly, the impact of the exchange rate on the tax basis caused reversals of income tax provisions to fall significantly in 2018.

3.4. Commercial Segments, Business Areas and Subsidiaries

3.4.1. Wholesale Banking

Corporate Banking

Corporate Banking serves customers and/or economic groups with annual sales over US\$100 million. It offers personalized financial and transactional products with tailor-made solutions supported by an advising model that facilitates customer growth.

Its mission is to create value. In order to do so, we get to know our corporate customers very well. This allows us to offer customers "tailor-made solutions" that are truly useful. Understanding and knowing our customers' business is what sets our Corporate Banking service apart, making ours a bank that supports customers through a variety of processes.

The synergies and strength of the merger became apparent in 2018 as we achieved our best performance in Corporate Banking since April 2016. We led important transactions such as: Project Finance: In the infrastructure and energy sectors, local and international syndicated loans, refinancing and leveraged buyouts (LBOs), we placed within the top three Chilean issuers on the local and international capital markets.

In a highly competitive banking industry, Itaú has efficiently managed and reduced portfolio risk with very little impact on commercial activity, increasing loans and demand deposits and improving the Bank's market share as well as customer reciprocity.

Large Companies Banking

Large Companies Banking customers are legal entities or economic groups with annual sales between US\$8 and US\$100 million that do not operate in the real estate, property rental or construction industries. This area also serves educational establishments and individuals who hold current accounts with annual activity between US\$8 million and US\$100 million. We have national coverage through Business Centers in Santiago and Chile's largest cities.

The service model includes a complete offering of financial products and services, which we make available to our customers through commercial executives and executives specializing in foreign trade products, leasing, factoring and cash management, which offer the broadest solutions to the needs and specifics of each customer.

This year focused on three tasks: commercial consolidation of customer relationships; growth and migration of customers to new systems, which marked completion of the merger process; and expanding customer relationship activities, which spurred us to seek new prospects.

Real Estate and Construction Banking

Real Estate and Construction Banking focuses on the financial needs of customers who are part of the real estate, rental, sales and residential and construction industry. Its focus is on legal entities or economic groups with annual sales over US\$100,000.

Sales rose significantly during the third quarter of 2018, mainly as a result of increases in construction activity and low mortgage rates. Project flows have remained stable due to the rise in property prices, permit restrictions and regulatory uncertainty. Consequently, the structuring of projects has begun to be replaced by finished projects. Furthermore, we have opened new markets such as Residential Rental in which developers put entire residential buildings up for rent.

3.4.2. Retail Banking

Comprehensive Management Model

Consolidating our comprehensive management model was an important challenge in 2018. The objective was to guarantee customer satisfaction and grow results in a sustainable manner.

This model, applied across the Retail Banking segment and adapted to each business area, puts the customer at the center of our daily operations, optimizes the advisory role of the account executive, strengthens the role of leaders as team builders, provides a comprehensive vision of results and places importance on how they are earned.

Finally, the comprehensive management model is a sound working methodology that creates commercial routines that standardize commercial network activity on the different business platforms, improving the customer experience, generating a satisfying working environment and always seeking results that are sustainable over time.

Itaú Companies

Itaú Companies serves legal entities and individuals with a business license who have annual sales between US\$100,000 and US\$8 million. For companies with sales between US\$100,000 and US\$1 million, the service model includes branch-based executives specializing in Small and Medium Enterprises (SMEs). Companies with US\$1 million to US\$8 million in sales are served through a centralized model by executives specializing in retail companies.

We offer a wide range of financial products and services to our SME customers, primarily working capital and investment loans (with and without state guarantees), factoring, leasing, performance bonds, foreign trade financing, cash management and investment products such as certificates of deposit and mutual funds.

We are making progress on digitization, simplifying the risk model and records, reducing unnecessary documentation by 80% and increasing speed by 85%. Today nearly one third of our customers can access financing online through a flexible, easy-to-use system. They can access available credit from their private site with a single click.

We also invest in tools to strengthen customer relationships so that we can learn about their wants and needs in order to make our commercial strategies exclusive and customer-focused. Some of the improvements that have been most widely accepted and highly valued by our customers include planning visits and the issues to be addressed and introducing products of interest, commitments and time frames.

Our value proposition for retail companies calls for relationships developed through the executive in the field, who seeks:

- To lead the commercial area as a high-performance agent;
- To provide suitable solutions to customers in which service is perceived as timely and effective (response time); and
- To achieve productivity based on knowledge of the customer and their needs, supported by management tools that improve commercial productivity.

Based on these goals, we note that our efforts have been successful, with a 14% increase in the customer base, 15% annual growth in total loans and sustained increases of 34% in overall business productivity compared to the previous year. Furthermore, the Bank reported increased earnings (14%) and results (262%) over projections for this year.

Itaú Private Bank

This segment focuses on providing personalized financial services to customers with investments of Ch\$700 million or more as individuals or legal entities. It also serves investment companies, spouses, senior executives or directors of corporate banking customers and partners in SMEs or companies. This segment may choose to hold products at our New York branch and/or in Chile.

Itaú Private Bank provides personalized financial services to high net-worth customers through highly qualified team members in order to ensure that their experiences are unique and personal. The goal is to provide a broad, differentiated set of financial solutions aligned with their needs and challenges.

The service model is based on providing each customer with comprehensive advising services for big investments that best fit their investor/financing profile. The area provides professional, personalized wealth management advising services. We have a specialized Wealth Management team that aims to maximize benefits for our customers based on their investor profile.

Itaú Private Bank offers customers a complete range of on- and off-shore products; mutual funds; stock, bond, currency and derivative brokerage; open investment funds; voluntary retirement savings (APV); structured products and alternative investments; and discretionary portfolios. We also provide custom credit products, structured to individual needs.

As part of our work in 2018, we invited Itaú Private Bank customers to events and breakfasts with our chief economist, who discussed the Bank's vision and the economic conditions in Chile and the world. A new loyalty program featuring distinctive, exclusive benefits was also launched.

Itaú Personal Bank

Itaú Personal Bank focuses on high-income customers, whose monthly income exceeds MCh\$2.5 or who hold investments between MCh\$70 and MCh\$700. It uses a profitability model to select current account customers without past-due or written-off debt in the SBIF.

Our service model is based on relationships and constant advising on financial products, investment and/or protection. Itaú Personal Bank offers a specialized, differentiated value proposal based on customer relationships. Its three pillars are highly qualified executives who are assigned smaller portfolios to facilitate management; investment consultants who specialize in providing exclusive, timely advising; and exclusive branches with extended hours to facilitate service.

The network includes 15 exclusive offices in Santiago and 5 elsewhere in Chile (Iquique, Antofagasta, Viña del Mar, Valparaíso and Concepción), each of which has a distinctive, safe and comfortable layout. In areas where the number of customers does not justify an exclusive office, 34 differentiated spaces, or "corners", have been created within Itaú branches, bringing the total number of points of service for this business area to 54.

In 2018, we implemented a digital, customer-centered transformation plan that enabled us to provide timely solutions through digital channels such as websites and applications. By the end of the year, the channels were being used to process about 80% of consumer transactions, 50% of insurance transactions and 33% of new account openings.

The Non-Financial Experience Program generated customer relations activities aimed at strengthening our relationships and positioning the brand through memorable activities that set us apart. During the first stage, we organized exclusive events for 30 to 300 guests. These events, which have allowed us to build connections and value for our customers, were very highly rated.

Itaú Credit Card Benefits Program

The new Itaú Credit Card Benefits Program, an innovative proposal compared to current industry offerings, was launched in 2018, providing flexible, easy access. The customer can access statements with current and expiring points; redeem points for flights, hotels, vacation packages, car rentals, products and gift cards; and order home delivery anywhere in the country via our private website. Furthermore, each month Itaú Personal Bank customers receive a bonus equivalent to 10% of the amount accumulated over the course of the month. Points last for 36 months.

The new Gourmet program offers a 40% discount on Thursdays and a 20% discount every day at select restaurants. These discounts are applied at the time of payment with no restrictions on time of day. The program has broad, nationwide coverage, available for Itaú Personal Bank customers at exclusive restaurants in over 15 cities. This benefit has been very well-received, as demonstrated by the nearly 3,500 customers who use the benefit each month.

Itaú

This business area serves individuals with monthly income between Ch\$600,000 and Ch\$2.5 million as well as customers with investments of less than Ch\$70 million.

This mass model is focused on customer self-service through various channels: face-to-face at our branches, through the website and App, through direct e-mail contact with account executives and through calls to the Contact Center. Our goal is to face our customers' changes and needs with them, offering agile, simple options that enable them interface with the Bank autonomously.

Banco Condell

This unit specializes in financing for middle and low-income segments who have low banking access and monthly income between Ch\$200,000 and Ch\$600,000. A financial inclusion mechanism, Banco Condell's business model enables it to provide services to people with informal, non-accreditable income.

Through Banco Condell we offer our customers insurance policies, certificates of deposit and consumer loans, products that represent the essence of our business.

One noteworthy milestone of 2018 is the Condell efficiency plan. In an effort to drive down costs without compromising excellent customer service, Banco Condell integrated its offices with other Itaú offices, maintaining an experience of closeness and trust with this segment in an effort to provide agile financing solutions. We are currently aiming to make Banco Condell a point of access for future Itaú customers who demonstrate good behavior and meet the requirements for a business area upgrade.

At the close of 2018, Condell had a network of 55 exclusive and integrated branches and nearly 72,000 customers.

3.4.3. Treasury

The Corporate Treasury Division has four major purposes: i) to manage the Bank’s market risks (including interest rate and inflation risk) and liquidation risk, acting in accordance with internal policies as well as regulatory and corporate limits; ii) to optimize the funding structure and assign transfer prices to the products it manages for the business channels; iii) to manage relationships with counterparties from international financial institutions, and iv) to distribute financial products, like currency, derivative and money market operations, to all the Bank’s customer segments.

Liquidity

This unit of the Treasury has a two-pronged objective. In terms of liquidity, the Bank seeks to ensure that it maintains, at all times, sufficient liquidity to support timely compliance with its payment obligations at the most efficient cost while rigorously upholding policies, standards and limits, both internal and external.

In terms of markets, the segment is responsible for providing Funds Transfer Pricing (FTP) curves that reflect marginal market conditions for the cost of money. These are used as an input for pricing these asset and liability entries on the balance sheet. It executes structural financing strategies in the market and helps establish a financing structure that minimizes short and long-term costs.

International Division

The International Division focuses on managing and interfacing with international counterparties that channel our customers’ business cash flows to and from foreign markets, as well as international funding. The division’s direct counterparties are financial, banking and multilateral institutions.

| | |
|------------------------------|--------------------|
| Foreign Currency Liabilities | US\$ 1,645 million |
|------------------------------|--------------------|

Distribution Desk

This unit is responsible for distributing financial products to all the Bank's customers using teams and channels that are specialized by segment and product, enabling them to know and meet each customer's needs.

Our products include: (i) FX: foreign currency spot sales and purchases, forwards and options on the world's leading financial markets; (ii) rate derivatives: interest rate swaps, cross currency swap, inflation insurance; and (3) investments: time deposits, mutual funds, repo agreements, fixed-rate brokerage. All of these are distributed through three channels, the trade desk, branches and the website.

In 2018, the Itaú Treasury became the leader in inter-bank transactions for the purchase and sale of dollars through Chile's Electronic Exchange and its platform, Datatec.

Trading y Market Making

This area aims to provide competitive pricing so the sales desk can distribute treasury products in the various commercial segments. It is also responsible for managing sales risk, creating interbank markets on a daily basis through operations with local and foreign counterparts.

ALM

This area is responsible for managing market, interest rate and currency risk as well as the Bank's balance sheet. It is also responsible for executing the institution's banking book/ledger strategy.

Market, balance sheet and ledger risks are managed with financial instruments, like derivatives and fixed-income securities, on the local and foreign markets.

3.4.4. Subsidiaries

Itaú Corredores de Bolsa Limitada

During 2018, the value of shares traded by Itaú Corredores de Bolsa Ltda. rose 27% over the previous year, reaching a market share of 6.0% and placing sixth in the ranking of value of shares traded on the Santiago Stock Exchange.

Increased volatility on the local stock exchange negatively impacted revenue from the retail segments, though this was offset by growth in volumes and commissions from local and foreign institutional customers, compared to the previous year.

In addition, belonging to a leading bank with a strong regional franchise has allowed us to participate in higher-added-value and larger transactions with Wholesale Banking customers (corporate bond loans, issuing commercial paper, takeover bids, etc.), promoting customers' long-term relationship with and preference for Itaú.

Finally, efficient cost management brought administrative and marketing costs down by 28% compared to last year. Together with stable exchange commissions during a period of high volatility and uncertainty, this generated positive results at the close of 2018.

| | |
|------------------------------------|-----------------------|
| Value of Shares Traded | Ch\$339,867 billion |
| Market Share | 6.0 % |
| Ranking for Value of Shares Traded | 6 th place |
| AUM Average Custody | Ch\$ 450 billion |

Itaú Asesorías Financieras S.A.

Itaú Asesorías Financieras S.A. provides customers with specialized, customized solutions. Its corporate finance-related advisory services address: structure and implementation of corporate finance in the banking, syndicated and bilateral loans; debt restructuring, project finance, debt structuring on capital markets through bond and commercial paper structuring, issuance and placement; mergers and acquisitions; capital increases; and advising and studies, in general. These services all aim to support our customers in making the right financial and strategic planning decisions.

In 2018, we provided local and international customers with different advising services, debt restructuring, project finance as well as issuance and placement of corporate bonds. We were among the top three on the ranking of Chilean issuances on the local and international capitals market.

Itaú Administradora General de Fondos S.A. ("Itaú AGF")

In 2018, the Bank sought to increase penetration in the Retail Banking and Wholesale Banking segments. The product offering was significantly strengthened through the largest fund merger process in the Chilean industry. The goal of this effort was to focus on a simple value proposition that would be easy for our customers to understand and that focused on the competitive advantages that a bank like Itaú can offer. We went from a total of 49 funds at the beginning of the year to 23 funds by the end of 2018.

The concept of simplifying to improve sales yielded excellent results. In mid-December we placed second among Chilean fund managers in terms of mutual fund growth, excluding money market accounts (i.e., considering only longer-term investment funds, which are more relationship-oriented than transactional). Growth in the volume of assets under management exceeded MCh\$300,000.

The Bank also received many awards in 2018. Showing consistency, Itaú AGF S.A. earned first place at the 2018 Salmon APV awards in the Balanced Conservative Fund category, with its Itaú Gestionado Conservador Mutual Fund.

Its position as a leader in responsible investment earned Itaú AGF recognition at the Alas20 awards in Chile, earning third place in the category of Leading Institution in Sustainability Research and second place in Leading Institution in Responsible Investment.

Finally, in the El Mercurio Inversiones awards for the Chilean fund industry, we placed fourth and were rated the best retail banking manager and the only company to rank in the top five in profitability, risk management and consistency.

We have complemented the banking product offering by positioning funds that are simple and accessible for our retail customers, but offer a sound investment strategy. The launch of the Itaú Ahorro Plus fund rounded out the investment product portfolio. Over 3,000 customers had the opportunity to experience this local fixed-income investment option, which captured volume of over MCh\$120,000 this year.

Finally, we expanded our leadership in the Exchange Traded Funds (ETF) market as 2018 drew to a close, launching a second ETF in Chile that replicates the index of dividend shares developed by S&P Dow Jones (“S&P CLX Dividend Index”). This fund will generate traction across the customer base because of its distribution focus on retail customers with the appropriate profile, high-income customers, family offices and Chilean institutional customers.

| Figure (MCh\$) | 2018 |
|---|-------------|
| Assets Managed in Mutual Funds (CLP) | 1,659,276 |
| Assets Managed in Exchange Traded Funds (CLP) | 127,461 |
| Assets Managed in Investment Funds (CLP) | 6,578 |
| Assets Managed in Managed Portfolios (CLP) | 432,279 |
| Total Assets Managed (CLP) | 2,225,594 |

Itaú Corredores de Seguros S.A.

This year was prosperous for Itaú Corredores de Seguros, which achieved 44% growth over 2017 while meeting their budget (122%). This was the result of the arduous work by team members who strengthened the product offering, provided training and monitored network performance. The efficiency required to control spending levels was also achieved.

On April 1, 2018, Corpbanca Corredores de Seguros S.A. absorbed Itaú Corredora de Seguros Limitada, changing the corporate name to Itaú Corredores de Seguros S.A. As a result, the absorbed brokerage portfolio had to be migrated to Itaú systems—a process that was successfully completed within the established time frame.

Two major alliances were formed in January 2018. The first was with Compañía de Seguros CARDIF, the company that was awarded the life and general insurance portfolio for products associated with credit in 2017. The second was with Multiasistencia OK, with which we set up a single help line for all stock and flow products. As a result, we made great strides in sales and post-sale customer service.

In regard to quality, since launching the new online insurance platform in the first quarter of 2018, we have achieved greater efficiency in sales and post-sale service times while keeping the primary focus on providing a better experience for internal and external customers. Efforts throughout the remainder of the year involved promoting use of the tool, achieving 90% digitization of sales and 77% digitization of post-sale for the flows and products available on the platform.

In regard to digitization, we launched the online claims reporting system at the end of the third quarter. Our customers now use a private site for home coverage, serious illness, hospitalization, unemployment, fire and earthquake coverage. This improves the policy owner's experience when they need to make use of one of their insurance policies. Furthermore, a phone-based customer support model was implemented to keep customers abreast of the status of their claim and provide additional information as needed for liquidation purposes.

Recaudaciones y Cobranzas Limitada ("INSTACOB")

This subsidiary is a banking support company engaged in legal and out-of-court collections services for any type of loans, titles or notes on its own behalf or on behalf of third parties.

Corplegal S.A.

This subsidiary is a banking support company dedicated exclusively to providing all types of professional legal services to Itaú, its subsidiaries and their customers (for Itaú transactions). This company has not recorded major activity since January 1, 2017.

4 social and relationship capital_



Our Way

- People are everything to us

Stakeholders

- Society

SDG

- SDG 11
- SDG 4

Material issues

- Community contributions

4.1. Our Stakeholders

102-40

| Stakeholders | Communication Channels |
|------------------------|---|
| Shareholders/Investors | <ul style="list-style-type: none"> • Web site (www.ita.cl) • Shareholders' meetings • Periodic individual and group meetings • Face-to-face conferences and non-deal roadshows • Conference calls and e-mails • Annual reports (Integrated Report, Form 20-F) |
| Customers | <ul style="list-style-type: none"> • Web site (www.ita.cl) - public and private • Branches and tellers • Telephone channels • Itaú App • Social networks • Banking emergencies • E-mails |
| Employees | <ul style="list-style-type: none"> • Intranet • Corporate e-mails • Managing Our Way (Gestor a Nuestra Manera) (segmented communications especially for the executive team) • Más para ti bulletin (benefits, special deals and activities) • Acontece newsletter (main business news) • Digital Banking newsletter (progress from digital innovation centers) • Retail newsletter (main news from this segment) • NLC screens (benefits, special deals, activities, news and promotions) • Screen protectors (institutional campaigns and messages) |
| Suppliers | <ul style="list-style-type: none"> • Web site (www.ita.cl) • Contracts and Procurement area e-mail (soportecompras@ita.cl) |
| Authorities | <ul style="list-style-type: none"> • Web site (www.ita.cl) • Telephone channels • Memos • Regulator e-mail address • Select, requested information |
| Trade Unions | <ul style="list-style-type: none"> • Web site (www.ita.cl) • Scheduled meetings • E-mails • Conference calls |
| Society | <ul style="list-style-type: none"> • Web site (www.ita.cl) • Annual reports (Integrated Report) • Social networks • Corporate Affairs and Sustainability Division's e-mail (asuntos.corporativos@ita.cl) |
| The Media | <ul style="list-style-type: none"> • Web site (www.ita.cl) • Annual reports (Integrated Report, Form 20-F) • Corporate Communications Subdivision |

4.2. Memberships and Partnerships

102-12, 102-13

Collaboration is key to our business. We know that building alliances and favoring mutually beneficial relationships between Itaú and other organizations is vitally important to meeting today's challenges. Consequently, we have a variety of memberships and partnerships.

As part of our commitment to the community, we participate in several industry-related associations, including:

- Chilean Association of Banks and Financial Institutions (ABIF)
- Brazilian-Chilean Chamber of Commerce (CCBC)
- Colombian-Chilean Chamber of Commerce (CCC)
- Spanish Chamber of Commerce
- American-Chilean Chamber of Commerce (Amcham Chile)
- Chilean Institute for Rational Business Management (ICARE)

Our participation in the aforementioned organizations involved annual donations of Ch\$315,198,276.

We have also subscribed to the following sustainability-related initiatives and principles:

- Sustainable Development Goals (SDG)
- Global Compact
- United Nations Environment Programme – Finance Initiative (UNEP-FI)
- Equator Principles
- IFC Performance Standards on Social and Environmental Sustainability

4.3. Sustainability Strategy

At Itaú, we are committed to comprehensive management, which incorporates a vision of sustainability into everything we do. Our Sustainability Strategy focuses on:

1. Dialogue and Transparency

We seek to connect with our partners and allies in ongoing dialogue in order to guide our actions and remain accountable to our main stakeholders. One of the ways we do this is by reporting to our stakeholders annually on the Bank's financial, environmental and social performance. This year, this information comes in our first Integrated Report, which has been verified by an independent third party, a step that puts us at the cutting edge of global reporting practices.

2. Financial Literacy

Financial market evolution and development has revealed the importance of having informed depositors and users who can make appropriate and responsible financial decisions. This strengthens the stability of the financial system as it protects public interest.

To that end, all market participants must be knowledgeable about existing products and services as well as the workings of the financial system in general. Thus, we have undertaken initiatives that offer financial education to critical population segments in order to promote healthy relationships with money.

3. Socio-Environmental Risks and Opportunities

We understand that social and environmental variables can affect our activities and those of our customers, impacting society or causing significant environmental incidents. That is why management of socio-environmental risks and opportunities is an organization-wide task based on the Bank's Socio-Environmental Risk Policy.

In addition, our commitment to serve as an agent of change has led us to support various initiatives related to culture, sports, urban mobility, education and our environment, in general.

4.3.1. Sustainability Commission

102-32

The Sustainability Commission is the maximum governance authority on sustainability issues. Led by the Chief Executive Officer, the commission is comprised of the corporate managers of human resources, marketing, products, digital channels and franchises; risk; legal and wholesale banking. The Manager of Corporate Affairs and Sustainability also participates as executive secretary.

The commission aims to set the strategic direction for the Itaú Sustainability Policy by promoting programs and initiatives that are aligned with the Bank's causes and integrating sustainability into business practices and internal culture.

It also puts special effort into ensuring understanding on matters of social and environmental risk and compliance with Safety and Environmental Management Systems.

In keeping with its bylaws, the commission met twice in 2018.

4.4. Contributing to the Community

[Material issue] 103-2, 103-3, 413-1, Itaú 6

Itaú's contribution to the community consists mainly of community investment as part of its strategic long-term participation in and with community organizations. The Bank also makes one-time and occasional donations and organizes business-related activities in the community, which are generally part of efforts to promote the Itaú brand and corporate identity. This comes in addition to non-monetary contributions, primarily corporate volunteer efforts, by the Bank and its employees.

| Category | % of Total Contributions |
|-----------------------------|--------------------------|
| Commercial Initiatives | 20 % |
| Donations | 32 % |
| Investment in the Community | 48 % |
| Total | 100 % |

| Type of Contribution | Total Contributions (MCh\$) |
|--|-----------------------------|
| Cash | 4,131 |
| Time (employees volunteering during working hours) | 58 |
| Management overhead | 34 |

The following are some of the initiatives undertaken in 2018.

Bike Santiago

As part of Itaú's commitment to urban mobility, the company completely transformed the Bike Santiago public bicycle system in partnership with Brazil's leading urban mobility services provider, Tembici. The effort involved an investment of US\$12 million.

This new stage of Bike Santiago includes replacing 100% of the bikes with new models, expanding the number of stations, improving customer service and introducing a new technology system.

Cycling School (*Bici Escuelita*)

Ciclo Recreo Vía is an educational project that involves closing the main streets in the Metropolitan Region for recreational and educational use. Itaú's #BiciEscuelita initiative was launched as part of this effort in summer 2018.

On Av. Costanera Andrés Bello, a circuit was set up where children between the ages of three and nine can learn to ride a bike with the help of instructors. Those who already know how to ride can learn about the rules of the road and street signs. The goal of the program is to create responsible pedestrians and drivers and to promote a means of transportation that has a positive impact on individuals' quality of life.

Over 500 children "graduated" from the first version of the program. A new season was introduced in December 2018 and will run from January to April 2019.

Business Advising Program

We want to make a significant contribution, beyond the value that we deliver through our products and services, to our customers' businesses. This series of talks and personalized workshops imparts financial knowledge to partners and managers of small and medium-sized businesses in Santiago, Valparaíso and Concepción.

The program is divided into four modules entitled "Tax Law," "Accounting and Finance," "Business Model" and "Responsible Borrowing". At each event, a speaker presented general concepts and ideas related to the topic and participants were given an opportunity to form small groups in order to receive personalized advising applied to the specifics of their company.

Over 400 people from 200 businesses attended the workshops. Overall satisfaction was 96%.

Finally, the contents addressed in these workshops were published on the Bank website (www.ita.cl), as manuals and summary capsules in order to expand the program's impact to more individuals and businesses.

Press Training

Itaú created the Press Training program to provide tools, answer questions about the financial market, and support the field of journalism. The initiative consists of a series of breakfasts featuring talks by experts on topics related to finance and economics.

The four Press Training talks held in 2018 were attended by more than 30 journalists from Chile's leading national news outlets.

Read to a Child (*Lee para un Niño*)

Given the importance of reading for developing critical thinking skills, Itaú launched the program "Lee para un Niño" to benefit needy children between the ages of three and seven.

In an effort to create an opportunity to experience and develop a passion for reading, bank volunteers read to children at schools and care centers. Children are provided a playful environment in which to build their own stories, create, imagine, learn, get to know other realities and make sense of their daily experiences.

A total of 120 volunteers took part in the activity, dedicating over 50 hours to the initiative.

Real-world Experience

This is an educational program designed to introduce students at technical-vocational high schools in at-risk areas to the working world by offering a two-week pre-practicum experience in a formal organization. With the support of a volunteer mentor, students in their first year of specialization (grade 10) work in their field with all of the rights and duties of an employee.

In the program's tenth year, a total of 70 bank employees participated in this volunteer initiative.

8th Itaú Sustainability and Foundations Summit

Representatives from Colombia, Argentina, Paraguay, Uruguay and Brazil participated in this summit, creating a space for reflection and analysis in order to advance sustainable initiatives.



The 8th Itaú Sustainability and Foundations Summit took place on August 28-31, 2018. All of the leaders of Itaú Foundations and the Sustainability areas in Latin America gathered to evaluate the activities that take place in their communities and outline future projects aimed at creating more equitable and diverse societies throughout the region.

The agenda included outstanding national and international speakers as well as analysis of success stories in areas such as education, interculturality, corporate volunteering, climate finance and workplace inclusion.

Participants also addressed the challenges that different countries face in furthering the impact of their volunteer efforts. Representatives from the Itaú Sustainability divisions discussed climate finance, carbon strategies, sustainable suppliers, urban mobility and diversity.



5 natural capital_

Our Way

• Ethics are non-negotiable

Stakeholders

- Society
- Customers

SDG

• SDG 12

Material issues

• Socio-environmental risk assessment

Direct socio-environmental risk

that Itaú can generate...

through...



Socio-environmental damage



Effect on climate change



Its own activities



Suppliers



Companies in which Itaú is a shareholder

And may incur...



Administrative, civil and criminal penalties



Costs



Negative exposure for brand



Drops in stock price

Socio-environmental risk in the business

that customers can generate...

through...



Socio-environmental damage



Effect on climate change



Their own activities



Suppliers

And Itaú may incur...



Legal liability



Loan default



Negative exposure for brand



Drops in stock price

5.1. Socio-Environmental Risk Assessment

[Material issue] 103-2, 103-3, 102-11, Itaú 7

At Itaú, we work with people who aim to transform other people. They are the core of our work. In this context, we understand that our customers' socio-environmental variables can impact society, people and/or their environment.

Itaú has created a Socio-Environmental Risk Policy that sets guidelines for incorporating social and environmental impact into the Bank's process for evaluating financing.

We have signed the Ecuador Principles, a frame of reference that allows us to ensure that the projects we finance are carried out in a socially responsible manner and reflect rigorous environmental management practices.

Our assessment also includes Performance Standards set forth by the IFC, the world's leading global development institution, which promotes sustainable investments through social and environmental standards.

Principles of the Socio-environmental Risk Policy

1. Include socio-environmental risk assessment criteria as a component in addition to types of credit risk exposure.
2. Use segment-specific procedures to monitor the socio-environmental risk of Bank customers who are subject to this policy.
3. Uphold the Ecuador Principles as a management framework for assessing environmental and social risk and IFC Performance Standards for project financing transactions.
4. Avoid financing activities that contradict Itaú Chile's social or environmental values, especially those related to concern for people, ethics and customer benefits.
- 5.

The Socio-Environmental Risk Assessment System is the management framework for assessing customers' environmental and social risks. It is a three-prong system:

- Socio-environmental questionnaires
- Socio-environmental assessment of projects
- Exclusions and conditioned exclusions lists

The socio-environmental risk questionnaires help us identify and assess the main social and environmental variables for customers with bank-approved credit lines. This assessment is the basis for generating guidelines and plans of action for managing their socio-environmental risk.

There are four types of questionnaires: three for Wholesale Banking (Corporate Banking, Large Companies Banking and Real Estate and Construction Banking) and one for Retail Banking that is applied to legal entities that are Itaú Companies segment customers. Across the board, the issues covered in the questionnaires include corporate governance, efficiency with natural resources, pollution prevention, community relations, human rights, occupational health and safety, cultural heritage and indigenous peoples.

In addition to the information provided by the customer on the Socio-environmental Questionnaire, we constantly monitor for fines or environmental sanctions issued by the Superintendency of the Environment.

In 2018, a total of 306 customers were evaluated using questionnaires. This number is down from the previous year because we refocused our efforts on administering questionnaires to customers who present high and medium socio-environmental risk or engage in activities that present a larger number of socio-environmental variables.

Major infrastructure projects can significantly impact people and the environment. We work with our customers in a structured, ongoing manner to identify, evaluate and manage the environmental and social impacts as well as the risks that their projects pose.

In 2018, we monitored 32 projects, 26 of which were operational. The remaining 6 were under construction. This process, which is based on a favorable Environmental Assessment Resolution, includes issues related to human rights, regular monitoring reports and on-site visits.

Finally, Itaú maintains exclusion and conditioned exclusion lists for economic activity sectors in which the Bank has decided not to work at all or to operate in a restricted manner, respectively. Such activities are identified as against the values of Itaú and/or impacting people and/or their environment.

The Sustainability Commission plays a key role in monitoring and disseminating these tools in order to make this strategic approach part of the way we do things. It also monitors proper compliance with the Socio-Environmental Risk Assessment System.

| Exclusion List | Conditioned Exclusion List |
|--|---|
| <p>The Bank will not issue credit to customers whose economic activity is or could be linked to:</p> <ul style="list-style-type: none"> • Production or sale of any product considered illegal under Chilean legislation or any international regulation, convention or agreement or anything that is internationally prohibited such as pharmaceuticals, pesticides/herbicides, substances that harm the ozone layer, PBCs (polychlorinated biphenyls), wildlife or any product regulated under the Convention on International Trade in Endangered Species of Wild Fauna and Flora. • Production or sale of radioactive materials (except for the purchase of medical equipment, quality control, measurement or any other equipment whose source of radioactivity is considered insignificant or duly protected). • Production or activity that is considered harmful, exploitative or uses forced or child labor. • Production or sale of adherent asbestos fibers (except for the purchase and use of cement tiles in which the asbestos component does not exceed 20%). • Open sea (international waters) marine fishing where the net exceeds 2.5 km in length. • Commercial lumber operations in tropical or native forests. • Production or sale of wood or another forestry product that is not from sustainably managed forests. • Companies related to activities that encourage and/or are connected to prostitution. | <p>The Bank will limit credit or financing to customers whose main activity is among the following:</p> <ul style="list-style-type: none"> • Production or sale of weapons and ammunition. Excludes production and use of explosives for mining, construction and similar activities as well as parts and pieces of equipment that have another use. • Production or sale of alcoholic beverages (excluding wine and beer). • Production or sale of tobacco. • Gambling companies, casinos or similar entities. |

5.1.1. International Loans

In keeping with our socio-environmental commitment, we kept two loan programs from international agencies active in 2018. Granted by IFC and Deutsche Investitions- und Entwicklungsgesellschaft ("DEG"), these loans include obligations to assess and monitor the social and environmental risks of SME customers to which we grant financing.

The common purpose of these loans is to promote growth and development of SMEs in Chile. The IFC focus is on entrepreneurial ventures created or directed by women.

IFC credit allows us to maintain a stock of financing each year to finance approximately 368 companies for an average of 6 years⁴.

The DEG credit, which has been repaid in its entirety, has allowed over 100 companies per year to be financed over the past six years, providing them with long-term working capital and thus promoting projects focused on socio-environmental sustainability.

| Maturity | |
|----------|--|
| Loans | Maturity |
| IFC | <ul style="list-style-type: none">• First half: December 2018• Second half: December 2020 |
| DEG | <ul style="list-style-type: none">• The entire loan matured in August 2018. |

5.2. Environmental Performance

302-1, 303-3

A portion of our sustainable performance is related to responsible environmental management. Therefore, in 2018, efforts were made to improve the quality of our internal measures, as a first step toward better managing the direct impact of the Bank's operation.

| Energy Consumption | Unit of Measure | 2018 |
|--------------------|-----------------|--------|
| Heat (natural gas) | m ³ | 42,780 |
| | % coverage | 100 % |
| Electricity | MWh | 15,296 |
| | % coverage a/ | 83 % |

a/ Coverage is not complete because some facilities record energy use through building fees, hindering identification of individual consumption.

⁴ Information as of June 2018.

| Water Use | Unit of Measure | 2018 |
|---|-----------------|--------|
| Water supplied by municipality or other water companies | m3 | 84,581 |
| | % coverage a/ | 81 % |

a/ Coverage is not complete because some facilities record water use through building fees, hindering identification of individual catchment.

| Business Trips | Unit of Measure | 2018 |
|----------------|-----------------|-----------|
| Air travel | Km | 7,524,485 |
| Land travel a/ | Km | 989,749 |

a/ Only includes taxi travel, not chartered bus travel.

In keeping with initiatives begun in previous years, we continued our paper waste recycling program at corporate headquarters and made three sets of donations of out-of-use machinery and electronic equipment to the Chilenter Foundation. The donations included more than 300 kilos of electronic waste donated by Bank employees during the company's annual electronic recycling campaign.

Proper management of electronic waste and its valuation through recycling and reconditioning will mitigate emissions of 321.92 tons of Co2e, the gas that drives climate change, which is equivalent to replacing 10,435 traditional bulbs with LED bulbs or planting 8,035 trees that capture carbon over 10 years:

| | Unit | Recycled in 2017 | Recycled in 2018 |
|------------------------------------|------|------------------|------------------|
| Paper waster (paper and cardboard) | Kg | 22,655 | 13,387 |
| Electronic waste | Kg | 3,274 | 14,038 |

| | |
|--|---|
| Recycling and reconditioning of 14,038 kg of electronic waste is the equivalent of: | a) Mitigating emission of 321.92 tons of CO2e |
| | b) Replacing 10,435 traditional bulbs with LED bulbs |
| | c) Planting 8,035 trees that capture carbon over 10 years |

6 manufactured capital_



Our Way

Stakeholders

Material issues

• Performance fanatics

• Suppliers

• Sustainable supplier management

6.1. Our Suppliers

Consolidating our position as the best bank for our customers means having a solid supplier network. Thus, our supply chain and the depth of the relationships that we establish with each member is crucial.

| Region | Number of Suppliers |
|---|---------------------|
| Tarapacá Region | 31 |
| Antofagasta Region | 40 |
| Atacama Region | 26 |
| Coquimbo Region | 39 |
| Valparaíso Region | 103 |
| Libertador Gral. Bernardo OHiggins Region | 30 |
| Maule Region | 43 |
| Bío Bío Region | 66 |
| Araucanía Region | 32 |
| Los Lagos Region | 38 |
| Aysén Region | 7 |
| Magallanes Region | 15 |
| Metropolitan Region of Santiago | 1,441 |
| Los Ríos Region | 25 |
| Arica and Parinacota Region | 9 |
| Ñuble Region | 17 |
| Foreigners | 76 |

| Type of Supplier | Amount | Total Spending (MCh\$) | % of Spending | |
|------------------|-----------------|------------------------|---------------|------|
| Domestic | SME | 910 | 55,269 | 17 % |
| | Large companies | 493 | 247,599 | 76 % |
| | Individuals | 559 | 5,147 | 2 % |
| Foreigners | 76 | 16,226 | 5 % | |
| Total | 2.038 | 324,241 | 100 % | |

| | 2017 | 2018 |
|-----------------------------|--------------|--------------|
| Total Spending on Suppliers | MCh\$252,615 | MCh\$324,241 |
| Spending on SME Suppliers | MCh\$45,651 | MCh\$55,269 |
| Total Number of Suppliers | 1,995 | 2,038 |
| Number of SME Suppliers | 834 | 910 |

6.1.1. Sustainable Supplier Management

[Material issue] 103-2, 103-3, 204-1, 414-1

In an effort to build mutually beneficial relationships with our suppliers, the Internal Regulations on Purchasing and Payment were created in 2017. This document establishes guidelines related to procurement of goods and/or services, outsourcing services and supplier management. This process includes all of the stages of supply chain relationships, including pre-purchasing, negotiation, hiring and payment.

| Figures | 2018 |
|--|--|
| Number of people trained on internal regulations | 5,462 employees |
| Number of suppliers informed of internal regulations | 906* |
| Mechanisms for communicating internal regulations | <ul style="list-style-type: none"> • Internal: face-to-face training and corporate communications • External: corporate communications and notification upon remittance of purchase order. |

Note: These 906 suppliers received mass notifications of the process for billing their services in February 2018 and again upon submission of purchase order. On the other hand, there are some suppliers who, by nature of the services they provide, are not impacted by the change in regulations.

Based on these efforts, in 2018 several guidelines and structures emerged for the Bank's supplier management. Evaluation and classification of suppliers by risk level continues with even greater force.

| | 2017 | 2018 |
|--------------------------------------|-------|-------|
| Total number of suppliers | 1,965 | 2,038 |
| Total number of suppliers evaluated | 251 | 1,545 |
| Percent of total suppliers evaluated | 13 % | 76 % |

| Supplier Type by Classification | Supplier Type by Classification | Amount | Total Spending (MCh\$) |
|---------------------------------|--|--------|------------------------|
| Critical | Any supplier that provides a service that, in the event of failed or intermittent provision, would greatly impact the Bank's internal processes. | 44 | 88,545 |
| Relevant | Any supplier who, in the event of failure of their services, would indirectly or partially impact operational continuity, the corporate image, legal standing or information security. | 37 | 235,696 |
| Normal | Any supplier that provides the Bank a service not classified as Critical or Relevant. | 1,957 | |

Suppliers are selected using criteria based on legal, compliance, financial, risk prevention and operational risk matters. In accordance with requirements issued by the SBIF and indicated in internal regulations, we use the following criteria to assess suppliers:

| Social Criteria | Legal Criteria | Economic Criteria |
|---|--------------------------------------|--|
| Risk prevention (security in accordance with duties and social protection laws) | Articles of incorporation of company | Credit risk (for financial analysis, the two most recent balance sheets, income tax returns and Sinacofi alerts are requested) |
| Compliance and ALP (conflicts of interest and crime prevention) | | |
| H.R. (conflicts of interest) | | |

Under the terms of their contract, our suppliers must uphold the following obligations:

- Sustainability clause
- Prohibition of child labor
- Conflict of interest
- Compliance with Law No. 20,393

The areas analyzed and that influence our supplier selection also include different criteria, including: legal, compliance, financial, risk prevention, operational risk, technical and economic factors related to the product and/or service to be rendered.

Finally, in August 2018 we began distributing our Code of Ethics to the suppliers with whom we sign contracts so that they are aware of the document as well as Itaú's values and principles.

Supplier Payment Terms

At Itaú, we seek sustainable relationships with our suppliers. This implies establishing payment deadlines subject to review, control and approval of all billing documentation associated with the Bank. This ensures that investments and/or expenses are properly budgeted and meet the requirements for acquisition of the goods and services listed in the Internal Regulations on Purchasing and Payment.

| Document | Average Payment Term |
|---|----------------------|
| Invoices | 14 days |
| Non-standard invoices (without purchase order or receiving voucher) | 84 days |
| Professional fees | 11 days |
| Non-standard invoices for professional fees (without purchase order or receiving voucher) | 29 days |



7 human capital_

Our Way

- People are everything to us
- The best argument wins

Stakeholders

- Employees

SDG

- SDG 5

Material Topics

- Attracting and retaining talent

7.1. A Great Team

102-8, 405-1

Itaú employees are high-potential, high-talent individuals seeking to contribute daily to meeting our organization's targets. They are people who like to work in a collaborative, high-performance meritocracy.

| Contract Type | Region | M | F |
|---|-------------------------------------|--------------|--------------|
| Open-term contract | Antofagasta Region | 33 | 70 |
| | Arica and Parinacota Region | 7 | 12 |
| | Atacama Region | 12 | 34 |
| | Aysén Region | 2 | 4 |
| | Coquimbo Region | 37 | 51 |
| | Araucanía Region | 31 | 38 |
| | Los Lagos Region | 27 | 50 |
| | Los Ríos Region | 16 | 19 |
| | Magallanes Region and the Antarctic | 15 | 21 |
| | O'Higgins Regions | 28 | 46 |
| | Tarapacá Region | 32 | 50 |
| | Valparaíso Region | 110 | 168 |
| | Bío Bío Region | 95 | 143 |
| | Maule Region | 48 | 58 |
| | Metropolitan Region | 2,120 | 2,096 |
| Ñuble Region | 23 | 21 | |
| Total Employees with Open-term Contracts | | 2,636 | 2,881 |
| Fixed-term | Antofagasta Region | 1 | 4 |
| | Atacama Region | | 2 |
| | Coquimbo Region | | 5 |
| | Los Lagos Region | 2 | 1 |
| | Los Ríos Region | 2 | 2 |
| | O'Higgins Regions | | 1 |
| | Tarapacá Region | | 2 |
| | Valparaíso Region | | 3 |
| | Bío Bío Region | | 3 |
| | Maule Region | 3 | 1 |
| | Metropolitan Region | 36 | 51 |
| Ñuble Region | 1 | 1 | |
| Total Employees with Fixed-term Contract | | 45 | 76 |
| Total | | 2,681 | 2,957 |

We are people that move people

| Tipo de contrato | Hombres | Mujeres | Total |
|--------------------|---------|---------|--------------|
| Fixed-term | 45 | 76 | 121 |
| Open-term contract | 2,636 | 2,881 | 5,517 |
| | | | 5,638 |

| Work Schedules | Hombres | Mujeres | Total |
|----------------|---------|---------|--------------|
| Full time | 2,650 | 2,863 | 5,513 |
| Part time | 31 | 94 | 125 |
| | | | 5,638 |

| Year | 2017 | | | | 2018 | | | |
|------------------------------|--------------|--------|--------------|--------|--------------|--------|--------------|--------|
| | Men | | Women | | Men | | Women | |
| Category | No. | % | No. | % | No. | % | No. | % |
| Managers and deputy managers | 200 | 7.2 % | 66 | 2.2 % | 193 | 7.2 % | 69 | 2.3 % |
| Professionals | 1,557 | 56.2 % | 1,490 | 48.9 % | 1,461 | 54.5 % | 1,415 | 47.9 % |
| Technicians | 293 | 10.6 % | 741 | 24.3 % | 350 | 13.1 % | 722 | 24.4 % |
| Administrative staff | 720 | 26.0 % | 749 | 24.6 % | 677 | 25.3 % | 751 | 25.4 % |
| TOTAL | 2,770 | | 3,047 | | 2,681 | | 2,957 | |

| Year | 2017 | | | | 2018 | | | |
|------------------------------|------------|--------------|-------------------|--------------|------------|--------------|--------------------|--------------|
| | Foreigners | | With Disabilities | | Foreigners | | With Disabilities* | |
| Category | No. | % | No. | % | No. | % | No. | % |
| Managers and deputy managers | 37 | 24.2 % | 0 | 0 % | 41 | 20.9 % | 0 | 0 % |
| Professionals | 79 | 51.6 % | 4 | 19 % | 99 | 50.5 % | 5 | 20.8 % |
| Technicians | 14 | 9.2 % | 9 | 42.9 % | 21 | 10.7 % | 10 | 41.7 % |
| Administrative staff | 23 | 15.0 % | 8 | 38.1 % | 35 | 17.9 % | 9 | 37.5 % |
| TOTAL | 153 | 100 % | 21 | 100 % | 196 | 100 % | 24 | 100 % |

(*) Note: As of December 2018, 35 employees with disabilities had been identified. Of these, 24 have been officially accredited; the remaining 11 are being processed.

| Year | 2017 | | | | | | 2018 | | | | | | | |
|------------------------------|-----------|-------------|--------------|-------------|------------|-------------|------------|-------------|--------------|-------------|------------|-------------|---------|---|
| | Age Group | | Under 30 | | 30 - 50 | | Over 50 | | Under 30 | | 30 - 50 | | Over 50 | |
| Category | No. | % | No. | % | No. | % | No. | % | No. | % | No. | % | No. | % |
| Managers and deputy managers | 2 | 0 % | 216 | 5 % | 49 | 5 % | 1 | 0 % | 210 | 5 % | 51 | 6 % | | |
| Professionals | 3 | 49 % | 2,234 | 55 % | 383 | 42 % | 419 | 51 % | 2,104 | 54 % | 353 | 40 % | | |
| Technicians | 4 | 15 % | 704 | 17 % | 203 | 23 % | 143 | 17 % | 727 | 19 % | 202 | 23 % | | |
| Administrative staff | 5 | 36 % | 892 | 22 % | 267 | 30 % | 261 | 32 % | 886 | 23 % | 281 | 32 % | | |
| TOTAL | 6 | 100% | 4,046 | 100% | 902 | 100% | 824 | 100% | 3,927 | 100% | 887 | 100% | | |

7.1.1. Turnover, Years of Service and New Hires

401-1

In 2018, employee turnover fell 4.4%, reflecting consolidation of the teams that comprise the Itaú workforce. Furthermore, 957 new hires were processed in 2018. They joined a high-performance, high-commitment team, as evidenced by our employees' average time of service: 6.6 years.

| Turnover Rate | 2017 | 2018 |
|---------------|------|--------|
| | | 22.6 % |

| New Hires | | 2017 | | 2018 | |
|--------------|---------|--------------|--------------|------------|--------------|
| | | No. | % | No. | % |
| Gender | Men | 595 | 45.4 % | 455 | 47.5 % |
| | Women | 717 | 54.6 % | 502 | 52.5 % |
| Total | | 1,312 | 100 % | 957 | 100 % |
| Age | 18-34 | 659 | 50.2 % | 551 | 57.6 % |
| | 35-44 | 375 | 28.6 % | 271 | 28.3 % |
| | 45-60 | 267 | 20.4 % | 131 | 13.7 % |
| | Over 60 | 11 | 0.8 % | 4 | 0.4 % |
| Total | | 1,312 | 100 % | 957 | 100 % |

| | | |
|---------------------------------|-------------|-------------|
| Average Hiring Cost (\$) | 2017 | 2018 |
| | 533,432 | 537,458 |

Average Years of Service

| | Men | Women | Average |
|-------------|------------|--------------|----------------|
| 2017 | 6.9 | 5.9 | 6.4 |
| 2018 | 7.0 | 6.1 | 6.5 |

7.1.2. Diversity and Inclusion

Diversity is an important value for us. People with different perspectives and skills contribute their talent to addressing the challenges we face as a bank.

Law No. 21,015, which promotes the inclusion of people with disabilities in the working world, went into effect this year. We wanted to learn about this diversity and know how inclusive we are at Itaú and how we can be even more so. In June, we conducted a survey that helped us to identify the general health of our employees.

Seeking to implement inclusive hiring practices, we conducted a job audit process to ensure that applicants, managers and support staff have the tools necessary to facilitate new hires.

This is just a first step; we have a long way to go. Our MCh\$85,824 contribution under Law No. 21,015 is a reflection of this.

We also put forth significant effort in the areas of Culture and Sustainability to generate guidelines that strengthen the concept of diversity in its broadest sense and make it more palpable every day. From these actions will emerge the Internal Regulations on Diversity and Inclusion, scheduled to be published in 2019, which will in turn form the basis for a diversity strategy.

Another aspect of diversity is gender equity, a challenge that is especially important to us given the composition of our workforce. The Code of Ethics provides the general framework for our various online tools and procedures in this area.

The Code of Ethics also establishes our commitment to promoting social diversity, setting equal base salaries for men and women who hold the same roles, allowing differences solely based on merit.

| Gender | 2017 | | 2018 | |
|--------------|--------------|--------------|--------------|--------------|
| | No. | % | No. | % |
| Men | 2,770 | 48 % | 2,681 | 48 % |
| Women | 3,047 | 52 % | 2,957 | 52 % |
| Total | 5,817 | 100 % | 5,638 | 100 % |

| Diversity Indicator | Percentage (0-100%) |
|--|---------------------|
| Proportion of women in total workforce | 52 % |
| Proportion of women on the executive team (as a percentage of the entire executive team) | 26 % |
| Proportion of women at the lowest hierarchical level of the executive team (as a percentage of the total number of employees at the lowest hierarchical level of the executive team) | 25 % |
| Proportion of women at the highest hierarchical level of the executive team (as a percentage of the total number of employees at the highest hierarchical level of the executive team) | 23 % |
| Proportion of women on the executive team in business areas (as a percentage of the total number of employees on the executive team in business areas). | 17 % |

| Women's Salaries* as a Proportion of Men's Salaries | | | |
|---|---------------|-------------|----------------------|
| Executives | Professionals | Technicians | Administrative Staff |
| 86 % | 88 % | 87 % | 98 % |

(*) Average gross salary. The "Executive" figure does not include the Chief Executive Officer. Ratio represents: Compensation received by women over compensation received by men.

7.2. Managing Commitment

7.2.1. Employee Benefits

401-2

At Itaú, people are everything to us. We support our employees with benefits that aim to improve their wellbeing and quality of life each step of the way and during all of life's important moments. As detailed in current collective bargaining instruments, agreements to partially extend some these benefits have been negotiated with labor unions.

1. Allowances: We support our employees during the most important moments of their lives by granting allowances designed to help when they need it most:

- ✓ Birth / adoption
- ✓ Marriage or civil union
- ✓ Death of a parent, child or spouse or civil union partner
- ✓ Vacation

This benefit is available to 93% of our employees. In 2018, 8% received allowances for marriage, birth and/or death.

2. Bonuses: Our employees receive bonuses for the Chilean national holidays and Christmas.
3. Tuition benefits: We support our employees during the various stages of their children's education with the following allowances:
 - ✓ Childcare for children under the age of two.
 - ✓ Assistance for preschool fees for children between the ages of two and five. Eighteen percent of our employees obtained one of these forms of assistance.
 - ✓ Enrollment fee allowance: This benefit was used by 48% of our employees.
4. Assistance for special education: We provide financial support to employees who have children with disabilities. Support is available while the child attends a private treatment program or school with an integration program.
5. Christmas gifts for children until the age of 12. In 2018, 44% of employees and 3,183 children benefited.
6. Leave: We offer leave that allows employees to take care of errands, handle unforeseen issues and/or personal emergencies. The following types of leave are currently offered:
 - ✓ My day: 1 administrative day per semester
 - ✓ Afternoon off to celebrate birthdays
 - ✓ To care for a seriously ill child, spouse or civil union partner
 - ✓ Birth or adoption
 - ✓ Marriage or civil union
 - ✓ Moving
 - ✓ Bereavement of a direct family member
 - ✓ Preventative medical testing
7. Health: Group policy with Chilena Consolidada:
 - ✓ Life and disability insurance
 - ✓ Supplemental health insurance
 - ✓ Catastrophic medical insurance
 - ✓ Dental insurance

95.7% of employees are covered by life insurance and 94.5% by the supplemental or catastrophic health insurance.

8. Medical leave: Under the collective bargaining agreement, we support our employees by prepaying the subsidy for medical leave from work for up to 90 days. We also pay the first three days of medical leave when leave is less than 10 days.

Forty-six percent of employees benefited from payment of the first three days of medical leave and 35% received prepayment of the medical leave subsidy in 2018.

7.2.2. Quality of Work Life

We recognize the importance of the working environment for employees so we offer different activities that reinforce a positive quality of work life. In all, 60% of employees access quality of work life benefits.

In 2018 the following initiatives were part of the calendar of activities available to employees:

| | | |
|---|---|--|
| <p>Summer and winter break activities for the children of employees in Santiago Summer: 381 children / 266 employees participating</p> <p>Winter: 367 children / 252 employees participating</p> | <p>Mini-employee outside Santiago Employees' children visit branches to have the experience of being an Itaú mini-employee.</p> <p>454 children / 352 employees participating</p> | <p>Fitness activities Zumba, yoga, physical fitness and functional training classes at corporate buildings.</p> <p>241 employees participating</p> |
| <p>Workshops Cueca (Chilean national dance), cookies and fruit cake at Christmas, parent and child cooking.</p> <p>157 employees participating</p> | <p>Funding competitions outside Santiago These competitions, available outside of Santiago, provide partial funding for initiatives that encourage physical activity among employees.</p> <p>250 employees participating</p> | <p>Santiago Half Court Soccer League Comprised of 20 teams of men who compete over seven days to earn the championship title. 262 employees participating</p> |
| <p>Advising on scholarships for higher education We know that higher education expenses are a significant issue for families. So, we have partnered with the Por una Carrera foundation To offer the Build your Future program, which supports employees and their families in accessing the their dream education. 92 employees advised</p> | <p>Counseling program (Programa Te Orienta) A confidential A psychological, legal, social and nutrition counseling service to address or resolve complex situations in employees' personal and/or professional lives.</p> <p>All information about participants is confidential.</p> | <p>A healthy break 15 to 20-minute exercise routines designed for stress relief and entertainment.</p> <p>30 floors in corporate buildings</p> |
| <p>Get Active Fitness and recreational activities during lunch breaks at corporate buildings.</p> <p>451 employees participating</p> | <p>Quality of Life Fair An opportunity to learn how to take advantage of all the benefits, special deals and recreational activities, as well as preventative check-ups and personal care and relaxation activities.</p> <p>500 people</p> | <p>Special deals expo This is an opportunity to learn about the different special deals available to our employees.</p> <p>450 people</p> |

| | | |
|---|--|--|
| <p>Time Bank 12 hours per year that can be used in increments between 1 and 4 hours daily.</p> <p>1,561 employees used this benefit</p> | <p>Jeans Day Why not get a jump start on weekend comfort by dressing a little less formally at work? Every Friday of the year.</p> | <p>Friday hours, winter and summer Fridays Early closing at 16:45 every Friday.</p> <p>Employees can leave at 15:30 on two Fridays during the month of July.</p> <p>In January and February employees can leave an hour early on two Fridays each month.</p> |
| <p>Early closing on the Thursday before a Friday holiday The Friday schedule applies on Thursdays before Friday holidays.</p> | <p>Special Sales Sales in the workplace. Themes: Father's Day, Mother's Day, Children's Day, Christmas, Chilean National Holidays, etc.</p> <p>31 sales hosted</p> | <p>Post-graduate Scholarship Advising Guidance and advising talk by Nexstep Chile on post-graduate programs and financing alternatives in Chile and abroad.</p> <p>29 employees advised</p> |
| <p>Sporting events Paintball, hiking club, go-karting, etc.</p> <p>83 employees participating</p> | <p>Special deals With universities, pharmacies, restaurants, recreational activities, the Arturo Lopez Pérez Foundation, the employee benefit fund and many more.</p> <p>36 special deals</p> | <p>Maternity leave We promote work-life balance for our employees during pregnancy and a gradual return to work after maternity leave.</p> <p>Permission to leave early during pregnancy: Beginning at week 30 of pregnancy, pregnant women are allowed to leave an hour early. Gradual return post-maternity leave: Newly returning mothers leave at 14:00 for the first week after maternity leave and 16:00 for the next four weeks.</p> <p>25 employees applied for this benefit.</p> |
| <p>Infant feeding rooms At Itaú, we support all the employees who have chosen to breastfeed and wish to continue doing so wherever they lead their daily lives. Itaú offers a private, sanitary location in the corporate building that is equipped for extracting and storing milk.</p> | | |

7.2.3. Occupational Health and Safety

403-2

The Risk Prevention Department specializes in occupational health and safety. It works with the operations areas to implement measures to ensure our employees' safety and comply with current labor safety legislation.

The Bank has its own risk prevention management system designed to improve labor conditions and thus keep accident rates and rates of undesired events due to or during work low.

Furthermore, Internal Regulations on Order, Hygiene and Safety establish employee obligations, prohibitions and responsibilities when performing their duties on Itaú premises. The aforementioned regulations guarantee a civilized work environment based on mutual respect among employees.

| Accident Rates | July 2016 - June 2017 | July 2017 - June 2018 |
|---|-----------------------|-----------------------|
| Total days lost | 1,935 | 1,544 |
| Disability or death | 0 | 0 |
| Temporary disabilities working days lost rate | 33.64 | 27.4 |
| Total working days lost rate for the period | 34 | 27 |

| Absenteeism | 2017 | 2018 |
|------------------|------|------|
| Absenteeism rate | 6.2 | 6.4 |

Note: calculated based on medical leave for accidents and healing. Excludes maternity and paternity leave, vacation and other leave.

7.2.4. Work Climate

A good working environment is key to employee wellbeing as well as achievement of targets and goals. Therefore, we take steps to measure how the environment is perceived and undertake various actions to improve it.

Two annual work environment surveys were applied in 2018:

- a) **Pulso:** This brief survey is given to all employees in the first half of the year in order to quickly test their perception of the working environment.

| | 2018 |
|-------------------------------------|------|
| Percentage of persons who responded | 82 % |
| Result of measurement | 65 % |

- b) **Speak Frankly:** This extensive, 52-question survey is divided into four areas and 20 pillars. It is applied to all employees during the second half of the year. Applied for the first time this year, the online survey seeks to identify positive aspects and opportunities to improve the working environment and employee performance. The tool was implemented in November 2018 with 90% participation and allowed us to understand our employees' perceptions, which are a key input for generating optimal conditions so that people can work better, develop their potential and grow.

| Hable Francamente | 2017 | 2018 |
|--|---------|--------|
| Porcentaje de personas que contestaron la encuesta | 89.81 % | 90 % |
| Resultado de la medición | 67 % | 71.3 % |

| Hable Francamente | Hombres | Mujeres |
|---------------------------|---------|---------|
| Resultados de la medición | 71.2 | 70.2 |

In 2018, there was a significant 4.3 percentage point increase over the previous year. Improvements were observed in the following variables: managers, communications, feedback and collaboration/team.

Improvement reflected different efforts undertaken in several corporate divisions that included: strengthening managers in their leadership role; generating opportunities for communication; developing soft skills like providing feedback; recognizing and optimizing our performance cycle; and team building activities.

7.3. Talent Management

7.3.1. Attracting and Retaining Talent

[Material issue] 103-2, 103-3, Itaú 8

At Itaú we want to be recognized by our customers, but also as an attractive employer brand. We have undertaken several initiatives to optimize recruiting and retention of organizational talent.

1. Young Professionals Program

This program allows young professionals to join a specific division and experience various positions and jobs for six months. This provides an understanding of how each area functions as well as the responsibilities and expectations of each position, along with other professional aspects.

2. Career Opportunities Program

Our competitive internal mobility program promotes our employees' continuous improvement and professional development. In 2018, 115 collaborators benefited from this process.

3. Itaú School

In 2018, we improved course offerings, incorporating new e-learning options that foster employee development.

4. LinkedIn

We successfully entered the world of social networking, launching an institutional LinkedIn page. It has more than 82 million followers and has become a tool for attracting new talent and announcing vacancies.

5. Alliances

We partnered with Pontificia Universidad Católica de Chile on an initiative aimed at training young people in areas relevant to the Bank and making Itaú a more attractive organization for talent. The Itaú Finance Laboratory at the San Joaquín Campus was inaugurated in 2018. It offers students at this university the opportunity to simulate stock market transactions and to access information and analysis platforms that are commonly used in financial and economic decision-making processes.

6. Corporate Trainee Program

Recruitment of young talent was one of the goals for 2018. We created several programs that have attracted the best people, while always aiming to strike a balance between bringing in external talent and developing internal candidates.

The trainee program aims to address business needs and labor market changes through recruitment and retention of high-potential young professionals who could hold key positions at the Bank in the future.

Applicants are invited to play a leading role in the challenges Itaú faces. They participate in strategic projects with a mentor and tutor plan and have access to international internships at Itaú Unibanco in Brazil.

In order to build a larger pool of potential candidates, the recruitment process leveraged several social networks to attract 1,375 qualified applicants.

Of the 1,375 applicants, we selected 10 candidates, 8 of whom joined the Bank. The average age was 26 years old.

The Role of Mentors and Tutors

The Corporate Trainee program seeks to develop the roles of mentors and tutors inside the Bank, in order to guide and enhance the career development of potential talents.

- The mentor, an L2 level manager, accompanies the Trainee throughout the program and in their future positions at the Bank. The mentor is expected to be a career inspiration in terms of Our Way and share experience in alignment with bank culture.
- The tutor guides the trainee through a personalized accompaniment process, tied to each trainee's specific internship while rotating through different divisions of the Bank.

7.3.2. Training

404-1, 404-2

Training activities are also important to our employees' ongoing development and learning. That is why we offered 32 hours of training per employee in 2018.

| | 2017 | | | | 2018 | | | |
|------------------------------|-----------------------|------------------------|-----------------------|------------------------|-----------------------|------------------------|-----------------------|------------------------|
| | Men | | Women | | Men | | Women | |
| | No. of Training Hours | Average Training Hours | No. of Training Hours | Average Training Hours | No. of Training Hours | Average Training Hours | No. of Training Hours | Average Training Hours |
| Managers and deputy managers | 8,395 | 43 | 8,395 | 46 | 6,839 | 34 | 3,146 | 43 |
| Staff | 92,033 | 42 | 92,033 | 39 | 81,601 | 37 | 97,717 | 37 |
| Supervisors | 16,957 | 42 | 16,957 | 39 | 16,620 | 34 | 12,682 | 35 |
| Total | 117,385 | 42 | 117,385 | 40 | 105,059 | 36 | 113,545 | 37 |

Some of our programs for employees were new while others were a continuation of programs implemented in previous years.

• Welcome to Itaú

This program for new bank employees aims to provide an overview of the Bank, relay our vision and transmit the Our Way attitudes.

| 2017 | No. of Beneficiaries |
|-------|----------------------|
| Total | 706 |

| 2018 | No. of Beneficiaries |
|-------|----------------------|
| Men | 312 |
| Women | 270 |
| Total | 582 |

• Scholarships

This program funds banking-related courses and specialization studies.

| 2017 | No. of Beneficiaries |
|-------|----------------------|
| Total | 136 |

| 2018 | No. of Beneficiaries |
|-------|----------------------|
| Men | 33 |
| Women | 68 |
| Total | 101 |

- **Contact Center**

The objective is to provide new Contact Center employees with knowledge of its systems, processes and structure.

| 2017 | No. of Beneficiaries |
|-------|----------------------|
| Total | 65 |

| 2018 | No. of Beneficiaries |
|-------|----------------------|
| Men | 31 |
| Women | 62 |
| Total | 93 |

- **Private Guards**

Guards earn authorization to perform their duties through a certification program offered by the regulatory body of Carabineros de Chile (Chile's uniformed police).

| 2017 | No. of Beneficiaries |
|-------|----------------------|
| Total | 79 |

| 2018 | No. of Beneficiaries |
|-------|----------------------|
| Men | 159 |
| Women | 6 |
| Total | 165 |

- **Accreditation of Securities Market Knowledge Certification Committee (CAMV in Spanish)**

A program for employees who must earn CAMV certification, reinforcing concepts, subjects and conducting practical exercises to prepare for the test.

| 2017 | No. of Beneficiaries |
|-------|----------------------|
| Total | 93 |

| 2018 | No. of Beneficiaries |
|-------|----------------------|
| Men | 46 |
| Women | 67 |
| Total | 113 |

- **Languages**

A program for expatriate bank employees and direct family members, which aims to strengthen language skills (English, Portuguese or Spanish) according to business needs.

| 2017 | No. of Beneficiaries |
|-------|----------------------|
| Total | 15 |

| 2018 | No. of Beneficiaries |
|-------|----------------------|
| Men | 43 |
| Women | 31 |
| Total | 74 |

- **Sales Force**

We unrolled a training program for sales executives that aims to provide specific product knowledge and train on key skills to generate sales more effectively.

| 2017 | No. of Beneficiaries |
|-------|----------------------|
| Total | 97 |

| 2018 | No. of Beneficiaries |
|-------|----------------------|
| Men | 26 |
| Women | 58 |
| Total | 84 |

- **Security Guard Training**

A day of training that reviews the benefits; operations area guidelines; comprehensive security and the legal obligations of private security guards.

| 2018 | No. of Beneficiaries |
|-------|----------------------|
| Men | 95 |
| Women | 3 |
| Total | 98 |

- **Let's Learn about Investment**

This program seeks to impart basic investment knowledge, helping participants understand the simplified offer of time deposits and mutual funds for the Bank's various segments.

| 2018 | No. of Beneficiaries |
|-------|----------------------|
| Men | 300 |
| Women | 370 |
| Total | 670 |

- **Workflow Nexit Course on General Guarantees**

This program provides tools that facilitate operations management and monitoring by making it possible to assign tasks, digital traffic from operations and the corresponding documentation online.

| 2018 | No. of Beneficiaries |
|-------|----------------------|
| Men | 154 |
| Women | 88 |
| Total | 242 |

- **Risk Culture**

This program aims to align the organization with our management style in order to mobilize teams and meet the challenges proposed Our Way.

| 2018 | No. of Beneficiaries |
|-------------|-----------------------------|
| Men | 99 |
| Women | 123 |
| Total | 222 |

- **High-impact Presentations**

This workshop for employees who give public presentations provides tools to improve their presenting skills.

| 2018 | No. of Beneficiaries |
|-------------|-----------------------------|
| Men | 82 |
| Women | 74 |
| Total | 156 |

- **Comprehensive Training Program**

Aimed at newly hired sales executives, this comprehensive, face-to-face training program provides the tools required to meet performance targets.

| 2018 | No. of Beneficiaries |
|-------------|-----------------------------|
| Men | 9 |
| Women | 25 |
| Total | 34 |

- **Itaú Grows (Itaú Crece)**

This voluntary program is offered to employees who wish to perfect their skills in areas like: office technology, soft skills, accounting and financial math. E-learning and face-to-face sessions are offered.

| 2018 | No. of Beneficiaries |
|-------------|-----------------------------|
| Men | 320 |
| Women | 348 |
| Total | 668 |

7.3.3. Performance Evaluation

404-3

In order to measure employee performance, we have a Merit / Performance Cycle that evaluates everyone in the “what” and “how” areas, which focus on achievement of objectives in alignment with Our Way.

We improved the model this year, making progress on evaluations of less senior staff in order to provide performance feedback and impact more people, which reflects our culture.

Today we boast a culture of meritocracy that includes plans of action and development plans for our team members. We put great effort into developing matrices to position our employees, get to know our talent better and help those who need more support.

| | 2017 | 2018 |
|-----------------------------------|-------|-------|
| Total employees | 5,817 | 5,638 |
| No. of employees evaluated | 4,364 | 4,137 |
| % of total employees | 75 % | 73 % |



8 corporate governance

Our Way

- We think and act like owners.
- It is only good for us if it is good for the customer.

Stakeholders

- Customers
- Shareholders/Investors
- Authorities

8.1. Main Shareholders

As of December 31, 2018, the Itaú ownership structure is as follows:

Shareholders - % of Total Share Capital December 31, 2018

Itaú Corpbanca

Total shares: 512,406,760,091 (100%)

| Itaú Unibanco ¹ | Saieh Family ² | IFC | Others |
|----------------------------|---------------------------|--------------|---------------|
| 38,14% | 28,57% | 3,32% | 29,97% |

| | |
|---|---------------|
| Stock brokers | 10,92% |
| ADR holders and foreign institutional investors | 8,85% |
| Local institutional investors | 5,37% |
| Other minority shareholders | 4,83% |

¹ Includes 3,651,555,020 shares of Saga III SpA in custody.

² Includes 508,725,981 shares of Cía. Inmobiliaria y de Inversiones Saga SpA in custody.

The 30 main shareholders of Itaú and their respective percent ownership of the Bank's share capital as of December 31, 2018, are as follows:

| Shareholders | As of 12.31.2018 | |
|---|------------------------------|---------------------|
| | No. of Shares | Ownership interest |
| CORP GROUP BANKING SA ^{a/} | 136,127,850,073 | 26.57 % |
| ITAU UNIBANCO HOLDING SA ^{b/} | 115,039,610,411 | 22.45 % |
| ITB HOLDING BRASIL PARTICIPACOES LTDA ^{b/} | 57,008,875,206 | 11.13 % |
| BANCO SANTANDER ON BEHALF OF FOREIGN INVESTORS | 30,227,340,977 | 5.90 % |
| BANCO DE CHILE ON BEHALF OF NON-RESIDENT THIRD PARTIES | 16,051,579,664 | 3.13 % |
| BBANCO ITAU CORPBANCA ON BEHALF OF FOREIGN INVESTORS | 12,303,544,955 | 2.40 % |
| CGB II SpA ^{b/} | 10,908,002,836 | 2.13 % |
| LARRAIN VIAL S A CORREDORA DE BOLSA | 10,480,623,528 | 2.05 % |
| COMPANIA INMOBILIARIA Y DE INVERSIONES SAGA SPA | ^{c/} 10,266,690,535 | ^{c/} 2.00% |
| SIERRA NEVADA INVESTMENTS CHILE DOS LTDA | 9,817,092,180 | 1.92 % |
| SAGA II SPA ^{b/} | 7,000,000,000 | 1.37 % |
| CREDICORP CAPITAL SA CORREDORES DE BOLSA | 6,118,994,071 | 1.19 % |
| BTG PACTUAL CHILE S A C DE B | 5,371,356,248 | 1.05 % |
| BOLSA DE COMERCIO DE SANTIAGO BOLSA DE VALORES | 4,408,160,981 | 0.86 % |
| BANCHILE C DE B S A | 4,356,751,350 | 0.85 % |
| BICE INVERSIONES CORREDORES DE BOLSA S A | 3,708,936,502 | 0.72 % |
| SAGA III SPA ^{b/} | ^{d/} 3,651,555,020 | ^{d/} 0.71% |
| SANTANDER CORREDORES DE BOLSA LIMITADA | 3,578,024,978 | 0.70 % |
| MONEDA SA AFI FOR PIONERO INVESTMENT FUND | 3,197,813,814 | 0.62 % |
| MBI CORREDORES DE BOLSA S A | 3,099,157,216 | 0.60 % |
| MBI ARBITRAGE INVESTMENT FUND | 2,896,021,351 | 0.57 % |
| ITAU CORPBANCA CORREDORES DE BOLSA SA | 2,841,261,231 | 0.55 % |
| CIA DE SEGUROS DE VIDA CONSORCIO NACIONAL DE SEGUROS SA | 2,540,313,110 | 0.50 % |
| BOLSA ELECTRONICA DE CHILE BOLSA DE VALORES | 2,410,189,018 | 0.47 % |
| BCI C DE B S A | 2,392,464,749 | 0.47 % |
| THE BANK OF NEW YORK MELLON ADRS | 2,385,273,500 | 0.47 % |
| CONSORCIO C DE B S A | 2,355,984,326 | 0.46 % |
| INMOB E INVERSIONES BOQUINENI LTDA | 2,353,758,526 | 0.46 % |
| CGB III SPA ^{b/} | 1,800,000,000 | 0.35 % |
| AFP CAPITAL S A PENSION FUND TYPE C | 1,797,175,935 | 0.35 % |
| OTHER MINORITY SHAREHOLDERS | 35,912,357,800 | 7.01 % |
| TOTAL | 512,406,760,091 | 100.00 % |
| ITAÚ CORPBANCA TREASURY SHARES | | |

a/ Companies owned by the Saieh family.

b/ Companies that belong to the Itaú Unibanco group, Itaú Corpbanca's controlling shareholder.

c/ Includes 508,725,981 shares of Cia. Inmobiliaria y de Inversiones Saga SpA in custody. d/ Includes 3,651,555,020 shares of Saga III SpA in custody.

The major changes in ownership as of December 31, 2018, relative to December 31, 2017, are detailed as follows:

Increases in Ownership

| Name or Corporate Name | Chilean Taxpayer ID | 2018 Shareholding | | 2017 Shareholding | | Change | |
|--|---------------------|-------------------|-------------|-------------------|-------------|------------------|----------|
| | | Number of Shares | % Ownership | Number of Shares | % Ownership | Number of Shares | % |
| Saga II Spa | 76.885.271-5 | 7,000,000,000 | 1.3661 | - | - | 7,000,000,000 | - |
| Banco Santander on behalf of foreign investors | 97.036.000-K | 30,227,340,977 | 5.8991 | 23,969,149,414 | 4.6778 | 6,258,191,563 | 26.11 |
| Larrain Vial S.A. Corredora de Bolsa | 80.537.000-9 | 10,480,623,525 | 2.0454 | 6,767,755,931 | 1.3208 | 3,712,867,597 | 54.86 |
| Saga II Spa | 76.901.957-K | 3,651,565,020 | 0.7126 | - | - | 3,651,555,020 | - |
| Credicorp Capital S.A Corredores de Bolsa | 96.489.000-5 | 6,118,994,071 | 1.1942 | 2,869,055,927 | 0.5599 | 3,249,935,144 | 113.28 |
| The Bank of New York Mellon ADRs | 59.030.820-K | 2,385,273,500 | 0.4656 | - | - | 2,385,273,500 | - |
| App Capital S.A Pension Fund Type C | 98.000.000-1 | 1,797,175,935 | 0.3507 | - | - | 1,797,175,935 | - |
| Itaú Corpbanca Corredores de Bolsa S.A. | 96.665.450-3 | 3,349,987,212 | 0.6538 | 1,890,835,420 | 0.3690 | 1,459,151,792 | 77.17 |
| Inversiones Megeve dos Ltda. | 76.436.000-1 | 1,454,573,312 | 0.2839 | 24,568,542 | 0.0048 | 1,430,004,770 | 5.820,47 |
| Banchile ADM General de Fondo S.A | 96.767.630-6 | 1,030,972,910 | 0.2012 | - | - | 1,030,972,910 | - |
| App Capital S.A Pension Fund Type B | 98.000.000-5 | 953,792,227 | 0.1861 | - | - | 953,792,910 | - |
| Moneda Corredora de Bolsa Limitada | 76.615.490-5 | 1,214,295,707 | 0.2370 | 374,211,843 | 0.0730 | 840,083,884 | 224.49 |

Decreases in Ownership:

| Name or Corporate Name | Chilean Taxpayer ID | 2018 Shareholding | | 2017 Shareholding | | Change | |
|--|---------------------|-------------------|-------------|-------------------|-------------|------------------|---------|
| | | Number of Shares | % Ownership | Number of Shares | % Ownership | Number of Shares | % |
| Compañía Inmobiliaria y de Inversiones Saga Spa | 88.202.600-0 | 10,266,690,535 | 2.0036 | 20,918,245,555 | 4.0824 | -10,651,555,020 | -50.92 |
| Deutsche Bank Trust Company Americas (ADRS) | 47.005.322-4 | - | 0.0000 | 5,508,798,500 | 1.0751 | -5,508,796,500 | -100.00 |
| Bolsa de Comercio de Santiago Bolsa de Valores | 90.249.000-0 | 4,408,160,981 | 0.8603 | 9,394,008,435 | 1.8333 | -4,985,847,454 | -53.07 |
| Banco de Chile on behalf of non-resident third parties | 97.004.000-5 | 16,051,579,664 | 3.1326 | 21,005,216,649 | 4.0993 | -4,963,636,885 | -23.58 |
| Banco Itaú Corpbanca on behalf of foreign investors | 97.023.000-9 | 12,303,544,955 | 2.4011 | 14,855,609,437 | 2.8992 | -2,562,064,482 | -17.18 |
| Moneda S.A. AFI for Pionero Investment Fund | 96.684.990-8 | - | 0.0000 | 1,708,710,397 | 0.3335 | -1,708,710,397 | -100.00 |
| Inv Las Neves S.A | 76.681.360-7 | 1,000,000,000 | 0.1952 | 1,890,725,224 | 0.3690 | -890,725,224 | -47.11 |
| BTG Pactual Chile Acción Mutual Fund | 96.966.250-7 | 64,667,009 | 0.0126 | 912,510,437 | 0.1781 | -847,843,428 | -92.91 |
| Euroamerica C de B S.A | 96.899.230-9 | 218,055,750 | 0.0426 | 975,893,382 | 0.1905 | -757,837,632 | -77.66 |
| BCIC de B S.A | 96.519.800-8 | 2,392,464,749 | 0.4669 | 2,895,637,765 | 0.5651 | -503,173,016 | -17.38 |
| MBI Corredores de Bolsa S.A | 96.921.130-9 | 3,099,157,218 | 0.6048 | 3,591,497,546 | 0.7009 | -482,340,330 | -13.71 |
| Santander Corredores de Bolsa Limitada | 96.683.200-2 | 3,578,024,975 | 0.6983 | 4,070,279,257 | 0.7943 | -492,253,279 | -12.09 |

8.1.1. Profit Distributions

At the annual general shareholders' meeting on March 27, 2018, shareholders agreed to distribute Ch\$22,978,721,573 in dividends, which corresponds to 40% of profit for the year 2018.

The following table shows dividends per share distributed over the last five years:

| Bank | Year Charged | Year Distributed | Profit for the Year | % | Distributed Profit | Dividend per Share |
|------------------|-------------------|--------------------|---------------------|-------------|--------------------|--------------------|
| | | | MCh\$ | Distributed | MCh\$ | MCh\$ |
| Banco Itaú Chile | 2013 | 2014 | 87,723 | 0% | 0 | - |
| Corpbanca | 2013 | 2014 | 155,093 | 57% | 88,403 | 0.259736004 |
| Banco Itaú Chile | 2014 | 2015 | 85,693 | 31% | 26,448 | 18,447.50 |
| Corpbanca | 2014 | 2015 ^{a/} | 226,260 | 50% | 113,130 | 0.332384912 |
| Corpbanca | Retained earnings | 2015 ^{a/} | 239,860 | 100% | 239,860 | 0.704728148 |
| Banco Itaú Chile | 2015 | 2016 | 104,336 | 50% | 52,168 | 36,387.38 |
| Corpbanca | 2015 | 2016 ^{b/} | 201,771 | 50% | 100,886 | 0.296409834 |
| Corpbanca | 2015 | 2016 ^{b/} | 201,771 | UF 124,105 | 3,197 | 0.009391877 |
| Itaú Corpbanca | 2016 | 2017 | 2,059 | 30% | 618 | 0.001205475 |
| Itaú Corpbanca | 2017 | 2018 | 57,447 | 40% | 22,979 | 0.044844689 |

a/ On March 13, 2015, Corpbanca paid an annual dividend of Ch\$0.33238491/share (equivalent to 50% of 2014 earnings). In addition, it paid a special dividend charged to retained earnings of Ch\$0.70472815/share on July 1, 2015.

b/ On March 11, 2016, Corpbanca paid an annual dividend of Ch\$0.29640983/share. In addition, it paid the remaining undistributed UF 124,105 from the special dividend approved at the extraordinary shareholders' meeting on June 26, 2015, paid on July 1, 2015 (Ch\$0.00939188).

8.2. Governance Structure

8.2.1. Nomination and Selection of Board Members

102-24

The Itaú Board of Directors manages the Bank and is comprised of:

| | |
|---|------------------------------|
| 11 Directors | 2 Alternate Directors |
| Appointed at the Shareholders' Meetings, in accordance with the provisions of Law No. 18,046 on Corporations. | |
| Of these, 5 are independent | 8 Board committees |

Our shareholders propose, select and appoint board members. There is currently no policy on appointing directors; therefore, shareholders are at liberty to appoint any individual they deem suitable, in light of aspects like experience and professional track record.

The Board of Directors is appointed and selected in accordance with the provisions of the Corporations Law, the General Banking Law, SBIF standards and Itaú bylaws. Furthermore, directors hold office for three years and may be re-elected indefinitely. The board is renewed in full at the end of each term.

The Board elects a Chairman and Vice Chairman at the first session following the annual general shareholders' meeting. Appointments are made via majority of the voting board members in attendance.

8.2.2. Independent Directors

The Board has independent board members in accordance with Article 50 bis of Law No. 18,046 on Corporations.

The provision also mandates that all publicly-held corporations with market value equal to or greater than UF 1,500,000 in which at least 12.5% of shares issued with voting rights are held by shareholders who individually control or hold less than 10% of shares must appoint a Directors' Committee.

Law No. 18,046 requires that independent board members:

1. Have not been in any of the circumstances listed in numerals 1 through 5 of paragraph three within the last 18 months.
2. Be proposed by shareholders who represent 1% or more of the entity's shares.
3. Submit a sworn statement to the Chief Executive Officer including the terms set out in numerals (i) through (iv) of paragraph five of Article 50 bis.

8.2.3. Our Board of Directors

102-18, 102-22, 102-23

The Board of Directors meets once a month. It conducts an annual self-assessment, which addresses structure, function and performance as well as management's performance and a risk assessment. Our corporate governance policy is aligned with current laws, the principles of the OECD and the Basel Committee on Banking Supervision. Beyond these legal requirements, it establishes respect, transparency and ethics as key internal principles that guide stakeholder relationships.

Through ongoing efforts to adopt best practices, the Board of Directors has introduced a series of institutional initiatives and actions that have strengthened the Bank's decision making. As a result, risks have been adequately controlled and managed with the purpose of creating sustainable value. In order to add value for customers and shareholders, promote habits of respect for people and favor socio-environmentally responsible action, the Bank strives to ensure that high corporate governance is applied to corporate actions and decisions.

Board of Directors as of January 31, 2019⁵

| Position | Name | Level (executive or not executive) | Independence | Years of Service | Relationship to Under-Represented Social Groups | Economic, Environmental and Social Qualifications | Stakeholder Representation |
|----------------------------|---------------------------|------------------------------------|--------------|--------------------|---|--|---|
| Chairman of the Board | Jorge Andrés Saieh Guzmán | Not executive | No | 19 years 10 months | No | Degree in business administration, Universidad Gabriela Mistral; Master of Economics and MBA, University of Chicago | Appointed via joint agreement between Itaú Unibanco and Corpgroup |
| Vice Chairman of the Board | Ricardo Villela Marino | Not executive | No | 2 years 10 months | No | Degree in engineering and MBA, Sloan School of Management, MIT; master's degree, Harvard Business School | Appointed via joint agreement between Itaú Unibanco and Corpgroup |
| Director | Jorge Selume Zaror | Not executive | No | 14 years 10 months | No | Degree in business administration, Universidad Católica de Chile; Master of Economics, University of Chicago | Appointed via joint agreement between Itaú Unibanco and Corpgroup |
| Director | Fernando Aguad Dagach | Not executive | No | 21 years 10 months | No | Financial investor | Appointed via joint agreement between Itaú Unibanco and Corpgroup |
| Director | Gustavo Arriagada Morales | Not executive | Yes | 8 years 5 months | Appointed in accordance with article 50 bis of the Corporations Law | Degree in business administration from Universidad de Chile | Independent |
| Director | Caio Ibrahim David | Not executive | No | 1 month | No | Degree in engineering from Mackenzie Presbyterian University with a postgraduate degree in economy and finance from the University of São Paulo. Master's in Internal Audit from the University of São Paulo and MBA from New York University. | Appointed via board agreement. |

⁵ At the meeting on November 27, 2018, the Itaú Corbanca Board of Directors accepted the resignation, effective as of December 31st, of Directors Eduardo Mazzilli de Vassimon and Boris Buvinic Guerovich. The Board appointed Caio Ibrahim David and Milton Maluhu Filho, respectively, as their successors effective January 1, 2019. These directors will serve until the next annual general shareholders' meeting.

| | | | | | | | |
|--------------------|------------------------------|---------------|-----|-------------------|---|--|---|
| Director | Milton Maluhy Filho | Not executive | No | 1 month | No | Mr. Maluhy holds a degree in Business Administration from Fundação Armando Álvares Penteado ("FAAP"). | Appointed via agreement by the Board of Directors |
| Director | Andrés Bucher Cepeda | Not executive | No | 2 years | No | Degree in industrial engineering, Pontificia Universidad Católica de Chile; MBA, the Wharton School at University of Pennsylvania | Appointed via joint agreement between Itaú Unibanco and Corpgroup |
| Director | Pedro Samhan Escánder | Not executive | Yes | 2 years 5 months | Appointed in accordance with article 50 bis of the Corporations Law | Degree in industrial engineering from Universidad de Chile | Independent |
| Director | Fernando Concha Ureta | Not executive | Yes | 2 years 10 months | Appointed in accordance with article 50 bis of the Corporations Law | Degree in business administration from Universidad Católica de Chile | Independent Represents Moneda Asset Management |
| Director | Bernard Pasquier | Not executive | Yes | 1 year 9 months | IFC – Appointed in accordance with article 50 bis of the Corporations Law | Degree in business administration, University of Montpellier, France; master's degree in public administration with a concentration in business and economic development, Harvard University | Independent, represents the IFC |
| Alternate director | José Luis Mardones Santander | Not executive | Yes | 5 years 11 months | Appointed in accordance with article 50 bis of the Corporations Law | Degree in industrial engineering from Universidad de Chile; PhD from Tufts University | Independent |
| Alternate director | Diego Fresco Gutiérrez | Not executive | No | 9 months | No | Degree in public accounting from Universidad de la República Oriental de Uruguay, Certified Public Accountant, Accountant registered with the Regional Accounting Council of the State of São Paulo. | Appointed via joint agreement between Itaú Unibanco and Corpgroup |

8.2.4. Diversity on Our Board

405-1

Diversity in age and nationality are relevant factors in the nomination and selection of board members. When voting, shareholders have access to the candidates' background as a reference for consideration.

| Year | 2017 | | | | 2018 | | | |
|-------------------------|------|-------|-------|-----|------|-------|-------|-----|
| Gender | Men | | Women | | Men | | Women | |
| Category | No. | % | No. | % | No. | % | No. | % |
| Itaú Board of Directors | 13 | 100 % | 0 | 0 % | 13 | 100 % | 0 | 0 % |

| Year | 2017 | | | | 2018 | | | |
|-------------------------|---------|------|------------|------|---------|------|------------|------|
| Nationality | Chilean | | Foreigners | | Chilean | | Foreigners | |
| Category | No. | % | No. | % | No. | % | No. | % |
| Itaú Board of Directors | 10 | 77 % | 3 | 23 % | 8 | 62 % | 5 | 38 % |

| Year | 2017 | | | | | | 2018 | | | | | |
|-------------------------|----------|-----|---------|------|---------|------|----------|-----|---------|------|---------|------|
| Age Group | Under 30 | | 30 - 50 | | Over 50 | | Under 30 | | 30 - 50 | | Over 50 | |
| Category | No. | % | No. | % | No. | % | No. | % | No. | % | No. | % |
| Itaú Board of Directors | 0 | 0 % | 3 | 23 % | 10 | 77 % | 0 | 0 % | 3 | 23 % | 10 | 77 % |

| Year | 2017 | | | | | | | | | | 2018 | | | | | | | | | |
|-------------------------|-------------------|------|-----------------------|-----|-----------------------|-----|------------------------|-----|--------------------|------|-------------------|------|-----------------------|-----|-----------------------|-----|------------------------|-----|--------------------|------|
| Years of Service | Less than 3 years | | Between 3 and 6 years | | Between 6 and 9 years | | Between 9 and 12 years | | More than 12 years | | Less than 3 years | | Between 3 and 6 years | | Between 6 and 9 years | | Between 9 and 12 years | | More than 12 years | |
| Category | No. | % | No. | % | No. | % | No. | % | No. | % | No. | % | No. | % | No. | % | No. | % | No. | % |
| Itaú Board of Directors | 8 | 62 % | 1 | 8 % | 1 | 8 % | 0 | 0 % | 3 | 23 % | 8 | 62 % | 1 | 8 % | 1 | 8 % | 0 | 0 % | 3 | 23 % |

8.2.5. Corporate Governance Support Committees

102-18, 102-22

Our Board of Directors is supported by eight committees comprised of directors, senior management and independent consultants. The members of these committees are appointed by the Board of Directors.

Directors' Committee

In compliance with article 50 bis of Law 18,046 on Corporations, the Directors' Committee must consist of three members, the majority of whom must be independent directors.

In addition to the specific functions bestowed upon it by law, the Directors' Committee aims to strengthen self-regulation at the Bank and other entities under its jurisdiction. This increased oversight of management's activities enables the Board to perform more efficiently. It is also responsible for making the agreements necessary to protect shareholders, especially minority shareholders, examining executive compensation systems and approving related-party transactions.

Directors' Committee members as of January 31, 2019:

| Name | Gender | Level (executive or not executive) | Independence | Significant Titles and Commitments |
|---------------------------|--------|------------------------------------|--------------|---|
| Gustavo Arriagada Morales | Male | Not executive | Yes | Director and Chairman of the Directors' Committee |
| Fernando Concha Ureta | Male | Not executive | Yes | Director and Member of the Directors' Committee |
| Bernard Pasquier | Male | Not executive | Yes | Director and Member of the Directors' Committee |
| Pedro Samhan Escáandar | Male | Not executive | Yes | Director and Guest Member of the Directors' Committee |

Annual Report on Directors' Committee Performance

In compliance with the provisions of item 5, subsection 8, article 50 bis of Law No. 18,046 on Corporations, the Directors' Committee has issued the following annual performance report as of December 31, 2018.

In 2018, the Directors' Committee convened 12 times to address the following matters under its jurisdiction, among others:

- a) Review and issue an opinion, in conjunction with the Audit Committee, on the annual and quarterly financial statements.
- b) Propose appointment of external auditors and risk rating agencies.
- c) Work with the Audit Committee to review the independent audit plan.
- d) Review and approve additional independent audit services.
- e) Examine the policy on related-party transactions.
- f) Examine compensation systems.

The following is a record, by session, of the matters addressed by the Directors' Committee in 2018:

1. Ordinary Meeting No. 55 (January 30, 2018)
 - Approve the Related Party Transactions Policy
 - Review report on the annual performance of the Directors' Committee.
 - Follow-up on agreements adopted by the Directors' Committee.

2. Ordinary Meeting No. 56 – Joint Session of the Directors' and Audit Committees (February 26, 2018)
 - Hear independent auditors' presentation on the Bank's annual financial statements.
 - Hear the Corporate Planning and Financial Control Division's presentation on the annual financial statements and the corresponding notes.
 - Recommend that the Board retain PricewaterhouseCoopers as external auditors and Feller Rate and Standard & Poor's (S&P Chile) as local risk rating agencies in 2018.

3. Ordinary Meeting No. 57 – Joint Session of the Directors' and Audit Committees (March 26, 2018)
 - Hear presentation by external auditors and the Corporate Planning and Financial Control Division on the Bank's full IFRS financial statements for presentation of the 20-F form to the Securities and Exchange Commission (SEC).

4. Ordinary Meeting No. 58 – Joint Session of the Directors' and Audit Committees (April 06, 2018)
 - Hear presentation by external auditors and the Corporate Planning and Financial Control Division on the Bank's full IFRS financial statements dated December 31, 2017.
 - Examine the Bank's full IFRS financial statements dated December 31, 2017, and recommend that the Board of Directors approve them.

5. Ordinary Meeting No. 59 – Joint Session of the Directors' and Audit Committees (April 26, 2018)
 - Hear presentation by external auditors on limited review and interoffice report and the Corporate Planning and Financial Control Division on the Bank's interim financial statements dated March 31, 2018.
 - Examine the Bank's interim financial statements dated March 31, 2018, and recommend that the Board of Directors approve them.

6. Ordinary Meeting No. 60 (June 14, 2018)
 - Hear presentation by external auditors on the 2018 integrated audit plan.
 - Hear presentation by Corporate Human Resources Division on implementation of the related-party declaration from the Bank's Code of Conduct.

7. Ordinary Meeting No. 61 – Joint Session of the Directors' and Audit Committees (July 26, 2018)
 - Hear presentation by external auditors on limited review and interoffice report and the Corporate Planning and Financial Control Division on the Bank's interim financial statements dated June 30, 2018.
 - Examine the Bank's interim financial statements dated June 30, 2018, and recommend that the Board of Directors approve them.

8. Ordinary Meeting No. 62 (August 28, 2018)
 - Hear presentation by the Corporate Human Resources Division and the Infrastructure Department on implementation of the related-party declaration from the Bank's Code of Conduct.
 - Approve modifications to the procedure for hiring bank suppliers.
 - Hear presentation by the Accounting Division on Note No. 32 *Related-party transactions* in the financial statements as of June 30, 2018.

9. Ordinary Meeting No. 63 – Joint Session of the Directors' and Audit Committees (October 29, 2018)
 - Hear presentations by Feller Rate and S&P Chile on the Bank's risk ratings.
 - Hear independent auditors' presentation on the limited review and interoffice report as of September 30, 2018.
 - Examine the Bank's financial statements dated September 30, 2018, and recommend that the Board of Directors approve them.
 - Approve hiring additional audit services related to the MTN program.

10. Ordinary Meeting No. 64 (November 23, 2018)
 - Examine the Bank's compensation systems.
 - Hear presentation on status of implementation of the related-party declaration from the Bank's Code of Conduct.
 - Approve the Memorandum of Understanding between the Bank and Itaú BBA Colombia as well as the transfer of the credit rights derived from the Transaction Agreement to Itaú Unibanco Nassau Branch.

11. Ordinary Meeting No. 65 (December 18, 2018)
 - Examine transactions between Itaú Administradora General de Fondos and Itaú Unibanco S.A. as well as between Itaú Administradora General de Fondos and Itaú USA Asset Management Inc.
 - Examine the stock brokerage and research contract between Itaú Corredora de Bolsa and Itaú BBA.

Regarding Directors' Committee compensation and expenses, in accordance with the agreement reached at the annual general shareholders' meeting on March 27, 2018, each director and guest member will receive monthly compensation of 150 UF. The Chairman will receive 250 UF. The committee did not report any expenses or disbursements beyond the monthly stipend assigned to committee members.

Following the Directors' Committee's 2018 recommendation, in a joint committee session with the Audit Committee, they agreed that renewal of the independent audit contract with PriceWaterhouseCoopers ("PWC") for 2018 would be proposed to the Board for subsequent consideration at the annual general shareholders' meeting. On the same date, the Directors' Committee and Audit Committee agreed to propose Feller Rate Clasificadora de Riesgo Limitada and Standard & Poor's Ratings Chile Clasificadora de Riesgo Limitada as local risk rating agencies.

Audit Committee

The Audit Committee's purpose is to monitor the efficiency of the Bank's internal control systems and compliance with regulations and other internal standards. For SOX purposes, the internal control references in these bylaws must be understood as the internal control systems for financial reporting.

This committee is also responsible for supervising the different aspects of maintenance, application and functioning of the Bank's internal controls, closely monitoring compliance with standards and procedures regulating its practices, and having a clear understanding of the risks that can arise from the business conducted by the Bank as well as the corresponding mitigating factors.

At least two members of the Audit Committee serve on the Board of Directors, thus holding the Bank's board members responsible for complying with both self-control policies established and practiced by the entity as well as laws and regulations to which it is subject.

All committee members meet the requirements for independence established in Rule 10A-3 of the US Exchange Act.

The Audit Committee must reinforce and support both Itaú's internal audit function (referred to as Controller in SBIF regulations) and its independence from management. It serves as a link between the internal audit department and the independent auditors as well as between these two groups and the Board of Directors.

Audit Committee members as of January 31, 2019:

| Name | Gender | Level (executive or not executive) | Significant Titles and Commitments |
|---------------------------|--------|------------------------------------|--|
| Andrés Bucher Cepeda | Male | Not executive | Director and Chairman of the Audit Committee |
| Gustavo Arriagada Morales | Male | Not executive | Director and Member of the Audit Committee |
| Juan Echeverría González | Male | Not executive | Member of the Audit Committee |
| Diego Fresco Gutiérrez | Male | Not executive | Director and Member of the Audit Committee |
| Antonio de Lima Neto | Male | Not executive | Member of the Audit Committee |

Annual Report on Audit Committee Performance

Under the provisions of Chapter 1-15 of the Updated Compilation of Standards issued by the Superintendency of Banks and Financial Institutions, the Audit Committee must report to shareholders at the Itaú Corpbanca annual general shareholders' meeting on the duties performed in 2018.

To that end, the Audit Committee has issued the following Annual Report on Audit Committee Performance as of December 31, 2018.

The committee fulfilled the duties set forth in its bylaws. Committee bylaws grant it the authority required to fulfill national regulations applicable to a foreign private issuer with shares registered in the United States.

The following are among the committee's most noteworthy activities this year:

Risk Management Performance

- a) Meet with each of the Bank's corporate divisions and the Chief Executive Officer of each subsidiary to learn about management of the risks and audit points relevant to each division or subsidiary.
- b) Hear a presentation and receive training on the main aspects of managing the cybersecurity risk related to the company.

Financial Statements

- c) Review and, along with the Directors' Committee, recommend approval of the Quarterly Interim Consolidated Financial Statements along with the respective explanatory notes for the periods ending March 30, June 30 and September 30, 2018. At the meeting on February 26, 2018, the committee also reviewed and recommended approval for the Consolidated Annual Financial Statements for the Bank and its subsidiaries as of December 31, 2017.
- d) Hear presentations by management and independent auditors on the significant accounting policies used in the preparation of the financial statements.
- e) Receive training from external consultants on relevant accounting matters, like IFRS 9, the concept of credit valuation adjustment (CVA) and accounting hedges.

Internal Audit

- f) Assess 2017 performance of the Corporate Internal Audit Division.
- g) Review and approve a new version of the Internal Audit Policy.
- h) Hear monthly reports on progress of the annual internal audit plan for 2018. Also, approve the internal audit plan for 2019.
- i) Hear presentations on the main reports issued in conformity with the 2018 Internal Audit Plan and special requirements. Also, hear presentations on Internal Audit's follow up on its audit observations, observations made by independent auditors and the SBIF, including proposed action plans and implementation status.
- j) Hear reports on coordination of internal audit tasks with independent auditors.
- k) Approve the 2019 budget for the Corporate Internal Audit Division.

Independent Auditors

- l) Agree to recommend that the Directors' Committee propose PricewaterhouseCoopers as the company's independent auditors for 2018.
- m) Review and approve the proposal on independent auditor scope and fees.
- n) Assess independent auditor's 2017 performance.

Other Activities

- o) Meet with the Chairman of the Board and, on a quarterly basis, with the Chief Executive Officer of the Bank.
- p) Meet with the Superintendency of Banks and Financial Institutions to discuss the Bank's internal audit efforts.
- q) Recommend that the Board of Directors approve a new version of the Audit Committee Bylaws.
- r) Recommend risk rating agencies to the Directors' Committee.
- s) Meet with local risk raters and hear presentations on their ratings.
- t) Hear presentations on the results of the Bank's 2018 Self-Assessment and the subsequent report.

- u) Process complaints received via the Committee-established channel (denuncias.fraudefinancierosox@itau.cl or via mail) on accounting matters, internal accounting and audit controls. Complaints on other matters are reported to the areas responsible.

Hear reports on the following matters particular to the Compliance Officer: i) ethics and conduct; ii) anti-money laundering and counter-terrorism financing; and iii) self-assessment of strategic risks.

Corporate Governance Committee

The purpose of this committee is to be a consultation body of the Board of Directors whose mission is to ensure the existence and development of the best corporate governance practices for financial entities. The committee assesses current practices and policies in order to propose and make different recommendations of improvements to the Board of Directors. The committee continuously ensures proper implementation and application of board-defined corporate governance practices and policies. The committee performs these functions for the Bank, its subsidiaries and its foreign entities.

Corporate Governance Committee members as of January 31, 2019:

| Corporate Governance Committee | Gender | Level (executive or not executive) | Significant Titles and Commitments |
|--------------------------------|--------|------------------------------------|---|
| Andrés Bucher Cepeda | Male | Not executive | Director and Member of the Corporate Governance Committee |
| Ricardo Villela Marino | Male | Not executive | Vice Chairman of the Board and Member of the Corporate Governance Committee |
| Caio Ibrahim David | Male | Not executive | Director and Member of the Corporate Governance Committee |
| Milton Maluhy Filho | Male | Not executive | Director and Member of the Corporate Governance Committee |
| Bernard Pasquier | Male | Not executive | Director and Member of the Corporate Governance Committee |
| José Luis Mardones Santander | Male | Not executive | Director and Member of the Corporate Governance Committee |
| Alejandro Ferreiro Yazigi | Male | Not executive | Member of the Corporate Governance Committee |

Asset Laundering, Terrorism Financing and Bribery Prevention Committee (ALP Committee)

This committee's main purpose is to plan and coordinate activities to comply with policies and procedures to prevent asset laundering, terrorism financing and bribery; to maintain itself informed of the work carried out by the Compliance Officer, who has also been designated as the head of prevention in conformity with Law No. 20,393; as well as to adopt agreements to improve prevention and control measures proposed by the Compliance Officer.

ALP Committee members as of January 31, 2019:

| Name | Gender | Level (executive or not executive) | Significant Titles and Commitments |
|----------------------------|--------|------------------------------------|--|
| Manuel Olivares Rossetti | Male | Executive | Chief Executive Officer and Member of the Asset Laundering, Terrorism Financing and Bribery Prevention Committee |
| Gustavo Arriagada Morales | Male | Executive | Director and Member of the Asset Laundering, Terrorism Financing and Bribery Prevention Committee |
| Mauricio Baeza Letelier | Male | Executive | Corporate Risk Manager and Member of the Asset Laundering, Terrorism Financing and Bribery Prevention Committee |
| Christian Tauber Dominguez | Male | Executive | Corporate Wholesale Banking Manager and Member of the Asset Laundering, Terrorism Financing and Bribery Prevention Committee |
| Julián Acuña Moreno | Male | Executive | Corporate Retail Banking Manager and Member of the Asset Laundering, Terrorism Financing and Bribery Prevention Committee |
| Cristián Toro Cañas | Male | Executive | Corporate Legal Manager and Member of the Asset Laundering, Terrorism Financing and Bribery Prevention Committee |
| Sven Riehl | Male | Executive | Compliance Officer and Member of the Asset Laundering, Terrorism Financing and Bribery Prevention Committee |

Compliance Committee

The purpose of this committee is primarily to define, promote and ensure behavior with the highest standards of professional and personal excellence by all employees at Itaú. This should be guided at all times by the corporate principles and values that identify its spirit, philosophy and good business practices. It is also charged with ensuring application of the Standards Compliance Model, within the context of the definitions established by this committee, and staying informed of the Compliance Officer's work in this area, as well as adopting agreements to improve the control measures proposed.

Compliance Committee members as of January 31, 2019:

| Name | Gender | Level (executive or not executive) | Significant Titles and Commitments |
|---------------------------|--------|------------------------------------|--|
| Manuel Olivares Rossetti | Male | Executive | Chief Executive Officer and Member of the Compliance Committee |
| Gustavo Arriagada Morales | Male | Not executive | Director and Member of the Compliance Committee |
| Cristián Toro Cañas | Male | Executive | Corporate Legal Manager and Member of Compliance Committee |
| Mauricio Baeza Letelier | Male | Executive | Corporate Risk Manager and Member of Compliance Committee |
| Marcela Jiménez | Female | Executive | Corporate Human Resources Manager and Member of Compliance Committee |

Performance and Talent Committee

The Performance and Talent Committee was created as an advisory and consultation body for issues related to managing people and the human resources at the Bank and the other entities under its jurisdiction.

Performance and Talent Committee members as of January 31, 2019:

| Name | Gender | Level (executive or not executive) | Significant Titles and Commitments |
|------------------------|--------|------------------------------------|---|
| Ricardo Villela Marino | Male | Not executive | Vice Chairman of the Board and Member of the Performance and Talent Committee |
| Milton Maluhy Filho | Male | Executive | Director and Member of the Performance and Talent Committee |
| Caio Ibrahim David | Male | Not executive | Director and Member of the Performance and Talent Committee |
| Jorge Andrés Saieh | Male | Not executive | Chairman of the Board and Member of the Performance and Talent Committee |
| Fernando Aguad Dagach | Male | Not executive | Director and Member of the Performance and Talent Committee |

Assets and Liabilities Committee (ALCO)

The committee's purpose is to comply with the financial guidelines set by the Board. It must approve and monitor the financial strategies that guide the Bank with respect to the composition of its assets and liabilities, cash inflows and outflows and transactions with financial instruments. It also examines the available alternatives to make decisions that ensure the highest and most sustainable returns with financial risk levels that are compatible with the business, current regulations as well as current and applicable standards.

ALCO Committee members as of January 31, 2019:

| Name | Gender | Level (executive or not executive) | Significant Titles and Commitments |
|---------------------------|--------|------------------------------------|--|
| Manuel Olivares Rossetti | Male | Executive | Chief Executive Officer and ALCO Member |
| Jorge Andrés Saieh Guzmán | Male | Not executive | Chairman of the Board and ALCO Member |
| Jorge Selume Zaror | Male | Not executive | Director and ALCO Member |
| Pedro Silva Yrarrázaval | Male | Executive | Corporate Treasury Manager and ALCO Member |
| Gabriel Amado de Moura | Male | Executive | Corporate Finance Manager and ALCO Member |
| Pedro Samhan Escándar | Male | Not executive | Director and ALCO Guest Member |

Executive Loan Committee

The Executive Loan Committee's objective is to approve transactions and matters submitted to it in accordance with defined limits and procedures, ensuring application and compliance of Credit Risk Policies defined by the Bank and in strict adherence of current and applicable regulations.

Executive Loan Committee members as of January 31, 2019:

| Name | Gender | Level (executive or not executive) | Significant Titles and Commitments |
|---------------------------|--------|------------------------------------|--|
| Manuel Olivares Rossetti | Male | Executive | Chief Executive Officer and Member of Executive Loan Committee |
| Jorge Andrés Saieh Guzmán | Male | Not executive | Chairman of the Board and Member of Executive Loan Committee |
| Fernando Aguad Dagach | Male | Not executive | Director and Member of Executive Loan Committee |
| Mauricio Baeza | Male | Executive | Corporate Risk Manager and Member of Executive Loan Committee |
| Adriano Fernandes | Male | Executive | Wholesale Risk Manager and Member of Executive Loan Committee |

8.2.6. Attendance

| | |
|--|---------------|
| 2018 Average Attendance by Board of Directors | 97.47% |
|--|---------------|

Minimum required attendance by directors at Board of Directors' Meetings is set forth in article 49 No. 9 of the General Banking Law. This provision indicates that directors who fail to attend board meetings for a period of three months, without permission from the board, forfeit their position.

Furthermore, neither Itaú bylaws nor Chilean legislation sets term limits or restrict the maximum number of boards on which a director may serve.

| | 2017 | 2018 |
|---|------|------|
| Number of directors serving 4 or less terms | 7 | 6 |

Average attendance for all ordinary and extraordinary board meetings in 2018 was 97.47%.

Director attendance at ordinary and extraordinary board meetings

| | Ordinary Board Meeting on January 31, 2018 | Ordinary Board Meeting on February 28, 2018 | Ordinary Board Meeting on March 28, 2018 | Ordinary Board Meeting on April 24, 2018 | Ordinary Board Meeting on May 30, 2018 | Ordinary Board Meeting on June 27, 2018 |
|---|--|---|--|---|--|---|
| Total number of directors in attendance | 11 of 11 (100%) | 11 of 11 (100%) | 11 of 11 (100%) | 11 of 11 (100%) | 11 of 11 (100%) | 11 of 11 (100%) |
| | Ordinary Board Meeting on August 1, 2018 | Ordinary Board Meeting on August 29, 2018 | Ordinary Board Meeting on September 25, 2018 | Ordinary Board Meeting on October 31, 2018 | Ordinary Board Meeting on November 27, 2018 | Ordinary Board Meeting on December 19, 2018 |
| Total number of directors in attendance | 11 of 11 (100%) | 11 of 11 (100%) | 11 of 11 (100%) | 11 of 11 (100%) | 11 of 11 (100%) | 11 of 11 (100%) |
| | Extraordinary Board Meeting on February 26, 2018 | Extraordinary Board Meeting on March 15, 2018 | Extraordinary Board Meeting on April 6, 2018 | Extraordinary Board Meeting on April 26, 2018 | Extraordinary Board Meeting on July 26, 2018 | Extraordinary Board Meeting on October 29, 2018 |
| Number of Directors in attendance | 10 of 11 (90.9%) | 11 of 11 (100%) | 10 of 11 (90.9%) | 11 of 11 (100%) | 10 of 11 (90.9%) | 9 of 11 (81.8%) |

Note: Attendance excludes alternate directors.

8.2.7. Board and Committee Compensation

102-35

At the Itaú annual general shareholders' meeting on March 27, 2018, shareholders agreed to provide monthly compensation equivalent to UF 100 to directors and alternate directors, UF 450 to the Vice Chairman and UF 600 to the Chairman of the Board.

The same decision was made for the members of the Directors' Committee whose monthly compensation was set at 150 UF and UF 250 for the Chairman. Thus, the 2018 budget for Board of Directors' compensation was UF 7,000.

At the same meeting, shareholders set the stipends for Directors on the following committees:

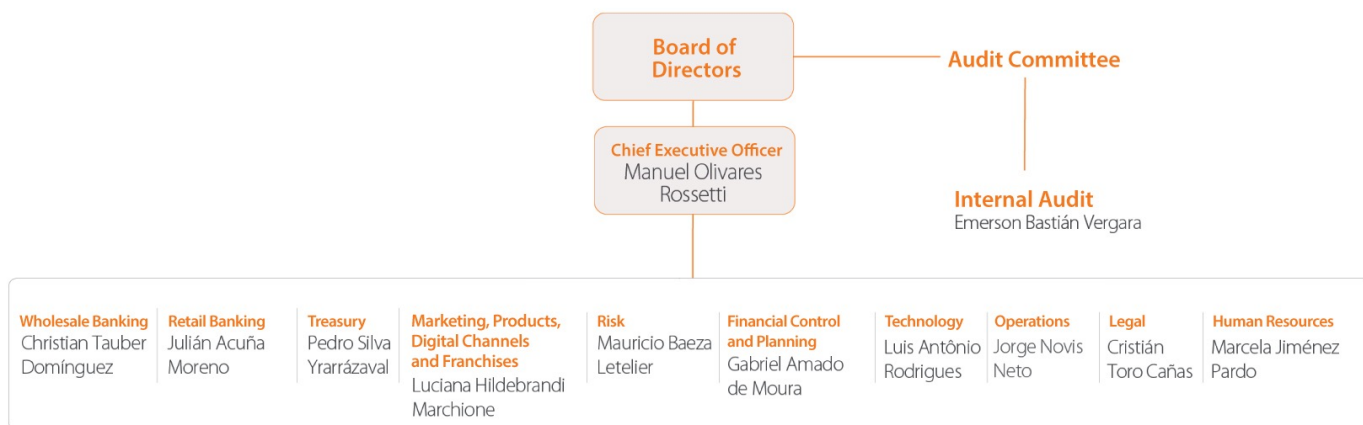
- Executive Loan Committee: UF 200/month
- ALCO Committee: UF 140/month
- Audit Committee: UF 50/month for each member and UF 150/month for the Chairman
- Corporate Governance Committee: UF 50/month
- ALP Committee: UF 50/month
- Compliance Committee: UF 50/month
- Performance and Talent Committee: UF 50/month

The total amount paid for Board and committee compensation in 2018 was MCh\$1,199.

8.3. Organizational Structure and Subsidiaries

8.3.1. Executives

Itaú's management structure is as follows:



Note: Manuel Olivares Rossetti became Chief Executive Officer at Itaú Corpbanca on January 1, 2019.

Manuel Olivares Rossetti

Mr. Olivares has a degree in business administration from Universidad de Chile and more than 30 years of banking experience at the local and international levels. After holding several positions at Banco Bilbao Vizcaya Argentaria, Chile, he spent six months as Chief Executive Officer prior to July 2018. Until July 2018, he was also Chairman of the Board at Forum Servicios Financieros S.A. Prior to that, he spent 12 years in different positions at Citibank, in both the Santiago and New York offices. He is currently Vice Chairman of the INACAP Technical Training Center and Chaired the Productivity Commission of the Production and Trade Confederation (CPC for Spanish acronym) until December 2018. In January 2019, he became Chief Executive Officer of Itaú Corpbanca as well as Chairman of the Board at Itaú Corpbanca Colombia.

The Chief Executive Officer is supported by a senior management team comprised of the following executives:

Pedro Silva Yrarrázaval

Mr. Silva holds a degree in business administration from Universidad de Chile and an MBA from the University of Chicago. In October 2006, he became Finance and International Division Manager at Corpbanca. Previously, beginning in June 2003, he had been Chief Executive Officer of Corpbanca Administradora General de Fondos S.A. He has served as Corporate Treasury Manager since 2016.

Marcela Jiménez Pardo

Marcela Jiménez Pardo holds a degree in psychology from Pontificia Universidad Católica de Chile and graduate coursework in Human Resource Management from Universidad Adolfo Ibáñez. Ms. Jiménez has served as Corporate Human Resources Manager since July 2012. Previously, beginning in 2008, she headed the Global Banking Consulting Group at Banco de Chile.

Christian Tauber Domínguez

Mr. Tauber holds a degree in business administration from Pontificia Universidad Católica de Chile. He was the Director of Company Banking at BBVA and joined Banco Itaú Chile as Corporate Banking Manager in October 2007. In 2011, he became Corporate Banking Division Manager. He has served as Corporate Wholesale Banking Manager since 2016.

Gabriel Amado de Moura

Mr. Amado holds an MBA from the Wharton School at University of Pennsylvania. He has more than 20 years of experience in asset and risk management as well as mergers and acquisitions. With the group since 2000, he became Director and partner at Itaú Unibanco in 2010. Mr. Amado has been Chief Investment Officer of the group's life and insurance businesses, endowments, foundations and pension funds. He headed financial planning on the Wholesale General Board and served as Chief Risk Officer (CRO) of the Wealth Management and Services (WMS) area. He became Corporate Finance Manager in 2016.

Luis Antônio Rodrigues

Mr. Rodrigues holds an MBA from Fundación Getúlio Vargas, Executive Leadership Development Program - IMD. He has served as Director since 2004, partner since 2010 and Executive Director since 2011. He joined the organization 32 years ago and, from the technology area, participated in all the Bank's mergers and acquisitions –Banco Francês e Brasileiro, Banerj, Bemge, Banestado and BankBoston. He was also central to integrating the Itaú and Unibanco systems. He became Corporate Operations and Technology Manager in 2016. Then, following separation of the Operations and Technology areas, he became Corporate Technology Manager in October 2017.

Luciana Hildebrandi Marchione

Luciana Hildebrandi holds a degree in business administration with a specialization in marketing and an MBA from Fundación Getulio Vargas. She joined Itaú Unibanco in 2005, reaching the executive level in 2015. She served as the Manager of Business Planning at Itaú Uniclass and Commercial Manager at Itaú Uniclass Digital, until she became Vice President of Products, Franchise and Digital in Colombia in 2016. She became Itaú Corpbanca Corporate Manager of Marketing, Products, Digital Channels and Franchises in January 2019.

Cristián Toro Cañas

Mr. Toro holds a degree in law from Pontificia Universidad Católica de Chile and a master's in law from New York University School of Law. Following his 1999 internship with Shearman & Sterling law firm in New York, he was with Citibank Chile for more than 10 years. He became general counsel in May 2004 and served until 2008, when he moved to LAN Airlines as Legal Senior Vice-President, a position he retained after the merger. He became Corporate Legal Manager at Itaú in 2016.

Mauricio Baeza Letelier

Mr. Baeza holds a degree in civil engineering from Pontificia Universidad Católica de Chile. He has 30 years of banking experience and has held several executive positions in the risk divisions at local banks. Prior to April 2016, he had served for five years as Corporate Risk Manager at Banco de Chile. Mr. Baeza holds a leadership role on the Association of Banks and Financial Institutions Risk Committee. He became Corporate Risk Manager in October 2016.

Julián Acuña Moreno

Mr. Acuña holds a degree in auditing from Universidad Diego Portales. He has experience in national and international banking, serving as Manager of the Commercial Division in Chile and Colombia in Banco Santander Chile and Banco Santander Colombia, respectively. He became Corporate Retail Banking Manager in September 2016.

Jorge Novis Neto

Mr. Novis holds a degree in civil engineering, an MBA from Harvard Business School and a Master's of Science in Finance. He began working at Itaú Unibanco in 2014 and joined Itaú Corpbanca in May 2017 as Head of Strategic Planning, then Quality. He became Corporate Operations Manager in April 2018.

Emerson Bastián Vergara.

Mr. Bastián holds a degree in accounting from Universidad de Chile and an MBA from Universidad Adolfo Ibáñez. Prior to joining the group, he was a partner at Deloitte Chile in governance practices, regulation and risk strategy. He became Corporate Internal Audit Manager in April 2017.

8.3.2. Executive Compensation

102-35

Total compensation received by the Bank's executive-level employees⁶ in 2018 amounted to MCh\$22,185.

8.3.3. Companies and Chief Executive Officers

Itaú Corpbanca has the following subsidiaries:

| | Subsidiary | Chief Executive Officer |
|--------|--|-------------------------|
| Chile | Itaú Asesorías Financieras S.A. | Rodrigo Jordán |
| | Itaú Corredores de Bolsa Limitada | Felipe Hurtado |
| | Itaú Administradora General de Fondos S.A. | Wagner Guida |
| | Itaú Corredores de Seguros S.A. | Arturo Achondo |
| | Recaudaciones y Cobranzas Limitada | Angelo Gambini |
| | Corplegal S.A | Fernando Vargas |
| Abroad | Itaú Corpbanca New York Branch | Joaquín Rojas |
| | Itaú Corpbanca Colombia S.A. | Alvaro Pimentel |
| | Itaú Securities Services Colombia S.A. Sociedad Fiduciaria | María Susana Montero |
| | Itaú Comisionista de Bolsa Colombia S.A. | Félix Buendía |
| | Itaú Corredor de Seguros Colombia S.A. | Ernesto Sierra |
| | Itaú Asset Management Colombia S.A. Sociedad Fiduciaria | Camila Vázquez |
| | Itaú (Panamá) S.A. | José Carlos Arias |
| | Itaú Casa de Valores S.A. | Federico Sorzano |

⁶The executive team is comprised of bank employees at the deputy manager level or senior.

9. Appendices

9.1. About this Report

102-10, 102-45, 102-48, 102-49, 102-52

In order to account for the Bank's comprehensive performance in 2018, Itaú Chile decided to publish an Integrated Report, which groups the organization's financial, social and environmental information into a single document.

This report contains relevant information on 2018 performance, expressed in international reporting standards, like the IIRC and the core option of the New GRI Standards.

In order to uphold the GRI standard of comparability, data from 2017 is also included. Earlier data is excluded. Given the Bank's 2016 merger, earlier data is not comparable with the two subsequent periods.

This year, there were no modifications or restatements of information reported in 2017. Any changes in scope or method for calculating any particular information was specified in the document itself.

While the financial statements include the consolidated operations of the Bank and its subsidiaries in Chile and abroad, the non-financial information in this report is local and considers only the Bank and its subsidiaries in Chile.

Thus, the entities included in this annual report are:

1. Itaú Corpbanca S.A.
2. Itaú Asesorías Financieras S.A.
3. Itaú Corredores de Seguros S.A.
4. Itaú Corredores de Bolsa Limitada
5. Itaú Administradora General de Fondos S.A.
6. Recaudaciones y Cobranzas Limitada
7. Corplegal S.A.

9.1.1. Methodology

102-43, 102-51, 102-54

For the report published in 2017, an extensive materiality exercise was performed and validated by an independent panel of experts.

In 2018, the study was maintained in accordance with the requirements of New GRI Standards. Material issues were updated and validated on the basis of a comprehensive secondary review. A wide internal consultation process was conducted and was validated by a panel of experts and the Sustainability Committee.

The 2017 Itaú Materiality Assessment covered:

- A review of secondary materials based on diverse sources of information to identify the state of the industry, trends and important topics.
- Internal consultation with executives and customers.
- Identification of material issues.
- Validation of the material issues through a panel of experts.

The following steps were taken to update the 2017 materiality assessment:

- Extensive review of internal and external material.
- Internal consultation of bank executives and employees designed to exhaustively explore the significance and handling of the topics identified in the 2017 materiality assessment. A total of 33 interviews were conducted with bank executives, 12 of whom are corporate managers:
 - Chief Executive Officer
 - Corporate Wholesale Banking Manager
 - Corporate Retail Banking Manager
 - Corporate Treasury Manager
 - Corporate CFO
 - Corporate Marketing, Products and Digital Channels Manager
 - Corporate Risk Manager
 - Corporate Strategic Planning Manager
 - Corporate Technology and Administration Manager
 - Corporate Legal Manager
 - Corporate Human Resources Manager
 - Corporate Internal Audit Manager

The 9 material topics for 2018 that resulted from this updating process are as follows:

1. Prevention and regulatory compliance
2. Attracting and retaining talent
3. Economic performance
4. Sustainable supplier management
5. Socio-environmental risk assessment
6. Customer satisfaction
7. Cybersecurity and customer privacy
8. Digital banking
9. Community contributions

9.1.2. Materiality

102-44, 102-46, 102-47, 103-1

| Material Issue | Limit | Indicator | Our Way | SDG | Global Compact |
|---|---|--|--|-----------------|------------------------------------|
| Chapter: Customer-Centered | | | | | |
| Customer satisfaction | The impact occurs inside the organization and affects customers. | In-house indicator: Scores on customer satisfaction measures (NPS and Servitest) | Performance fanatics | - | Principle No. 10 |
| Digital banking | The impact occurs inside the organization and affects customers. | In-house indicator: Improvements to digital banking. | It is only good for us if it is good for the customer. | - | Principle No. 9 |
| Prevention and regulatory compliance | The impact occurs inside the organization and industry and affects customers. | In-house indicator: Description and analysis of new regulations. | Ethics are non-negotiable. | - | Principle No. 1 Principle No. 2 |
| Cybersecurity and customer data privacy | The impact occurs inside the organization and affects customers. | Disclosure 418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data | - Ethics are non-negotiable. - It is only good for us if it is good for the customer. | - | - |
| Financial capital | | | | | |
| Economic performance | The impact occurs inside the organization and impacts shareholders. | In-house indicator: Economic performance. | Performance fanatics | SDG 8 | - |
| Social and relationship capital | | | | | |
| Community contributions | The impact occurs outside the organization and affects society. | In-house indicator: Outstanding community contribution programs. | People are everything to us. | SDG 11 SDG 4 | - |

Environmental capital

| | | | | | |
|-------------------------------------|--|--|----------------------------|--------|--|
| Socio-environmental risk assessment | The impact occurs inside and outside the organization and affects customers. | In-house indicator: Number of customers assessed via socio-environmental questionnaires. | Ethics are non-negotiable. | SDG 12 | Principle No. 1 Principle No. 2 Principle No. 7 Principle No. 8 |
|-------------------------------------|--|--|----------------------------|--------|--|

Manufactured capital

| | | | | | |
|---------------------------------|--|---|----------------------|--|---|
| Sustainable supplier management | The impact occurs inside and outside the organization and affects customers and suppliers. | Disclosure 201-1: Proportion of spending on local suppliers | Performance fanatics | | Principle No. 2 Principle No. 4 Principle No. 5 |
|---------------------------------|--|---|----------------------|--|---|

Human capital

| | | | | | |
|---------------------------------|--|---|------------------------------|-------|-----------------|
| Attracting and retaining talent | The impact occurs inside the organization and affects employees. | Disclosure 404-1: Average hours of training per year per employee | People are everything to us. | SDG 5 | Principle No. 6 |
|---------------------------------|--|---|------------------------------|-------|-----------------|

9.2. Letter from Panel of Experts and External Assurance

102-56, 102-42

9.2.1. Validation Process: Panel of Experts

In an effort to provide greater transparency regarding the process of creating the 2018 Itaú Integrated Report—our first report of its kind—expert representatives from different sustainability areas were invited to review and validate the materiality and structure of the report.

The panel's task was to participate in the process of updating the materiality and structure of the 2018 Itaú Integrated Report through an in-depth presentation on the methodology and topics selected, commenting on each one of the areas.

The expert panel was comprised of eight representatives from several entities invited by Itaú to provide a broad view of sustainability. The panel members were:

- Hayley Baker, Senior Researcher at Corporate Citizenship
- Margarita Ducci, Executive Director at Global Compact
- David Falcón, Director Risk Advisory and Sustainability at Deloitte
- Álvaro Gallegos, Vice Chairman of Chilean National Consumers and Users Corporation (CONADECUS)
- Stefan Larenas, Chairman of the Consumers and Users Organization (ODECU)
- Juan Esteban Laval Z., General Counsel at Chilean Association of Banks and Financial Institutions (ABIF)
- Felipe León, Executive Director at *Diario Sustentable*
- Nicolás Majluf, Professor Emeritus at Pontificia Universidad Católica de Chile
- The work focused on four objectives:
 - Reviewing and evaluating the updated version of the 2017 Itaú Materiality Assessment.
 - Incorporating an external and expert vision of sustainability into the process.
 - Reviewing and evaluating the structure of the 2018 Itaú Materiality Assessment and offering opinions regarding the presentation and organization of the topics.
 - Providing recommendations and potential improvements to be incorporated into the process and future Itaú Integrated Reports.

Methodology

The panel of experts met on November 29, 2018, at Itaú. The meeting included a presentation on the process of updating the 2017 materiality assessment. It focused on the context of the industry and trends, results of the internal consultation, material topics and the structure of the 2018 Integrated Report.

The panel then discussed the strengths, weaknesses and recommendations to be included in the document, which were incorporated into the preparation process and the 2018 Integrated Report

EXPERT PANEL

AGREEMENT LETTER

2018 Itaú Integrated Report: Materiality and Structure

The expert panel for the Itaú Integrated Report met on November 29, 2018, to present their comments and recommendations on the importance of the topics to be included in the 2018 Integrated Report and the suitability of its structure. The panel, which was comprised of independent experts who contributed diverse perspectives on sustainability, concluded that the methodology used is adequate for the purpose of selecting the topics and structuring the document.

In this regard, the main strengths of the updated Itaú 2017 materiality process are as follows:

- Itaú's review of the domestic and international industry in regard to sustainability.
- The updating of the materiality to reflect the Bank's situation in 2018.
- The transparency of information on areas for improvement in the Bank's performance.
- The verification of non-financial information in order to follow international industry standards.
- The materiality process includes cybersecurity, which is fundamental in the banking industry and also an area of national interest.

The main challenges that the Bank should address when improving future versions of the report have been separated into two areas. They are as follows:

Methodological Criteria

- Correctly combine financial topics and sustainability issues in this new document called the Integrated Report.
- Incorporate relevant indicators that offer key information for the stakeholders who receive the document and clearly furnish quantitative data about the topics presented as material so that progress can be identified.
- Include an executive summary presenting the main financial and sustainability management statistics, identifying where the information in question will be found within the new structure.
- Provide a structure for the document that explicitly combines financial data and sustainability information for the organization such that the document fully reflects the concept of a "good company."

Content Criteria

- Gather information about the material topics "regulatory compliance" and "cybersecurity" because these generated the most in-depth discussions.
- Consider balance as a fundamental principle in sustainability reports. This includes reflecting conflictive aspects or unresolved challenges for the organization. This should not be based only on achievements, but should identify gaps that require medium- and long-term improvements.
- Develop differentiated communications tools so that stakeholders can easily find contents that relate to them.


The panel recommends that the following specific topics be incorporated:

- The new National Consumer Service (Sernac) Law and discussion surrounding the Data Protection Law under the material topic entitled “Prevention and Regulatory Compliance”.
- Agreement to change the name of the material topic from “Customer Experience” to “Customer Satisfaction” based on the specific information that Itaú seeks to gather.
- Agreement to eliminate the material topic entitled “Freedom of Assembly and Collective Bargaining” because there were no bargaining processes in 2018.
- Agreement to eliminate the material topic entitled “Itaú Culture” because it referred to a specific period in the internal, post-merger culture.
- Agreement to combine the material topics related to suppliers in one material topic called “Supplier Management”.

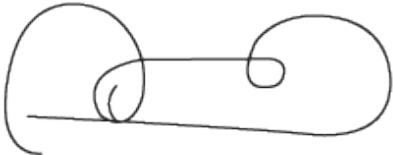
The above was agreed upon by the expert panel as a whole, the members of which have signed this Agreement Letter.



Hayley Baker,
**Senior Researcher,
Corporate Citizenship**



Margarita Ducci
**Executive Director
at Global Compact**



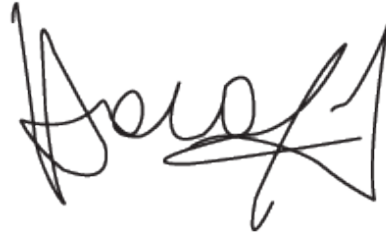
David Falcón
**Director Risk Advisory and
Sustainability from Deloitte**



Álvaro Gallegos
**Vice Chairma
Chilean National Consumers and Users
Corporation
CONADECUS**



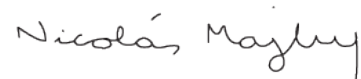
Stefan Larenas
**Chairman of the
Consumers and Users
Organization (ODECU)**



Juan Esteban Laval
**General Counsel at the
Association of Banks
and Financial Institutions**



Felipe León
**Director
*Diario Sustentable***



Nicolás Majluf
**Professor Emeritus at
Pontificia Universidad
Católica de Chile**



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Limited Assurance

Statement of Itaú Corpbanca 2018 Integrated Memory (free translation from the original in Independent Spanish)

To the President and Directors of
Itaú Corpbanca

Scope

We have performed an independent limited assurance engagement on the information and data presented in Itaú Corpbanca 2018 Integrated Memory.

Preparation of the Integrated Memory is the responsibility of the Management of Itaú Corpbanca. The Management of Itaú Corpbanca is also responsible for the data and affirmations included in the Integrated Memory, definition of the scope and management and control of the information systems that have provided the reported information.

Standards and Assurance Procedures

Our review has been performed in accordance with the International Standard on Assurance Engagements ISAE 3000, established by the International Auditing and Assurance Board of the International Federation of Accountants and the version GRI Standards of the guidelines for the preparation of sustainability reports under the Global Reporting Initiative (GRI).

We conducted our assurance procedures in order to:

- ▶ Determine whether the information and data presented in the 2018 Integrated Memory are duly supported by evidence.
- ▶ Verify the traceability of the information disclosed by Itaú Corpbanca in its 2018 Integrated Memory.
- ▶ Determine whether Itaú Corpbanca has prepared its 2018 Integrated Memory in accordance with the Content and Quality Principles of the GRI Standards.
- ▶ Confirm Itaú Corpbanca self-declared "Core" option of the GRI Standards to its report.

Work Performed

Our assurance procedures included enquiries to the Management of Itaú Corpbanca involved in the development of the Integrated Memory process, in addition to other analytical procedures and sampling methods as described below:

- ▶ Interviews with key Itaú Corpbanca personnel, in order to assess the 2018 Integrated Memory preparation process, the definition of its content and its underlying information systems.
- ▶ Review of supporting documents provided by Itaú Corpbanca.
- ▶ Review of formulas and calculations by recalculation.
- ▶ Review of the 2018 Integrated Memory in order to ensure its phrasing and format does not mislead the reader regarding the information presented.

Our Responsibility

Our responsibility is limited to the procedures mentioned above, corresponding to a limited assurance which is the basis for our conclusions.

Conclusions

Subject to our limitations of scope noted above and on the basis of our procedures for this limited assurance of Itaú Corpbanca Integrated Memory, we conclude that nothing has come to our attention that would cause us to believe that:

- ▶ The information and data disclosed in Itaú Corpbanca 2018 Integrated Memory are not presented fairly.
- ▶ Itaú Corpbanca 2018 Integrated Memory has not been prepared in accordance with the GRI Standards for the preparation of sustainability reports under the Global Reporting Initiative.
- ▶ The Itaú Corpbanca self-declared option does not meet the GRI Standards requirements for this option.

Improvement Recommendations

Without affecting our conclusions as set out above, we have detected some improvement opportunities for Itaú Corpbanca 2018 Integrated Memory, which are detailed in a recommendations report presented to Itaú Corpbanca Administration.

Truly Yours,

EY Consulting SpA



Eduardo Valente Neto

February 18th, 2019
I-00093/19

9.3. GRI Index

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