



Corporate Information

Legal Name

Inversiones La Construcción S.A.

Doing Business As

ILC or ILC Inversiones

Taxpayer ID Number

94.139.000-5

Type of Company

Publicly held corporation registered in the Securities Registry of the Financial Markets Commission

Legal Address

Avenida Apoquindo 6750, Floor 20, Las Condes, Santiago, Chile

Phone / Fax

(+56-2) 2477 4600

Contact Us

María de los Angeles Arce R.

Investor Relations

Phone: (+56-2) 2477 4683

E-mail: mdlaarce@ilcinversiones.cl

Gustavo Maturana V.

Investor Relations

Phone: (+56-2) 2477 4680

E-mail: gmaturana@ilcinversiones.cl

Cristina Trejo D.

Investor Relations

Phone: (+56-2) 2477 4681

E-mail: ctrejo@ilcinversiones.cl

Website

www.ilcinversiones.cl

Sustainability Report 2019



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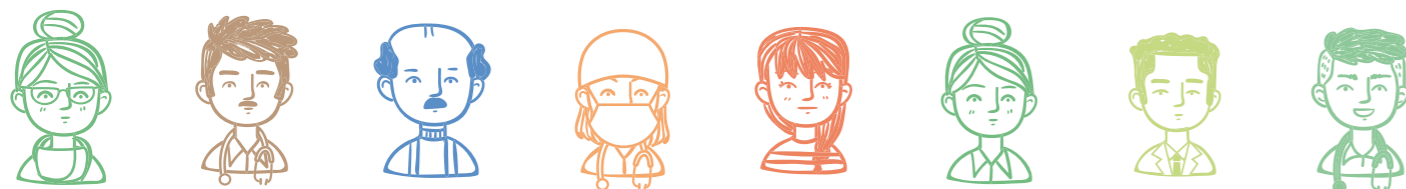
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Message from the CEO

Dear Stakeholders,

I would like to welcome you to our eighth Sustainability Report. This report describes the principal economic, social and environmental advances in 2019 for our parent company and our subsidiaries Confuturo, Banco Internacional, RedSalud, Consalud and Vida Cámara.

ILC participates in key industries that affect the country's development and the welfare of individuals, such as the financial and health sectors. The Company's origins date back to 1980 when a series of companies related to the social security sector were founded, such as AFP Habitat, Isapre Consalud and RedSalud. After its IPO in 2012, Vida Cámara, Confuturo and Banco Internacional joined the corporation.

After that, ILC as a group became the largest institutional investor in Chile, the leading payer of pensions in the country and the private health provider with the greatest nationwide coverage, not to mention providing health insurance to more than one million people.

This was, undoubtedly, a challenging year. The international stage was marked by the US-China trade war and the long, drawn-out Brexit process, in addition to various demonstrations in regions such as Hong Kong, Catalonia, France and Ecuador. Our country, meanwhile, experienced a series of protests beginning on October 18th that triggered one of the greatest social crises of recent decades. These events hit the industries we operate in quite hard and created new challenges for our companies in dealing with their stakeholders, which is particularly important given our leading role in such important areas such as health, pensions, entrepreneurship and lending.

The situation did not distract us from our commitment to sustainable development. On the contrary, in 2019

we continued to reinforce our conviction about the importance of considering social, environmental and governance issues in our management. An important milestone in this regard was the development of a Corporate Sustainability Strategy, which has allowed us to define pillars of action to deepen positive impacts for our stakeholders. Each subsidiary is currently developing its own strategy, using corporate guidelines as a basis and adapting them to their individual areas of operation.

We also set up the Corporate Sustainability Committee to make sustainable management more systematic. Directors and two of our senior executives sit on this committee. This committee meets quarterly to follow up on implementation of our Sustainability Strategy and to suggest areas of improvement and action plans. Each subsidiary also has its own committee which operates in a similar fashion as the corporate ILC committee, for the purpose of providing guidance and aligning subsidiary-level sustainability strategies.

In addition to the above, in 2019 we hit other milestones that reflect our ongoing progress toward integrating sustainability into our operations. For instance, for the second consecutive year we were listed on the Dow Jones Sustainability Index for the Latin American Integrated Market (MILA) and the Chilean market. Moreover, we applied ESG Compass indicators to all of our companies once again. These have been instrumental in allowing us to identify gaps and challenges in how we go about our business. ILC became a member of Global Compact, an organization that works to encourage private sector entities to contribute to the Sustainable Development Goals (SDG). This report constitutes our first annual Communication on Progress (COP) for this initiative.

We wanted to structure this report around the four strategic pillars we defined in 2019. The first pillar upholding our strategy aims to foster greater inclusiveness, quality and access toward the



“In 2019 we made significant progress on sustainability. Firstly, ILC and all of our companies have established board sustainability committees, and created a sustainability strategy for each company. We used the ESG Compass tool for the second consecutive year to construct a materiality matrix, which provides us with the direct perceptions of our stakeholders with respect to social, corporate governance and environmental matters, and this information is central to our Sustainability Strategy.”

Pablo González F.
Chief Executive Officer of ILC

community. Accordingly, we have made progress in placing our products and services within reach of individuals, thereby boosting their quality of life. For example, RedSalud has implemented new telemedicine alternatives like online testing, while Vida Cámara launched “5-50,” a product aimed at SMEs with five to 50 employees who previously could not access supplemental health insurance. One of the key challenges we have set for ourselves is to get to know our customers better so that, in turn, we are able to better serve their needs. In this spirit, Confuturo has enabled online tools such as the Online Advisor, a virtual guide available to assist users with their pensions and life annuities.

But we believe that we must take this further—beyond our customers—which is why we have revamped our programs to have an impact on the community as a whole. RedSalud spearheaded a series of regional initiatives, by providing access to testing and preventative screenings in several communities. Consalud continues to host family sporting events such as the Recreational Bike Path in Santiago and the Viña del Mar Marathon. Moreover, our subsidiaries have partnered with various organizations, such as Las Rosas Foundation, Esperanza Shelter, Sofofa's Network of Inclusive Companies (REIN), and others, to manage donations to vulnerable groups.

Likewise, we must not forget that proceeds from our operations are allocated to funding social projects in the construction industry. In 2019, our majority

shareholder, Chilean Chamber of Construction, invested US\$19 million in projects benefiting construction workers and their families. Most of these projects were financed through ILC dividends.

Our second strategic pillar is centered on fostering a culture of service and ethics among all team members. In order for our employees to provide good services, they must be motivated and trained; we also make an effort to instill our dedication to inclusiveness throughout the entire organization. One example is our commitment to promoting female employees: women account for 73% of our total workforce and 65% of new hires, not to mention that for the first time ever a woman sits on our Board of Directors.

In addition, we have reinforced ethical aspects of our operations. In 2019, ILC adjusted and certified its Crime Prevention Model to broaden the scope to include new crimes that could have an impact on the Company (Law 21,121). Our subsidiaries, in the meantime, are undertaking similar processes to update their models as well. We have also focused on reinforcing our culture of ethics, especially as far as commercial processes are concerned, so that we will always operate with the best interests of our customers in mind. As such, RedSalud has enabled *Línea Ética*, a specialized platform for receiving complaints and claims related to regulatory violations. Subsidiaries such as Confuturo, Banco Internacional and Vida Cámara have provided several alternatives for training their sales force in market conduct and associated ethical standards.

Message from the CEO

We believe it is incumbent upon us to contribute to public debate on matters concerning the industries in which we operate. This is our third strategic pillar. Each of our subsidiaries has been actively involved in the trade associations representing them. Also, we have worked with expert organizations to contribute to specific matters of public interest. In the case of Confuturo and Consalud, both subsidiaries have entered into agreements with Universidad Católica de Chile in order to provide support for aging and HIV, respectively. Meanwhile, RedSalud rolled out the second version of an international congress with some 600 attendees.

Our fourth strategic pillar consists of promoting responsible investment. ILC issued its first social bond in accordance with the Social Bond Principles (SBP) of the International Capital Markets Association. It was the second IPSA company to issue this type of instrument. The funds were earmarked for Banco Internacional loans to micro, small and medium enterprises. Furthermore, Confuturo has allocated Ch\$790 million pesos to projects aimed at resolving social and/or environmental problems, through Ameris Capital's FIS 2.0. A total of 48.6% of this subsidiary's portfolio is made up of ESG investments.

Promoting responsible investing is not only about our investment portfolio since we have taken it upon ourselves to be a sustainable asset for our investors as well. We aspire to being a company that invests responsibly while also actively measuring and managing our environmental footprint. We have made considerable progress in the area of operational eco-efficiency, and several of our subsidiaries are digitalizing processes, which will enable significant savings in terms of paper use and waste. We reduced our scope 1 and 2 carbon emissions by nearly 35% at our corporate offices, in comparison to 2018. Furthermore, this year we conducted a much more exhaustive Carbon Footprint measurement campaign, in which for the first time we included three Metropolitan Region RedSalud hospitals, as well as expanding the number of scope 3 sources measured at all subsidiaries.

Just when it seemed that the political, social and constitutional debate would set the framework for our 2020 strategic plan, we were faced with the emergence and rapid spread of the COVID-19 pandemic. Both 2019 and 2020 have shown us how important it is to have a flexible organization that can respond quickly to changes as they arise, in accordance with each company's market leadership in their respective industries.

In light of the aforementioned situation, the Company has focused its actions on four main areas: ensuring the wellbeing, health and safety of our employees, customers and suppliers; adapting the company to the new reality; preserving our financial position and operating cash flows; and continuing with our social impact actions, which are part of our DNA.

Nowadays, many staff members at ILC and our subsidiaries are working from home. The only exceptions are members of the medical staff at RedSalud, and employees working at branches. For these purposes, the most rigorous safety measures have been put in place. Likewise, most of our customer services are now available 100% online as a result of the contingency, so as to protect the health of members and employees.

Regarding steps taken by different companies to provide benefits to their customers and communities, Confuturo was the first company in Chile to offer remote annuities, in addition to encouraging electronic pension payments. As for catastrophic health insurance, the organization voluntarily added COVID-19 coverage to its policies, and created life insurance plans for healthcare workers. Likewise, in the senior segment, Confuturo offered its customers several options to repay consumer loans, along with setting up an exclusively online platform offering courses and entertainment, which is aimed at a population group that is isolated for health reasons.

Some 40% of Banco Internacional's customers are small and medium enterprises. As a result, the Bank contacted each and every one of them in order to assess their situations and offer payment options, when appropriate. Similarly, the organization is offering FOGAPE-backed loans to support its customers' financial situation.

Consalud has focused its efforts on supporting its members by adopting concrete COVID-19 measures. For instance, no co-pay for coronavirus testing, 24/7 online doctor's appointments for only Ch\$1,000 and free, over-the-phone psychological and nutritional care, to mention a few.

At Vida Cámara, the company decided to voluntarily provide insurance coverage for appointments related to COVID-19 treatment. Moreover, a life insurance

policy was drawn up for healthcare workers, along with the provision of orders for vaccinations and simple tests so that individuals can continue receiving treatment without having to set foot in a medical center, given the current local situation.

Lastly, ILC plays an important role in providing treatment to COVID-19 positive patients at RedSalud facilities. This organization is the largest, private healthcare provider nationwide, providing coverage and services through more than 4,500 healthcare employees, 3,500 consulting physicians, 3,000 administrative staff members and more than 1,000 dentists who are all part of the nationwide network spanning the entire length of Chile. From the very beginning, RedSalud and every one of its employees have focused their efforts on fighting the global pandemic and, as such, saving lives. This has also involved making changes to its care model by reinforcing customer education and information measures and even launching new patient care delivery methods such as telemedicine.

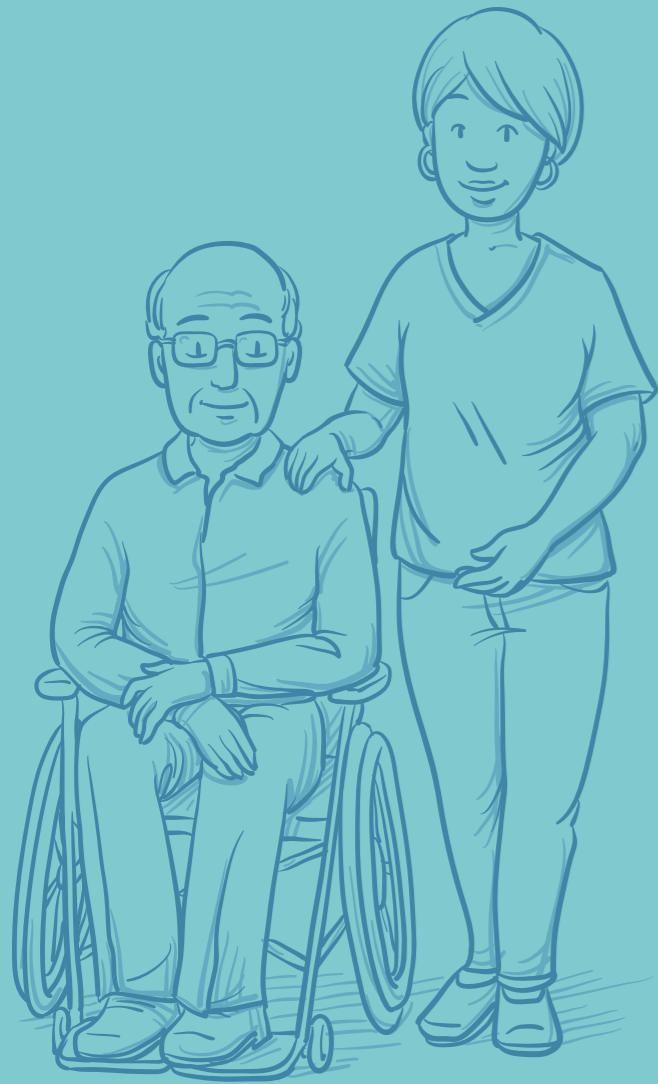
All of the above-mentioned advances are designed to provide concrete support to each and everyone of our stakeholders. As we face the greatest health challenge of the century, and one of the greatest social demands in recent decades, we need everyone's support in order to move forward.

I would like to close this message by extending a special thanks to all our stakeholders, and inviting them to continue supporting us in the task of building a more sustainable business and society.

Yours faithfully,



Pablo González F.
CHIEF EXECUTIVE OFFICER OF ILC





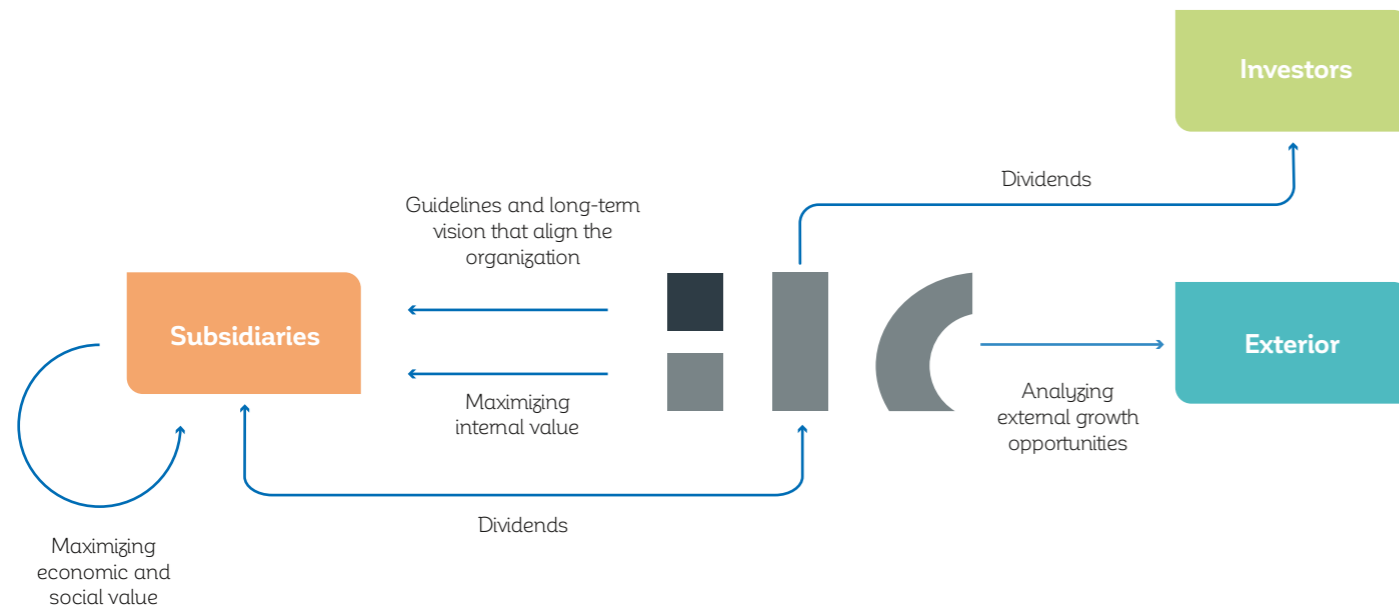
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Profile and Corporate Governance

Introduction

Our Company was founded in 1980 to run a corporate group that provides services essential to the development of the country in the financial and health sectors through companies such as AFP Habitat (pensions), Confuturo (life insurance), Banco Internacional (banking), RedSalud (healthcare provider), Isapre Consalud (mandatory health insurance) and Vida Cámara (supplementary health insurance). ILC currently has operations in Chile, Peru and Colombia with over 14,000 employees between the three countries. Our largest shareholder is the Chilean Chamber of Construction, which has a 67% interest in the company.

Value Creation Model



Mission:

We aim to improve quality of life for everyone, by providing efficient and accessible services in the pension and health sectors, thereby creating value, efficiency and sustainability.



Vision:

We want our subsidiaries to become leading companies that can sustainably meet pension and healthcare needs, while continually increasing shareholder value, all in keeping with the framework, values and principles established by the Chilean Chamber of Construction.



Values:

At ILC, we promote ethics, an attitude of service, customer focus, job excellence and team work. We also seek to educate on savings and health issues, in order to improve our customers' quality of life and wellbeing.



ILC's Social Service Role

Since our founding, we have adopted a social service role that we attempt to instill in all our operations. Thanks to the widespread coverage of our services, we have a nationwide presence, which enables us to provide quality solutions in strategic markets. Likewise, some of the benefits resulting from these activities become social investments—through CChC—that have a positive impact on the lives of construction workers and their families. In 2019, the Chilean Chamber of Construction invested US\$19 million in social projects for the construction sector. These were financed primarily through ILC dividends.

It is important to note that, through our companies, we are the leading payer of pensions in Chile, as well as the largest institutional investor nationwide. We provide access to healthcare solutions throughout the country, to patients insured under both private and public health insurance policies. We are an institution that provides banking access to a variety of small and medium enterprises. We are fully dedicated to inclusiveness, and aim to improve access and opportunities for society as a whole.



	<ul style="list-style-type: none"> • CChC invested US\$18 million in 2019 in social projects benefiting construction workers and their families 		<ul style="list-style-type: none"> • US\$76.2 billion AuM AFP Habitat • US\$8.8 billion AuM Confuturo
	<ul style="list-style-type: none"> • 4 million medical appointments per year in RedSalud 		<ul style="list-style-type: none"> • AFP Habitat has led returns since the creation of multi-funds
	<ul style="list-style-type: none"> • 85,000 surgeries in RedSalud 		<ul style="list-style-type: none"> • AFP Habitat promotes pension education
	<ul style="list-style-type: none"> • 7 million medical tests per year at RedSalud 		<ul style="list-style-type: none"> • Confuturo is the first institution to invest in a social impact fund
	<ul style="list-style-type: none"> • 30% of RedSalud patients covered by Fonasa 		<ul style="list-style-type: none"> • Confuturo is the largest pension payer in Chile with over 100,000 payments per month
	<ul style="list-style-type: none"> • US\$948 million in loans to SMEs 		<ul style="list-style-type: none"> • 65% of Vida Cámara beneficiaries covered by Fonasa
	<ul style="list-style-type: none"> • Active fiduciary role at AFP Habitat 		<ul style="list-style-type: none"> • US\$645 million in healthcare and medical leave coverage at Consalud

Materiality

At ILC we believe in constantly reviewing the challenges faced by each of our subsidiaries, as well as strategic matters and progress towards sustainable development. To this end, we are concerned with both the general and specific operational aspects of each of our companies, and their respective stakeholders.

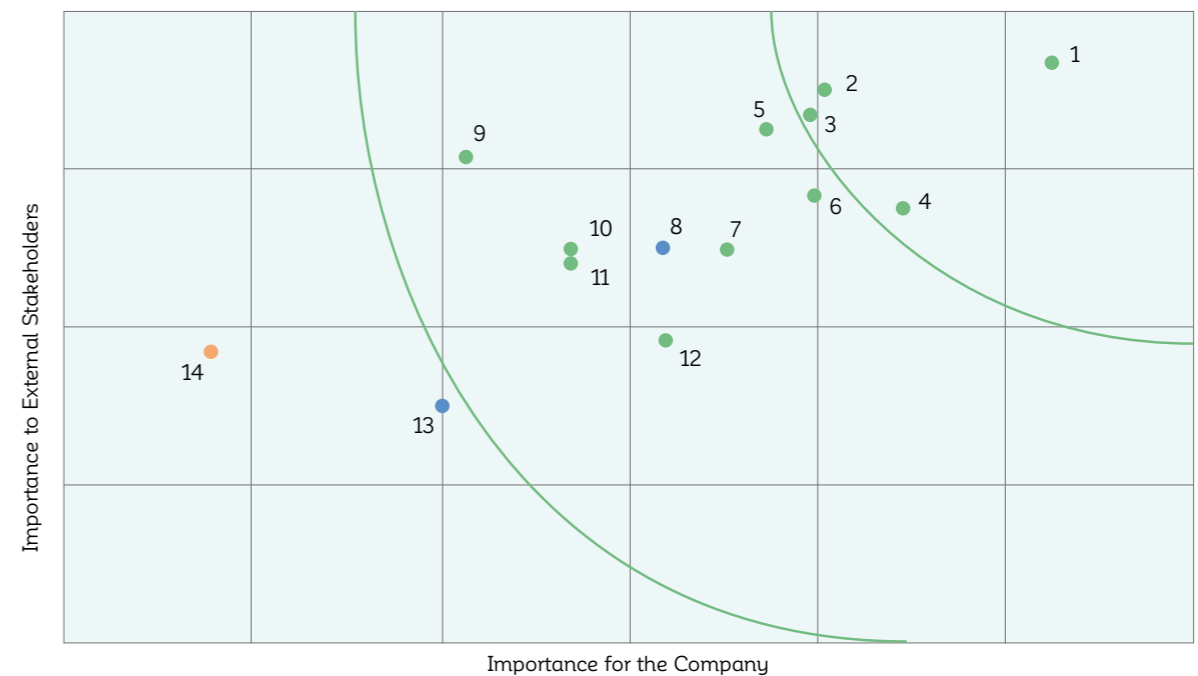
At the end of 2018, ILC performed an exhaustive exercise to update the corporate materiality matrix that guides our strategic sustainability management. Out of the more than 40 issues identified, the Company ultimately selected and prioritized the following 14 which were subsequently subdivided into three areas: economic, social and environmental.

Although the 2018 materiality matrix remains in effect, in 2019 the Company identified some emerging issues that could potentially have an impact on ILC's business and its relevant stakeholders. Accordingly, interviews were conducted with the main divisions at our corporate headquarters in order to understand which topics may take on more relevance in the near future. As a result, three areas were given higher priority:

- **Adapting to the legislative environment:** multiple discussions on health and pension sector regulations heated up in Chile following the October 18th civil unrest, highlighting the importance of adapting our businesses to new legislative frameworks.
- **Data privacy:** In view of the digitalization processes underway at our subsidiaries, the importance of protecting sensitive customer data is becoming increasingly apparent.
- **Macro-social trends:** the increased number of social movements taken place in 2019 and their marked presence in Chile call for paying more attention to potential demands regarding healthcare, pensions and debt.



Material Aspects - ILC



● Economic Aspects ● Social Aspects ● Environmental Aspects

1	Ethics, Integrity and Transparency	8	Financial and Health Education
2	Ethical Business Processes	9	Human Capital Development
3	Economic and Financial Performance	10	Demographic Changes
4	Corporate Governance	11	Contribution to Public Debate
5	Customer Satisfaction	12	Technological Challenges
6	Attracting and Retaining Talent	13	Our Commitment to the Community
7	Sustainable Finance	14	Environmental Management

Sustainability Platforms and Commitments

In recent years, a considerable amount of effort has been invested in integrating sustainability into our corporate strategy, and it will continue to be a core component of decision-making at the Company. Constantly monitoring the most relevant or material issues in this area becomes essential to the integral development of the Company, especially in light of the Sustainability Strategy. To this end, we have employed global platforms and tools through which we are able to better assess our performance in economic, social and environmental matters.

Communication on Progress



In August 2019, ILC joined Global Compact, a United Nations (UN) initiative. This implies that we pledge to integrate sustainability into ILC's corporate strategy and support the UN Sustainable Development Goals (SDGs). These are meant to be conveyed to organizations in order to put an end to poverty, protect the planet and ensure that all people enjoy peace and prosperity¹.

Moreover, we have been called upon to ensure compliance with the Ten Principles of the United Nations Global Compact, which are based on the pillars of Human Rights, Labor, the Environment and Anti-Corruption. This report presents the progress made by ILC in relation to that commitment and the Ten Principles, which are listed below.

Ten Global Compact Principles

Human Rights

Principle 1

Businesses should support and respect the protection of internationally proclaimed human rights, within their sphere of influence.

Principle 2

Businesses should make sure their partners and employees are not complicit in human rights abuses.

Labor

Principle 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4

Businesses should support the elimination of all forms of forced and compulsory labor.

Principle 5

Businesses should support the effective abolition of child labor.

Principle 6

Businesses should support the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7

Businesses should support a precautionary approach to environmental challenges.

Principle 8

Businesses should undertake initiatives to promote greater environmental responsibility.

Principle 9

Businesses should encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10

Businesses should work against corruption in all its forms, including extortion and bribery.

Other Platforms

S&P Dow Jones Indices

A Division of S&P Global

Dow Jones Sustainability Index

One of the key instruments we use to measure our sustainable performance for our investors is the Dow Jones Sustainability Index, a platform that assesses environmental, social and governance parameters. Thanks to the commitments adopted and our continuous work in these areas, we managed to remain in the Chilean and Latin American Integrated Market (MILA) indexes for the second consecutive year. This is a key sign of confidence sent out to our stakeholders.



ESG Compass

This was the second year we applied ESG Compass indicators to our corporate headquarters and subsidiaries alike. This consists of an evaluation based on the SIndex methodology (Stakeholders Sustainable Index), which provides information regarding sustainability issues that market agents and investors consider relevant to their investment decisions. Through this instrument our companies have identified gaps and rolled out improvement plans in a variety of areas such as anti-corruption, community engagement, supplier operations, diversity and inclusiveness, health and safety, compensation structure, among others.

¹ Website of Global Compact Network Chile.

Sustainability Strategy



Redefining materiality was one of the areas we worked on in 2018, while we focused on developing the Sustainability Strategy in 2019, in order to align Company policies and programs with sustainable development and create value for our stakeholders.

Efforts involved in defining this strategy consisted of compiling a benchmark of the best practices adopted by leading financial and health sector companies, which has served as a reference for our Company's ambitions. Meanwhile, the topics listed on the materiality matrix were classified into the following categories: those required for the company's basic operations, those related to stakeholder expectations and those that provide an opportunity to stand out from the rest. ILC used this classification to define the guidelines for implementing sustainability in the company.

In August, ILC held a meeting with its senior management to work on defining the main pillars and actions associated with the Sustainability Strategy. Out of this workshop came the final version of the Company's Sustainability Strategy, with its associated pillars, ambitions and Sustainable Development Goals (SDGs). Lastly, a model was presented to and validated by the Company's Executive Committee and Board of Directors.

This strategy defines four pillars which are aligned with the United Nations Sustainable Development Goals and its 2030 Agenda.

The four pillars are:

1. Responsible Investment

We seek a business model with a long-term sustainable vision. We understand that investments must be responsible in two ways: at the investment decision-making level at ILC and its subsidiaries, and in terms of our pledge to be a responsible investment for our stakeholders. This translates into multiple measures including adding ESG variables into our financial and investment decisions, operational eco-efficient operational decisions, and measuring our carbon footprint.

2. Inclusiveness and Access

We strive to close gaps in access for priority groups, following strict ethical standards. To this end, we provide information, tools, products, services and roll out initiatives that enable the most vulnerable groups to make informed decisions that positively impact their quality of life and future.

3. Contribution to Public Debate

We strive to build trust-based relationships with all our stakeholders. As we participate in highly-regulated industries, ILC and its subsidiaries' involvement in both public and private business initiatives is critical. We are committed to being a benchmark in the industries in which we do business and encouraging better performance for the benefit of customers.

4. Service Culture

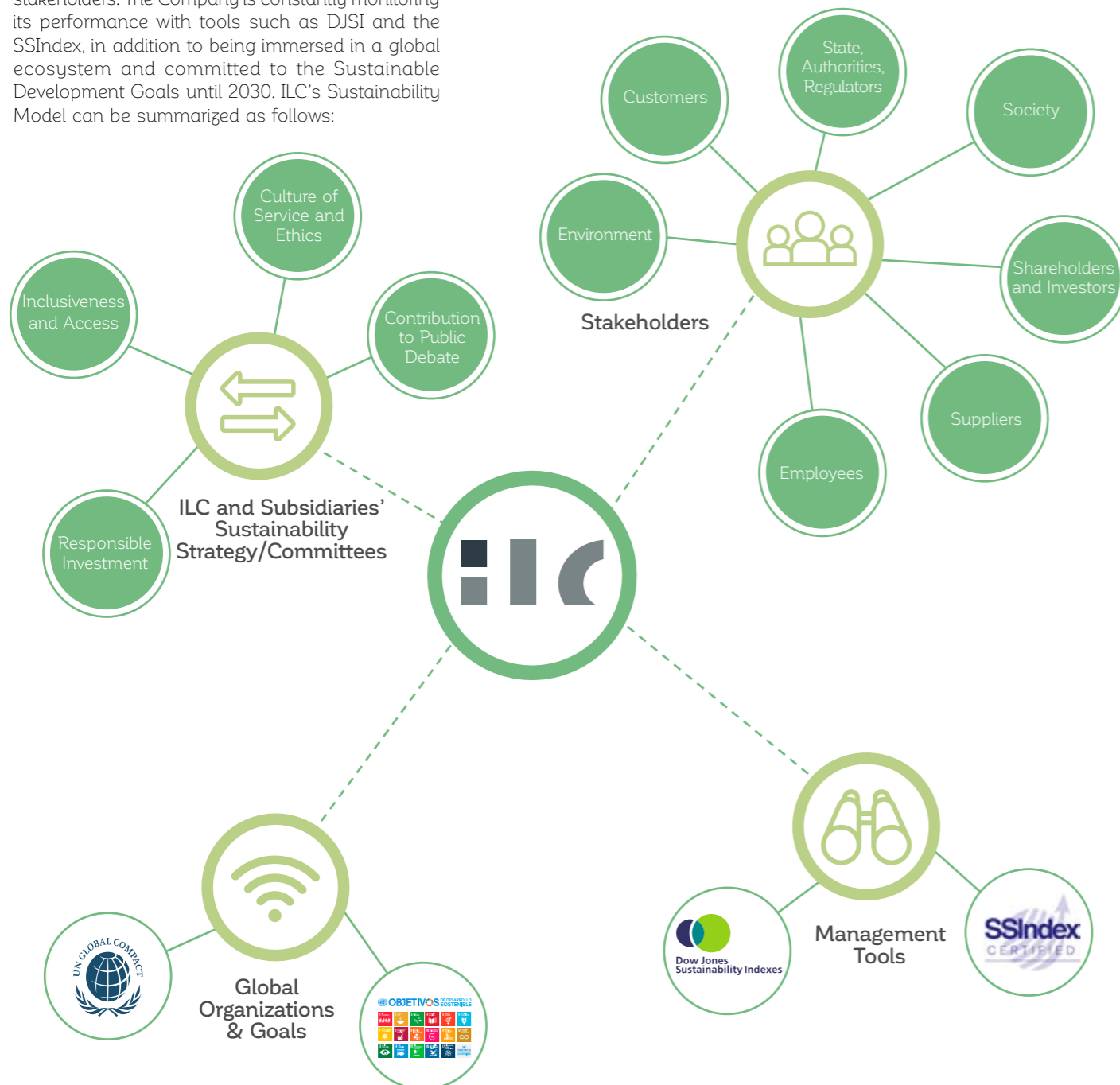
We strive to encourage, train and motivate our employees with the highest ethical standards and a strong commitment to our social role. We understand that our people are the basis for delivering the best service and we want all of them to share this special sense of pride that sets us apart from the rest of the market.

The Sustainability Strategy will guide the group's actions when facing challenges over the next few years. This strategy also aspires to channeling our efforts into complex and changing contexts that are very demanding and active from a social perspective, such as the events that took place in Chile at the end of 2019. It is important to note that, although ILC has worked on a Sustainability Strategy for the entire group, each subsidiary is adapting this strategy based on the same four pillars to create its own strategy under the same general guidelines. These strategies will be finalized and published in 2020.



Sustainability Strategy

In summary, the Sustainability Strategy is the Company's way of engaging with its various stakeholders. The Company is constantly monitoring its performance with tools such as DJSI and the SSIndex, in addition to being immersed in a global ecosystem and committed to the Sustainable Development Goals until 2030. ILC's Sustainability Model can be summarized as follows:



Corporate Governance

ILC's operations are based on the objectives and expectations of each subsidiary. This, coupled with the fact that we operate in areas that are key to Chile's development and fundamental to the wellbeing of our customers, makes it imperative to have strict management, ethics and safety standards.

ILC's Board of Directors is the principal corporate governance authority and is responsible for leading and defining the entire Company's mission, vision and objectives. It also defines and conveys the Company's responsibilities, tools and culture. In this regard, the Board's role is to provide the objectives and guidelines to enable the organization to contribute to sustainable development while also generating value for its stakeholders.

Our corporate governance practices are governed by our bylaws, Law 18,046 (the Corporations Act), Corporate Regulations established in Supreme Decree 702 from the Finance Ministry dated 2011, and Law 18,045 (the Securities Market Act). The Company is supervised by the Securities Inspectorate, which reports to the Financial Market Commission.

Main Functions and Characteristics of the ILC Board:

The main functions of the Board consist of setting the organization's objectives, policies and strategy, which must be implemented by management. This is achieved at monthly meetings with the objective of analyzing Company performance, its risks, strategies and medium and long-term plans.

In accordance with its bylaws, ILC is directed by a Board of seven members elected at the annual general meeting. As a result, the Company does not have a say in director appointments.

- Our directors are appointed for a one-year term, and may be re-elected. The Chairman of the Board is also appointed for a one-year term, which can be renewed for another term.
- Our Board members can participate as guests at subsidiary board meetings. The purpose of the latter is to clearly understand the strategy and issues facing each of the subsidiaries making up ILC.
- Each year, the Company completes the Corporate Governance Assessment provided under NCG 385. This contains questions related to board performance, covering various issues such as number of board meetings, information systems and continuous improvement systems, etc. This assessment is certified by BH Compliance and submitted to the Financial Market Commission.

Board of Directors 2019-2020:

- **Sergio Torretti C., Chairman**
Accountant, Instituto Comercial Superior. Mr. Torretti has extensive experience in the Chilean construction and real-estate sectors, in addition to having played a key role in education and training at CChC. He joined the ILC Board in 2010 and held the position of Chairman of ILC and CChC in 2016.
- **Patricio Donoso T., Vice Chairman**
Civil Engineer, Pontificia Universidad Católica de Chile and Master's of Science in Engineering. Mr. Donoso joined the Board of ILC in 2018 when he accepted the position of Chairman of CChC. He has held several positions in areas related to construction in addition to working at social/charitable organizations such as Fondo Esperanza, Trabajo en Calle and Un Techo para Chile.

Corporate Governance

• Jorge Mas F., Board Member

Civil Engineer, Universidad de Chile. Mr. Mas has a strong track record in the construction sector. In 2014, he was appointed Chairman of the Board of ILC, and then Vice Chair in 2016. He presided over CChC from 2014-2016.

• Fernando Coloma C., Independent Director

Business administration, Pontificia Universidad Católica de Chile and Master's in Economics, University of Chicago. Mr. Coloma has been a professor at Pontificia Universidad Católica since 1980. He joined the ILC Board in 2017 as an independent director.

• René Cortázar S., Independent Director

Business administration, Pontificia Universidad Católica de Chile, and PhD in Economics, Massachusetts Institute of Technology (MIT). Mr. Cortázar has enjoyed a distinguished career in Chile's public and private sectors. He joined the ILC Board in 2014 as an independent director and continues in the post to date.

• Iñaki Otegui M., Director

Industrial engineering, Universidad de Chile and MBA, Universidad Adolfo Ibáñez. Mr. Otegui has had a lengthy career in trade and other types of associations, having run companies such as Cementos Bio Bio and Edipac. In 2019, he was appointed to the ILC Board.

• Varsovia Valenzuela A., Director

Business administration, Pontificia Universidad Católica de Chile. Ms. Valenzuela has had a distinguished career in the financial sector as head of various divisions at RBS and ABN Amro. In 2019, she was the first woman appointed to the ILC Board.

Meetings	2019 ILC
Number of board meetings held in the year	12
% average annual board meeting attendance	97.6%

Director Profile	2019 ILC
Number of independent directors	2
Number of directors who are members of at least five other boards of directors (of publicly-held corporations)	0
Number of woman directors	1

Age of board members	2019 ILC
40-60 years	2
61-70 years	4
Over 70	1

Sustainability Committee



At ILC we are constantly working on including sustainability in various processes. To that end, we realized it was necessary to define a common strategy and roll it out across the entire institution. That is why the ILC Sustainability Committee was set up in 2019. Two board members, the CEO and the Chief Investor Relations and Sustainability Officer sit on this committee. Other ILC and subsidiary board members and employees are allowed to sit in on this committee's meetings as guests. The following members sat on the Directors' Committee in 2019: Iñaki Otegui (Director and Committee Chairman), Patricio Donoso (Director), Pablo González (Chief Executive Officer) and Trinidad Valdés (Chief Investor Relations and Sustainability Officer), and met three times.

Regarding its operations, the committee regularly monitors implementation of the Strategic Sustainability Plan both at ILC and its subsidiaries, and analyzes the corresponding implementation reports, while suggesting areas of improvement and action plans. The committee meets quarterly and on special occasions when necessary or upon request directly by the Board of Directors.

This matter is so important to the Company that in 2019 all of its subsidiaries set up their own Sustainability Committees with a structure and operations similar to ILC's. In this regard, these committees have made it possible to align sustainability directives as well as the individual strategies established by each subsidiary, in keeping with their particular business purpose, culture and environment.

Ethics Guidelines and Crime Prevention Policies

Doing business ethically and with integrity is essential to keeping the trust of our investors, customers and other stakeholders. At ILC we have explicitly pledged to conduct our activities in keeping with the above, as reflected in publications such as the Code of Conduct and Ethics. The Code of Conduct and Ethics provides rules regarding responsibilities incumbent upon individuals and groups, in addition to employees, customers, suppliers, investors and stakeholders in general.

Code of Conduct and Ethics

The Code of Conduct and Ethics establishes guidelines regarding investor and customer communications, use of information, using and operating assets, and what is expected and required of our employees, so as to prevent conflicts of interest from arising and other actions that could have an impact on ILC's activities on the terms that we have pledged to uphold.

Rules stipulated under the code seek to ensure:

- Confidential information is secure and protected
- ILC assets are protected and appropriately used
- ILC employees, customers and suppliers are treated well
- Disclosures in financial reports and other public communications are accurate, timely and understandable
- There are incentives to report any unlawful or unethical behavior
- There are standards of employee conduct to avoid conflicts of interest
- There are standards for addressing public officials to avoid conflicts of interest, bribery or corruption.

Each employee receives a copy of the Code of Conduct and Ethics when they begin working for the Company, along with an orientation regarding ethics and Law 20,393 (Criminal Liability of Legal Entities Act). Furthermore, each subsidiary has prepared its own publication and awareness plan covering these issues.

Crime Prevention Model

Having crime prevention instruments is extremely important to ILC. The Crime Prevention Model is designed to protect the Company from the crimes of asset laundering, bribery, terrorism financing and others. To this end, we train all of our employees on a yearly basis in order to identify possible conflicts while also encouraging an organizational culture concerned with preventing crime and safeguarding ethics. Moreover, ILC reviews and monitors its corruption risks, both within and outside the Company.

Company	Number of Code of Ethics Violations	Fines
ILC	0	0
Confuturo	0	0
Banco Internacional	2	1
RedSalud	5	5
Consalud	8	1
Vida Cámara	0	0

In 2019, ILC did not record any Code of Ethics violations or fines, in line with the high ethical standards the Company and its subsidiaries strive to uphold.

However, there were violations at some of our subsidiaries where appropriate measures and sanctions were taken to prevent them from reoccurring. Banco Internacional was fined UF 320 by the CMF for charging more than the Maximum Conventional Rate in 2014 and 2015. Moreover, it received a written warning for the same reason for 50 credit transactions in 2019. RedSalud was also fined UF 2,020 by the Superintendency of Health in regards to several cases of non-compliance with its obligations to duly inform patients and the Superintendency. Consalud was fined a total of UF 3,300 for eight separate fines related to various regulatory violations.

Changes Made to the Crime Prevention Model

In 2019, the Bank adjusted its Crime Prevention Model to broaden the scope to include new crimes that could affect the Company (Law 21,121) and requested certification by BH Compliance.

Regarding Confuturo, in 2019 the company conducted a full review of its Risk Model and Matrix. This resulted in the Compliance Manual (established under Law 20,393 and UAF regulations) being split into the following two documents: Crime Prevention Manual (Law 20,393) and Terrorism Prevention Manual (UAF and CMF regulations). New crimes were also added to Law 21,121 as part of this review.

Banco Internacional made changes to its Risk Matrix (which was in compliance with Law 20,939) when new crimes were introduced under Law 21,121. Its Crime Prevention Model is certified by Feller Rate.

Regarding RedSalud, in 2019 it worked with its medical units to identify gaps in its model's implementation, resulting in a common monitoring system. At present, the organization is working on the final versions of policies related to public officials, gifts, invitations and other matters.

Consalud's Crime Prevention Model for bribery, terrorism financing, and asset accepting and laundering is still certified. Crimes added under Law 21,121 first undergo a review phase prior to subjecting the model to complementary certification.

Vida Cámara updated its Crime Prevention Model and documents related to Law 21,121 in 2019, in order to certify the new crimes added to the regulations in 2020.

Risk Management

The areas in which ILC conducts business face a number of risk-related challenges that make having a robust risk management and control model imperative. Specifically, at ILC we have a Risk Matrix that is updated monthly and reviewed in conjunction with each subsidiary.

In 2019, the Company added ESG criteria to its Risk Matrix thereby incorporating social, environmental and corporate governance risks, weighted according to customers, employees and suppliers. Similarly, the Company worked actively on cybersecurity and information security, a very important area of ILC's operations given that we handle our customer data and sensitive information at the subsidiary level.

Likewise, internal manuals and policies were reinforced, such as the Good Corporate Governance Manual, Crime Prevention Model, Rules of Order, Health and Safety, Code of Conduct and Ethics, Market Information Manual, Tax Policy, Human Rights Policy, among others.

Emerging Risks

The Directors' Committee and the Controller's Office play an active and key role in controlling risks at ILC, as they are in charge of defining and reviewing the parent company, as well as the current and potential risks faced by each subsidiary. Should a material issue arise, it will be reported to the ILC Board for discussion and review. In 2019, two major emerging risks were identified in terms of the medium- and long-term operations of ILC and its subsidiaries:

i. Risk of Regulatory Amendments

We work in highly-regulated industries, which is why ILC's operations may be affected and impacted by regulatory changes or amendments. In this context, the new socio-political scene taking shape in Chile includes considerable legislative reforms in areas such

as pensions and health, along with plans to hold a plebiscite that opens the door to the drafting of a new constitution. This presents us with challenges on several fronts, which will have to be addressed by ILC as a whole, as well as individually by each subsidiary.

In order to be involved in the discussion on potential modifications, our subsidiaries actively participate in different trade organizations addressing healthcare, insurance and pension issues. Also, in 2019 various members of management at ILC and subsidiaries played an active role, expressing their opinions and contributions with respect to the different topics. This is how we decided to make 'Contribution to Public Debate' one of the pillars of our Sustainability Strategy, ensuring the wellbeing of our customers and stakeholders.

ii. Information Security and Cybersecurity Risk

Considering that the operations of ILC and its subsidiaries involve handling and storing databases and sensitive customer information, as well as data related to the industries in which they operate, having efficient security systems that provide proper information protection mechanisms is essential.

One of the main risk areas the Directors' Committee focused on in 2019 was related to information security. Consequently, ILC and its subsidiaries conducted an ethical hacking assessment on their systems to measure their robustness, detect gaps in performance and draw up an action plan with improvements.

ILC also took on an insurance policy to protect itself against potential information security breaches. Given constant advances in hacking, ILC has added this issue to its Risk Matrix and Materiality Matrix, so that it will be monitored on an ongoing basis.





02

Inclusiveness and Access

Inclusiveness and Access

According to the Financial Inclusion Report prepared by the Financial Market Commission (formerly SBIF), although most of Chile's adult population has access to some financial instrument, only a third has simultaneous access to lending, savings and cash management products. This report also points out that more than 70% of the foreign population residing in our country does not have financial services coverage¹. Moreover, a study published by the Health Ministry shows that the doctor-to-patient ratio in Chile is only 16 per every 10,000 inhabitants. This study also reveals that access levels are the lowest in Chile's northernmost regions. In Atacama, for example, there are fewer than five specialists for every 10,000 inhabitants².

Although our country has had remarkable economic growth in recent decades, there are still many gaps and inequalities that society as a whole must try to correct. This is not only incumbent on the government's current administration, but companies can also get involved from within their own sphere of action.

At ILC we strive to contribute our own grain of salt in this area, by offering products and services to close the gaps in access to financial and health services, in addition to information, tools and initiatives that provide priority groups with more knowledge and access. We aspire to making health, pensions, insurance and financial services accessible to all, and we work every day to achieve this goal. That is why we consider this a key pillar within our Sustainability Strategy.

¹ For more information, visit: <https://www.sbif.cl/sbifweb/servlet/Publicaciones?indice=15.3&idPublicacion=557&idContenido=12462&idCategoria=2501>
² Study conducted in 2018. For more information, visit: <https://www.cooperativa.cl/noticias/pais/salud/medicos/informe-del-minsal-chile-registra-una-ratio-de-16-medicos-por-cada/2019-06-17/025147.html>

Geographic Coverage

National Coverage

Region	Branches					
Tarapacá	●	●	●	●	●	●
Antofagasta	●	●	●	●	●	●
Atacama	●	●		●	●	●
Coquimbo	●	●	●	●	●	●
Valparaíso	●	●	●	●	●	●
O'Higgins	●	●	●	●	●	●
Maule	●	●	●	●	●	●
Bío Bío	●	●	●	●	●	●
Araucanía	●	●	●	●	●	●
Los Lagos	●	●		●	●	●
Aysén	●				●	
Magallanes	●	●		●	●	●
Metropolitan	●	●	●	●	●	●
Los Ríos	●	●		●	●	●
Arica and Parinacota	●	●		●	●	●
Ñuble	●	●		●	●	

AFP Habitat ●	Confuturo ●	Banco Internacional ●
RedSalud ●	Consalud ●	Vida Cámara ●

One way of addressing this pillar is to make services more accessible to the community. That is why we offer nationwide coverage, in addition to promoting digital service, which helps expand the customer base and patients served, providing extensive service opportunities in insurance, lending, pensions and healthcare.

Our main offices are located in Santiago and we serve the rest of the country through our subsidiary branches, centers and hospitals located in all of Chile's regions.

Similarly, digital platforms are becoming increasingly more important, and every year new strategies and plans are developed to bring the work of each subsidiary virtually closer to its customers and stakeholders. Today we already have the largest presence at the national level and, since we want to continue expanding access to our services and improving the quality delivered, using digital media is a priority.

Inclusiveness and Access

New Branches



RedSalud opened a series of new facilities in 2019. New dental clinics in the Metropolitan Region (Parque Arauco, Manuel Montt, La Reina, Peñalolén and Independencia) and other regions (Copiapó and Talca). In addition, a Headache Center began operating at the Arauco Medical and Dental Center, and the Elqui RedSalud Hospital was expanded to increase the number of available beds.

As far as the rest of the subsidiaries are concerned, Banco Internacional opened a new business center in the city of Talca. In October, Confuturo set up a temporary branch in the Apoquindo Corporate building for customers, in order to facilitate services and care for people who experienced difficulties reaching the Miraflores branch as a result of the nationwide protests. Consalud also set up a mobile customer service center in the city of Castro.

Apps and Virtual Branches

In addition to our regional offices located throughout Chile, each subsidiary has developed different types of digital services, in order to be present in every corner of the nation, either through applications for mobile devices or their websites.

These self-service and remote service platforms allow customers and beneficiaries to access benefits such as reimbursements, scheduling medical appointments, online consultations, among other services, at all times every day.

 confuturo (www.confuturo.cl)	Customers can use the website for various online transactions, such as the Annual State Guarantee Update Form, Certificates of Studies and Income Tax Return Updates.
 Banco Internacional (www.bancointernacional.cl)	Customers can also use the self-service platform to manage various services and products, such as investments, service payments, loan applications, among others.
 REDSALUD SOMOS CCHC (www.redsalud.cl)	The website offers a wide range of digital services, ranging from booking appointments online to downloading laboratory and imaging test results, and requesting quotes for services.
 consalud SOMOS CCHC (www.consalud.cl)	<p>In addition to the website, the company developed its own Consalud App, which surpassed 100,000 downloads in December 2019, and the Ultrasalud App that patients can use to chat with a team of medical professionals.</p> <p>Whatsapp was tested as a support tool for certain programs, along with self-service modules for branches and healthcare providers.</p> <p>Furthermore, progress was made on the development of an online platform for taking out an insurance policy ("Contrata online"), which provides customers the option to contract health insurance and supplementary insurance plans through the virtual branch.</p>
 VIDACÁMARA SOMOS CCHC (www.vidacamara.cl)	There is also a mobile application and a private website available for policyholders, brokers and customer proxies, separated by segments. They also have the "5-50" digital product for SMEs, aimed at offering and quoting supplementary insurance and other group products.

Confuturo's Customer Engagement Plans Online Advisor

Aimed at customers in the individual life segment, Confuturo's customer engagement plan provides for direct and regular flow of information through a monthly newsletter with information on protection issues, savings, investments, policy renewal dates and product offerings to add to the suite of already-acquired services.

In addition, Confuturo launched its Online Advisor system along with a digital care model serviced by specialized executives through chat, video calls, phone calls and co-browsing. This system is supported by a Call Center and a Transactional Customer Portal.

Telemedicine at RedSalud

RedSalud's objective is to offer telemedicine as a new service providing access to individuals who cannot attend their medical appointments in person because of geographical distance, travel time or limitations inherent to their health condition. Based on an agreement signed with the company TytoCare, in 2019 RedSalud conducted an in-house assessment of a pilot program involving family members of RedSalud employees as well as some beneficiary companies under agreement, such as Caja Los Andes. The plan called for launching a telemedicine service on a robust web platform in 2020 in order to expand RedSalud's reach to more remote areas of the country.

Supported by a mobile application for data transmission and a secure web platform, it is possible to perform remote video appointments and physical exams, which are independently operated by the patient or supervised by a health professional, either synchronously or asynchronously.

I-MED Vida Cámara

In 2019, the I-MED platform was used to provide easy and simple access to customers at points of sale. More than 50% of all reimbursement requests were processed on this platform, thereby boosting the use of digital channels for reporting claims while also shortening the waiting period for customer reimbursements.

Customers

Demographic Changes

Projections for the year 2035 published by the Chilean National Institute of Statistics (INE) show that 82% of all districts in Chile will be inhabited by more individuals over 65 than under 15. Likewise, a shrinking labor force, an aging population, lower birth rates and a higher life expectancy may have a direct impact on the subsidiaries' business.

With populations living longer, subsidiaries must adapt their products and services to these changes while adopting a different approach to this segment of customers who are increasingly active and demanding in terms of information.

Given how important it is to engage with the elderly, after holding its first international congress, RedSalud set up a working group to focus on this segment of the population. One of the outcomes of the group's work was the Elderly Patient Care online training course which is aimed mainly at general practitioners and family doctors. An Elderly Emergencies workshop was also held as part of the preliminary side events held prior to the RedSalud 2019 Congress.

In the case of Vida Cámara, education and transparency regarding information given to customers is fundamental. With regard to the demographic changes affecting the country, it is estimated that sales will take place mostly through digital channels as access to education and technological tools expands. The new generation of older adults will also have another profile, which is why our sales force is making adjustments to the commercial strategy applied to this segment.

Customer Segmentation and Product Portfolio

Our subsidiaries do business in a variety of different fields that are key to Chile's development and the wellbeing of its people. As a result, each company delivers products that are designed for and tailored to specific groups of customers, providing value in keeping with their needs. Accordingly, getting to know our customers, their expectations and needs is paramount. By the end of 2019, we had more than five million customers and had supplied over 14 million medical services throughout our businesses.

confuturo

Confuturo offers a range of products and services in the pension and insurance sector. Its customers are mainly divided into two large segments: Individual Life and Retirees

Our individual life customers are grouped in this segment as a result of the stage of life they are in, and range from independent singles to people with consolidated families. Our products are designed to meet their needs regarding healthcare and disability coverage, savings, tax benefits and their school-age children's educational needs. Additionally, this segment has access to products for retirees including services related to annuities.

For the retiree segment, the company has defined its annuities target market as any individual of retirement age who meets the legal requirement established under Decree Law No. 3,500 of the Ministry of Labor and Social Welfare. Confuturo aims to pay them competitive pensions and offer them complementary services, such as consumer loans.



Banco Internacional offers a range of financial products and services, in the following two key areas: Corporate Banking and Retail Banking, the first of which is more significant in terms of numbers of clients. Customers in the corporate segment are divided into three groups: small companies with annual sales ranging from Ch\$300 million to Ch\$2 billion pesos; followed by medium-size companies with annual sales ranging from Ch\$2 billion to Ch\$7.5 billion pesos; and lastly, large companies that are defined as organizations whose sales exceed Ch\$7.5 billion pesos. The institution has strategically focused on small and medium-size enterprises, for many of which Banco Internacional is their main bank and therefore their primary source of access to lending and other financial services they need to run their business.



RedSalud is the country's private health network with the largest coverage nationwide, with hospitals, medical centers and dental clinics located throughout Chile. Services are aimed at providing quality care and services at accessible rates to customers during their entire life cycle, in other words, from birth onwards.

RedSalud aspires to making quality healthcare within reach of everyone in Chile, offering the best outcomes at the lowest rates, with special emphasis on the mid- and lower-income segments, thereby helping prevent disease and illness and keeping all Chileans healthy. In line with the above, RedSalud has different types of health insurance options through which it provides care: Isapre, Fonasa, Out-

of-Pocket, Armed Forces, Employee Benefit Funds (Cajas de Compensación), as well as patients who belong to corporate, municipal or foundation plans, and of course the uninsured (who pay out of pocket). Preferential rates and fixed-rate services are available for construction workers so that services are more accessible.



Isapre Consalud offers several different health insurance and supplementary insurance plans. Each plan offers different care alternatives (free-choice, single and preferred provider), while supplementary insurance plans can be relatively tailored to suit the health needs of each individual. In addition, Consalud offers support programs for customers with chronic and/or serious illnesses, providing guidance on effective healthcare solutions and promoting healthy living.



Most of Vida Cámara's customers are organizations (both SMEs and large companies) that contract group health and life insurance products for their workers. Vida Cámara's customer base is currently broken down as follows: public-sector employees, construction, real estate, retail, IT, and others.

One of its flagship products is the "5-50" plan, designed for SMEs with five to 50 employees who have been traditionally excluded from this type of insurance. Not only does the product provide them access to an insurance policy, but it also includes a suite of benefits such as coverage for pre-existing conditions and legal dependents, and automatic renewal. This plan provides coverage for inpatient hospitalizations, maternity, medication, mental health and outpatient and specialized care benefits.

Customers

Customer Satisfaction

Overall Satisfaction Measurements

As a parent company and given the characteristics and nature of its business, ILC does not have direct contact with customers. We use ESG Compass to measure and manage our customer and patient satisfaction rates at the subsidiary level. This provides us with a uniform, comparable approach to satisfaction ratings.

In addition, our subsidiaries have developed other customer satisfaction indicators for their respective target audiences, each according to the segments they serve under their business model. The most relevant aspects of these indicators for each subsidiary are described below.

confuturo

In 2019, Confuturo conducted post-service surveys to measure its customer satisfaction rates for its annuities and life insurance products. According to these surveys, customer satisfaction rates exceed 70%. Moreover, this subsidiary also conducted a Praxis Survey to measure customer experience. The life insurance segment yielded a 12-point improvement over last year's results while the annuities segment dropped nine points.



This subsidiary used the net promoter score (NPS) instrument to measure customer satisfaction, resulting in an overall recommendation of 73% for 2019, and 84% for the Retail Banking segment. A significant jump in satisfaction was recorded during the first and last quarter on most of its platforms (except for Iquique and Santa Elena). When taking into consideration the annual rating conducted by Servitest, Banco Internacional ranked second industry-wide in terms of its SME account managers and received an NPS rating of 55 for senior management satisfaction.



This subsidiary works with the word-of-mouth recommendation (WOM) index, which is a standard international index used to measure customer experience on a scale of -100 to +100. It assessed all of its facilities separately—hospitals (48), outpatient medical centers (45) and dental care centers (45)—for an overall RedSalud WOM score of 47, which translates into 85% compliance.



Consalud monitors customer satisfaction using daily post-service satisfaction surveys and reported an 87% satisfaction rate for its branches. Digital channels are also evaluated using App satisfaction rates (4.5 out of 5.0 for Android users and 4.1 out of 5.0 for iOS users) and surveys on Virtual Branch operations, which were awarded a 49% net overall satisfaction rate.



User experience is monitored through perception indicators, for instance, the post-service surveys at the Contact Center, and the post-claims closure survey. The primary rating tool however is the NPS, which yielded a 69% satisfaction rate for the corporate segment, and a 21% satisfaction rate in the specific case of brokers.

Complaint Management

The various satisfaction indexes employed at each subsidiary allow the Company to take measures that translate into better care and potentially fewer complaints, as reported in the table below:

KPI	Confuturo			Banco Internacional			RedSalud ³			Consalud			Vida Cámara		
	2017	2018	2019	2017	2018	2019	2017	2018	2019	2017	2018	2019	2017	2018	2019
Number of Claims	769	832	637	49	56	48	19,830	24,293	20,569	25,639	15,873	20,824	3,003	3,005	3,094
Percentage of Claims ⁴	0.6%	0.6%	0.5%	0.4%	0.4%	0.3%	0.3%	0.4%	0.4%	6.3%	3.8%	4.8%	3.2%	2.6%	0.9%

Data Protection and Privacy

The industries we operate in call for using and storing sensitive customer information and data. That is why all our subsidiaries have rolled out different data privacy and protection initiatives to identify and prevent emerging risks, and detect fraud. Given the importance of this matter, we report on each subsidiary's individual developments and progress in this area.

Confuturo has an Information Security Management System based on the Information Security Policy and the definitions established under the Market Conduct Policy. These practices and procedures were reinforced in 2019 in order to better protect the privacy and integrity of our customers' information. In addition, the early stages of an action plan were

set up to upgrade the Company's data models in order to boost their confidentiality while reducing the risks of exposure. Lastly, an incident management procedure was developed in order to treat incidents with the utmost priority so as to mitigate their scope and effects.

Banco Internacional carried out face-to-face training for its employees to reinforce these concepts. Furthermore, the Company has defined user roles and profiles based on the principle of minimum privilege, and has taken measures to encrypt and mask sensitive data in transit and storage in order to protect access to digitally stored information. In addition, the Information Security Officer periodically monitors the system to ensure that customer information and data are safeguarded.

³ Consolidated results for hospitals, medical centers and dental centers.

⁴ Percentage of claims is calculated by dividing the company's number of claims by the total number of customers per year.

Customers

In 2019, RedSalud institutionalized a network-wide IT Security Policy. It states that the organization is responsible for protecting all types of data, placing sensitive patient information at the center of the strategy. This prompted the Company to begin revamping its information systems at the end of 2019, which entailed implementing and adopting security policies that are managed in Cloud environments (Google and Amazon). Both platforms adhere to world-class security standards.

At Consalud, information is treated confidentially and all violations constitute a financial and reputational risk, which is why they are detected and managed accordingly. Processes and technological architecture have been designed with the security of customer data in mind so that the company can conduct regular data recovery exercises that assure information availability and integrity, and vulnerability assessments guarantee confidentiality. Moreover, digital processes are data encrypted.

It is important for Vida Cámara to have security control mechanisms in place to protect information and prevent undue access, tampering, leaks or any other information security breach from happening. For several years now the company has been publishing guidelines regarding information management conduct and good practices. These are outlined under the Code of Conduct and Ethics, employment contracts, and the information security appendix attached to supplier contracts.

In 2019, Vida Cámara created the role of Information Security Officer and an Information Security Policy. Lectures were given to employees to raise awareness regarding these changes.

In 2019, no customer privacy violations or data leaks were reported.

A total of 26 complaints were lodged on the 'Do not disturb' platform hosted by the National Consumer Service (SERNAC), in regards to unsolicited advertising from Confuturo. All claims were resolved after the company proceeded to remove the individuals from their databases used for sending advertising material. As far as other subsidiaries are concerned, Vida Cámara received a complaint from a privately-insured customer, which was resolved once the company removed the policies from its website.

Cybersecurity

All subsidiaries have guidelines or policies providing general provisions regarding the use of the Company's information and technology, and procedures governing their management and control.

A series of initiatives were rolled out in 2019 in order to review processes, identify gaps and strengthen security and information protection systems, and also because this is considered to be an emerging risk for all subsidiaries. These initiatives include server support, monitoring, upgrading platforms, installing anti-virus programs based on artificial intelligence (Consalud), raising awareness among employees (Vida Cámara), contracting services such as cybersecurity insurance (Confuturo) and consulting services from technology partners such as Gartner, Kaiser Permanente and Google (RedSalud).

ILC outsourced a vulnerability assessment using the phishing methodology. In addition, Banco Internacional implemented several new anti-cyberattack protocols. The Information Security Officer worked closely with the Networks and Cybersecurity division that is in charge of rolling out system controls and processes as the first line of defense. In addition, the Internal Control area (third line of defense) has auditors specialized in IT who report directly to the manager of this division.

RedSalud set up IT security plans for each of the organization's relevant projects, seeking to identify and mitigate IT risks that could emerge as the company implements these new technologies; while Vida Cámara set up an Information Security Committee and created the role of Information Security Officer, who led the implementation of a strategic framework based on this policy.

Only three subsidiaries reported security breaches. However, none of them constituted grounds for a fine.

Ethical Hacking:

Ethical Hacking is a tool designed to determine the vulnerabilities of information systems. It entails conducting a series of intrusion tests aimed at better understanding and assessing the security of information systems, computer networks, servers, data bases, etc.

By implementing Ethical Hacking, companies can take preventative measures against potential attacks. In 2019, several subsidiaries worked with the consulting firm Neo-Secure to conduct Ethical Hacking exercises, for instance, Confuturo (on a quarterly basis), Banco Internacional, Consalud (both internal and external) and Vida Cámara (on their applications).

2019	ILC	Confuturo	Banco Internacional	Red Salud	Consalud	Vida Cámara
Number of information security breaches or other cybersecurity incidents	0	9	0	10 ⁵	4	0
Number of information security breaches involving customers' personal data	0	6	0	4	0	0
Number of fines/penalties paid in relation to information security breaches or other cybersecurity incidents	0	0	0	0	0	0

5 Includes incidents from the table's second category.

Community Engagement and Contributions

Our Company does business throughout all of Chile, in different economic sectors, which is why we constantly strive to maintain good working relations with relevant local players, our customers, employees and the communities we serve. Accordingly, each subsidiary has identified its stakeholders and the parties it may impact in its sector, in keeping with the issues that are of greatest concern to their organizations. With this in mind, our Company developed several initiatives throughout the year, which have translated into programs, activities, economic contributions and other outcomes.

Donations and Commercial Initiatives for the Community

Community engagement is part of our DNA at ILC, and is manifested through our active management of companies that are key to national development in areas such as pensions, insurance, healthcare and financing, thereby expanding society's access to these services, and providing efficient, quality care at an accessible cost.

Considering the nature of ILC as a company, its subsidiaries have a more robust presence in the field and in communities than the parent company. Moreover, our majority shareholder, the Chilean Chamber of Construction, earmarks a considerable percentage of ILC's dividend distributions for social service projects aimed at construction workers and their families. In 2019, a total of US\$19 million was allocated among over 290,000 benefits for these social service programs, which are primarily related to education/training, health, housing and wellbeing.

confuturo

In 2019, the company continued working predominantly with older adults. These activities were taken up a notch after we entered into an agreement with the Las Rosas Foundation under which we pledged to provide an annual donation and promote partners. Company volunteers visited convalescent Home No. 12 and raised funds through activities such as a traditional Turkey Dinner, 1+1 contributions and Jeans Day. This subsidiary also sponsored the Over 60 Walk (see insert).

Over 60 Walk

As part of its activities to support seniors, Confuturo, Universidad Católica, and the Ministry of Sports partnered up to sponsor the Over 60 Walk. This event drew in more than 2,000 walkers from various neighborhoods surrounding UC's San Joaquín campus. Confuturo raffled off a gym membership in order to encourage healthy living, physical activity and sports among individuals over the age of 60.

Espacio 360° at Espacio Urbano

In addition to its directly-sponsored activities, Confuturo has a unique opportunity to foster inclusiveness and access through its long-term investments in companies and projects. The Espacio Urbano chain of shopping centers is precisely one of these investments. These human-scale shopping malls have developed a community engagement program sponsoring activities for and by community members called Espacio 360°. This program offers various activities and benefits for neighboring communities, such as sports and recreational activities, providing access to government services, markets where local entrepreneurs can display and sell their products, and cultural events.



In 2019, the company carried out several volunteer charitable campaigns. One of these was the backpack and school supplies donation drive held in March to support the María de la Luz Foundation, an institution that provides protection and care to children whose rights have been violated. Another campaign was launched in December to collect and deliver holiday gifts to children at daycare centers in disadvantaged communities. Moreover, monetary donations were given to the above-mentioned foundation throughout the year.

Additionally, the company became a member of the Network of Inclusive Companies (ReIN), a group of companies whose objective is to invite and encourage companies to engage in the responsible and inclusive employment of people with disabilities, highlighting its social and economic benefits for the country.



Some regional activities were held, mostly in the Coquimbo Region.

Community Engagement Work in the Coquimbo Region, at the Elqui Branch

As part of its well-rounded community support agenda, in 2019 RedSalud rolled out three initiatives through its hospital in Elqui. The first activity consisted of a New Year's Eve Firefighters Benefit in La Serena where 40 volunteers sponsored a dinner for firemen on call during the night shift.

Another activity entailed providing care to at-risk patients who were referred by the Regional Government's social assistance program for imaging and endoscopy exams, at no cost to the patient. Free-of-charge hip and chest X-ray exams were given to foster children under the care of the government-run Sename children's home.

Community Engagement and Contributions

Other Regional Initiatives

Branch	Initiative
Tarapacá Region	In conjunction with CChC, RedSalud Hospital sets up and operates care kiosks in downtown Santiago. In 2019, a team of physicians, midwives, nutritionists, nurses and urgent case specialists provided a variety of services to 150 individuals, including medical appointments, pre-natal education, BMI assessments and blood glucose tests.
Valparaíso Region	The commercial area actively participates in community programs with different companies and at some large-scale events in Valparaiso. It has served over 600 people by providing preventive screenings, such as BMI, blood glucose and blood pressure checks and chiropractic appointments along with preventive campaigns with preferential imaging prices.



The company has decided to contribute to the community through volunteer work aimed at generating value for the most needy sectors, while promoting healthy living and physical activity through its sponsorship of the Recreational Bike Path and the Viña del Mar Marathon (see insert).

Furthermore, 149 employees volunteered in support of children participating in the Olympic Challenge and who train at Chilean Olympic Committee facilities. Boys and girls alike received sneakers and sports gear in support of their athletic training. Employees donated either directly through a payroll discount, or based on the total number of kilometers traveled and recorded on an app. The company made a donation for every 1,000 kilometers traveled.

Another initiative is the recycling drive where employees collect plastic caps that are then donated to the *Coffee Ladies* at Calvo Mackenna and San Juan de Dios Hospitals in support of pediatric cancer patients. Donations were also made to various organizations such as the Educación Nocedal Foundation and the San Alberto de Sicilia parish.

“Walking with You” Program

Consalud launched this program six years ago in order to support customers dealing with challenging health issues—whether cancer- or cardiac-related—and guide them through recovery.

This program is available throughout all of Chile and consists of complementary activities for customers and their families, such as psychological support and artistic workshops such as art therapy, theater and venues for physical activity, among others.



Vida Cámara has donations and work scholarship programs available for the community. Hogar de Cristo’s 1+1 Program consists of a program in which the company evenly matches employee monetary donations.

OTIC work-related scholarships consist of donating 1% of Sence funding to community programs. In 2019, the Company chose an NGO (La Esperanza Shelter) and CORESOL (a social rehab center) as beneficiaries of these donations. Both organizations sponsor job training workshops for inmates or recovering drug addicts so they can rejoin the job market.

Total Contributions to the Community

Total cash contributions	Ch\$ 65,375,115
Total in-kind donations	Ch\$ 5,066,331
Total Contributions	Ch\$ 70,441,446

Education and Support Programs

ILC does business in areas that are essential to people’s wellbeing. That is why we aim to ensure that every decision our customers make is well informed. The challenge lies in addressing the issues of pensions, savings, investment and health, together with the community and our stakeholders.

Accordingly, each subsidiary has established measures aimed at creating opportunities to educate the public and provide tools related to investments, financial planning, savings, responsible borrowing, encouraging healthy habits and other relevant issues.

Consalud has outreach programs aimed at specific groups. For instance, “Cuido Mi Salud” is designed for patients with high blood pressure and type II diabetes, and provided benefits to over 4,000 customers in 2019. In addition, Consalud launched a pilot of the “Sanamente” program, with the aim of providing specialized mental healthcare to policyholders receiving certain treatments, so that they could return to work as soon as possible. More than 530 individuals attended this first-time event.

Banco Internacional held lectures for customers on corporate taxation and succession programs. As part of this program, the Chairman of the Board, CEO and other authorities traveled to branches in three regions to sit down with clients and talk about matters that would have an impact on their respective businesses.



03

Culture of Service and Ethics

Culture of Service and Ethics

According to the Workstod study, conducted by Randstad Professionals Human Resources, Chile's job turnover rate for the first quarter of 2019 amounted to 26.7%, representing a 5.2% increase over the previous period and the highest rate ever recorded since this measurement has been taken. Moreover, a research study led by Citrix in collaboration with Fundación País Digital has shown that in today's world, work preferences are increasingly shaped by personal reasons such as proximity to home and flexible schedules.

ILC does business in the service sectors where its employees play a key role in the customer experience. Given our social service calling, we like for our people to share this distinctive trait that sets us apart from the rest of the industry and translates into a high level of empathy for our customers, whose needs we always place at the core of our actions.

In this regard, meeting the needs of the broad spectrum of customers to whom we provide financial and healthcare services is surely a weighty challenge. We understand how vital our team of diverse, highly skilled employees is to our ability to rise to this occasion, and as such, we also understand how necessary it is to invest in their development and training and guarantee their health, safety and overall wellbeing. As a result, one of the pillars of our Sustainability Strategy is striving to instill a sense and culture of service and ethics in our human capital.

Employee Profile

As of year-end 2019, a total of 11,708¹ employees worked at the various companies making up the ILC group nationwide. It is our intent that our staff be motivated to provide excellent services daily, thereby honoring the trust our customers have placed in us. That is why talent management, and developing

and promoting our people within the organization is an ongoing challenge at ILC, reflected in multiple programs and initiatives that are carried out at our companies.

At a consolidated level, ILC's total workforce increased 2.4% in 2019 compared to 2018, for a grand total of 11,425 employees.


¹ This figure does not include AFP Habitat, where ILC holds a 40.29% interest, and that employs close to 2,000 individuals.

68% 
of our employees are covered by collective bargaining agreements

72%
of new hires are under 41 years of age


258,772
hours of total training

22.1 
average hours of training per person

86% 
of total workforce covered in job satisfaction surveys


73%
of employees are female

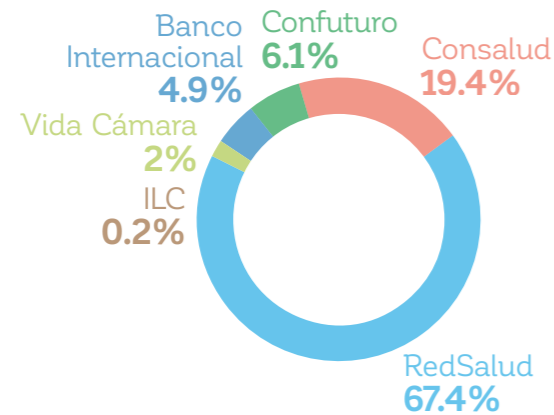
Culture of Service and Ethics

Employees by Subsidiary

Given the sectors covered by ILC's operations, the majority of our employees work in the healthcare sector, with 67% employed in medical and dental services at RedSalud, a subsidiary that also has the largest presence in terms of geographical coverage. Twenty-one percent (21%) of all ILC employees work in the health insurance business at Vida Cámara and Isapre Consalud, while 11% are employed in the financial sector at our subsidiaries Banco Internacional and Confuturo. With the exception of RedSalud and Banco Internacional, our companies have large sales forces. Lastly, less than 1% of the Company's entire workforce works at the corporate headquarters, which had a staff of 23 at the end of 2019.

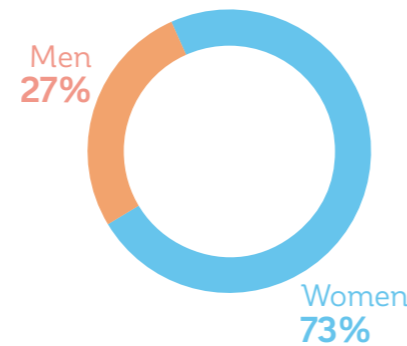
Total ILC Workforce in 2019	11,708
ILC	23
Confuturo	710
Banco Internacional	569
RedSalud	7,897
Consalud	2,276
Vida Cámara	233

Employees by Subsidiary



A total of 91.6% of all employees at ILC corporate and its subsidiaries had an open-term contract during the period, while 8.4% worked under a fixed-term contract.

Employees by Gender



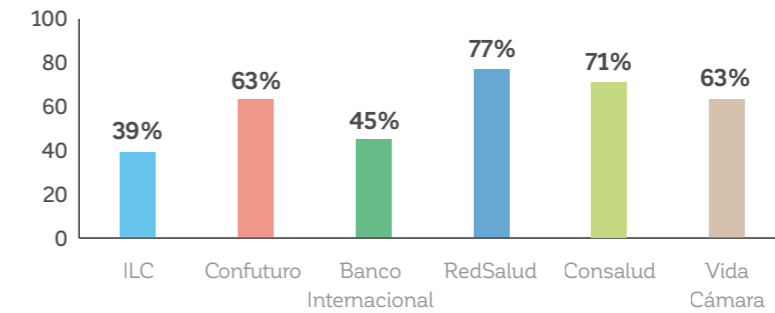
Most of ILC's employees are women, accounting for 73% of the total workforce in 2018 and 2019 alike. Broken down by subsidiary, the majority of our female employees are employed in the following four business units: RedSalud in the lead with 77%, followed by Consalud with 71%, and Confuturo and Vida Cámara tied at 63%. A total of 45% of all staff at Banco Internacional are women, while ILC corporate boosted its female workforce in 2019 from 33% to 39%. Worth noting is ILC's first female board member, welcomed to its Board of Directors in 2019.

Moreover, a total of 3,433 new hires were made in 2019, 65% of whom were women. In other words, for every male worker hired, the company hired two women, as shown in the table below:

New Hires 2019

Men	Women	Total
1,108	2,235	3,433

Percentage of Women by Company



Female Workforce by Employee Category

A total of 35% of senior management at ILC and its subsidiaries are women (considering two levels under the CEO), which is similar in terms of gender diversity to 2018. The majority of personnel at this level at certain subsidiaries, such as RedSalud and Consalud, are female, with 47% and 31% female executives, respectively. At the supervisor level, the group reports 38% women, and a minimum of 25%. This figure is greater than 40% at RedSalud and Banco Internacional.

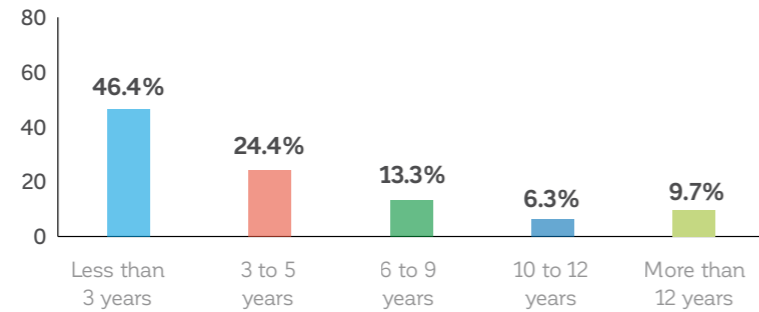
Percentage of Women in Each Employee Category	ILC	Confuturo	Banco Internacional	RedSalud	Consalud	Vida Cámara
Senior Executives ²	17%	18%	23%	47%	31%	0%
Department Managers and Supervisors	0%	34%	41%	45%	26%	38%
Employees	57%	65%	46%	79%	72%	66%

² Senior executives corresponds to positions up to two levels below the CEO. Department Managers and Supervisors include all other positions that are responsible for other staff members.

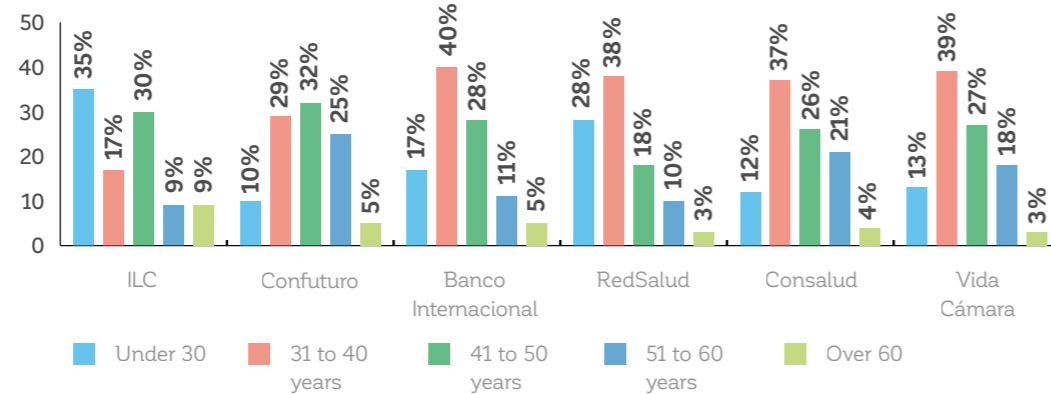
Culture of Service and Ethics

Employee Makeup by Age and Years of Service

Employee Years of Service (Consolidated)



Workforce Age by Subsidiary



At a consolidated level, 71% of ILC employees have been with the Company for less than six years whereas 20% of them have been with us six to 12 years. A mere 10% have been with us for over 12 years.

Regarding the age of the Company's employees, most employees at Banco Internacional, RedSalud, Consalud and Vida Cámara fall within the 31 to 40 year-old category and the percentage of workers over 60 hovers around 4%. In term of new hires, individuals under 40 account for 74% of the total. Although the

majority of new employees fall within this age group, 9% of all new hires are over the age of 51.

New Hires	
Under 30	1,262
30 - 40 years	1,286
41 - 50 years	579
51 - 60 years	264
Over 60	42
Total	3,433

Diversity and Inclusiveness

At ILC, having the greatest degree of diversity on our staff is both vital and strategic. Inclusiveness within the organization and among our own employees leads to job opportunities while also lending us a more enriched and diverse outlook from which we are able to better understand all of our customer segments, and in turn encourage inclusiveness outside of the organization. This is one of the pillars of our Sustainability Strategy.

In addition to the large number of female employees among our ranks, as of year-end 2019, 299 of our workers were foreigners, equal to 2.6% of our total workforce. This marks a key step forward for a society that is witnessing an ever increasing influx of immigrants.

Diversity and Inclusiveness Programs

One of today's important challenges lies in generating additional space for workplace inclusiveness for individuals with disabilities. In response, our subsidiaries have put their commitment to diversity into action by implementing hiring and development practices for people with some type of physical and/or psychological impediment.

A working group formed at Confuturo several years ago focused efforts in 2019 on coordinating its recruiting process and preparing the workplace for the new arrivals. Banco Internacional hired an occupational therapist who assisted the company in defining and monitoring good practices that would create a more auspicious environment for the new hires.

RedSalud put into effect a plan to aid employees with disabilities in the process of obtaining their government disability card. This plan also entailed an awareness campaign and co-worker training.

Consalud's Diversity and Inclusiveness Program

This program has been instrumental in enabling Consalud to have among its ranks 27 employees with disabilities as of December 2019. Several face-to-face workshops were held throughout the year to raise awareness regarding diversity and inclusiveness among all employees.

In addition, the company has set up a program to support and assist employees with disabilities in adjusting to the workplace. Along these lines, a social worker was hired to work with the Organizational Development Subdivision. She provides emotional and administrative support to employees with disabilities and employees who have family members with some form of disability. The Talent Attraction area is also expanding its selection process by working with inclusive portals.

On the Great Place to Work survey workers applauded the company's efforts in terms of inclusiveness and diversity.

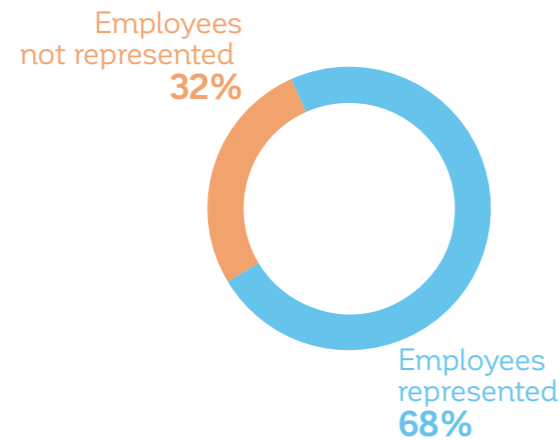
Consalud developed and enacted its Diversity and Inclusiveness Program with a view to building awareness and consciousness among its employees about treating persons with disabilities with respect, whether customers or co-workers (see insert).

Vida Cámara met the legal 1% quota in October 2019. It also made donations to the Contrabajo Foundation for each month in which it had not met the quota.

Workplace Environment and Wellbeing

Labor Relations

Employees Represented by a Union or Collective Agreement



Creating and keeping transparent relations with all our stakeholders is essential to the success of ILC's business. In this regard, the ties between our workers and their representatives are of special importance, which is why each subsidiary has developed its own initiatives and instruments to promote proper relations among all players.

In 2019, a total of 7,951 ILC employees were represented under collective bargaining agreements, equal to 68%. A total of 13 collective bargaining processes took place during the reporting period along with one organized strike by the First National Union of RedSalud Health Care Workers at Medical and Dental Centers. The parties reached an agreement following 30 days of striking.

Occupational Health and Safety

Our commitment to our subsidiaries' employees is reflected by a series of initiatives designed to foster healthy living and a culture of prevention in the workplace, encouraging wellbeing and good health for everyone throughout the Company. All our subsidiaries have joint health and safety committees whose members define action plans aimed at consolidating a culture of health and safety. At least 70% of all employees are represented on these committees, at every subsidiary. RedSalud alone has 38 joint health and safety committees given the breadth of its operations.

2019	Confuturo	Banco Internacional	RedSalud	Consalud	Vida Cámara
% of employees represented on joint health and safety committees	100%	71%	84%	82%	100%
Number of joint committees	4	1	38	13	1

* ILC is not included since it has fewer than 25 workers.

Our subsidiaries developed various initiatives aimed at promoting self-care and wellbeing among employees, such as medical screening campaigns (Banco Internacional and Vida Cámara), active fitness breaks and other occupational health activities held at workstations (RedSalud). Furthermore, in support of employees following the October demonstrations, some of our subsidiaries such as RedSalud and Consalud launched initiatives to offer emotional containment and psychological support to employees who needed it. In this regard, Banco Internacional's agreement with Fundación Orienta is worth mentioning. This foundation provides free legal and psychological advice to employees and will refer more complicated cases if necessary. Vida Cámara also has agreements in place with mental health care centers.

Confuturo held its annual Health Fair in 2019 as a means to provide its employees with tools to improve their quality of life. This entailed a series of activities at all our branches nationwide, such as: health care campaigns (facials, eye check-ups, stands for testing blood sugar and blood pressure, BMI measurements

and bone density tests), services (chiropractors, alternative and massage therapy) and lectures on preventive care (managing your emotions, breathing and mindfulness and healthy eating).

In addition, 328 employees were given grants to carry out integration and healthy living projects. Assistance in the form of training and tools was also provided to some 72 employees taking part in the Insurance Olympics. Lastly, there were other activities such as active fitness breaks and a vaccination campaign held in April.

Absenteeism Rate

The Company's 2019 turnover rate was 8%. While some subsidiaries did not surpass 5% (e.g. Confuturo and Vida Cámara), the 3% rise compared to 2018 can be explained by RedSalud's 2019 turnover rate of 9%, which is particularly significant given that this subsidiary employs the largest number of workers in the group.

ILC	Confuturo	Banco Internacional	RedSalud**	Consalud	Vida Cámara	Consolidado*
0.1%	4%	5%	9%	9%	4%	8%*

* Weighted average.

** Does not consider Clínica RedSalud Iquique, Clínica RedSaul Elqui, Clínica RedSalud Mayor Temuco nor Clínica RedSalud Magallanes.

Work Climate and Wellbeing

Benefits and Services

Supporting Parents

We have executed many different programs at ILC in support of employees with children. For example, with respect to maternity leave, Confuturo pays the difference between the maximum legal subsidy and each worker's contractual remuneration, and medical leave payments are made in advance so as not to affect workers' revenue flows. Moreover, mothers have the option to go back to work for half a day or an abbreviated full workday. Fathers receive two weeks of paid leave when their child is born.

Some of our companies give bonuses to employees with children. In the case of Confuturo, for instance, employees receive benefits such as a bonus for newborns, for preschool and school-age children and for daycare transportation, along with supplementary health insurance for children, school vacation activities (winter vacation), holiday gifts and the annual company party. At Vida Cámara, employees with children receive a school bonus (paid out in March), a bonus for the birth of a child, holiday gifts and the annual company party.

Promoting Healthy Living

Promoting healthy living and good habits in the workplace is part of our pledge to foster our employees' wellbeing. Our companies regularly implement a plethora of initiatives. Some of these stand out for their scope and impact.

In the case of RedSalud, it carried out a handful of activities nationwide, including active fitness breaks and massages for its employees.

Branch	Action
Iquique	Occupational screenings for employees providing risk-prone services (operating room, sterilization and imaging staff).
Elqui	Free preventive screenings and medical checkups for workers. Preferential plans for workers and their dependents at gyms under agreements. The company also organized self-care campaigns along with a major annual event: "Avoiding Psychosocial Risks"

Consalud is one of our most active subsidiaries in this area. In addition to officially sponsoring the Viña del Mar Marathon held in October, a group of employees belonging to a Consalud running club also ran in the event. Additionally, the company held healthy eating workshops. Activities aimed at promoting healthy living received good reviews in several surveys conducted throughout the year.

Consalud's "Get Moving" Program

Although this employee benefit has been available to employees since 2011, in 2019 the company decided to expand its scope to include family members. The company signed an agreement with Gympass, a sports platform granting access to over 800 sports activities in the different districts and cities throughout Chile through an annual membership.

In just six months, the application was downloaded 980 times, which included 188 employees and 68 direct family members who were able to access the various activities at a preferential rate.

Moreover, the 500 plus employees working at its corporate headquarters have access to a gymnasium fully-equipped with a multi-purpose court, tennis courts, a running track and access to different sports classes.

The program has grown steadily up to a point in which 46% of company employees have signed up. On average, 115 individuals make use of the facilities and classes daily, not to mention the 152 employees in the Metropolitan Region and 60 in other regions who receive in-person and online nutritional counseling.

Insurance and Benefits

In addition to the aforementioned benefits, our subsidiaries offer their employees a suite of other services designed to boost their quality of life. Each company offers an assortment of insurance products to employees and their families. For instance, ILC, Confuturo and Banco Internacional provide dental insurance to their employees, while RedSalud provides discounted care to its employees at its network hospitals. Plus, all subsidiaries also provide supplemental health insurance and life insurance.

Flexible Work Initiative

In order to strike a better work/life balance, in 2019 the Company began exploring the impact of various measures such as flexible scheduling (i.e. employees can choose when they want to start and finish their workday) and telecommuting.

Flexible Schedule

Confuturo has been working under a flexible scheduling system since 2018. This benefit is offered to all employees organization-wide with a view to making their workday schedule more compatible with their personal needs. Starting times are: 08:00, 08:30 and 09:00 in the morning, and finishing times are 5:50, 6:30 and 7:00 in the evening.

In the case of RedSalud, during the second half of 2019 the company implemented a new corporate headquarters benefits program that included flexible scheduling with early finishing times on Fridays, upon prior arrangement with supervisors.

Work Climate and Wellbeing

Telecommuting

Confuturo launched telecommuting in December 2019 through a pilot program that went into operation in April 2019. Twenty employees took part in the six-month program. Due to its tremendous success, the program was extended to include an additional 20 employees.

In late 2109, Banco Internacional ushered in three telecommuting pilot programs primarily for the systems and analysis areas, with good reviews.

In the case of RedSalud, during the second half of 2019 the company implemented a new corporate headquarters benefits program that included six days of telecommuting per year, upon prior arrangement with supervisors.

Vida Cámara opted to begin a home office pilot program with 32 employees from different areas. Program participants gave the experience a 4.5 out of 5.0 in terms of satisfaction rate, prompting the company to expand the program to other groups of employees beginning in 2020. This program consists of telecommuting once a week. The day of the week is pre-set and the benefit can be renewed every three months.

Adapting to the Crisis

The October social protests brought about considerable changes to employee routines, not to mention customer services. Ensuring the wellbeing of our teams of associates was one of the reasons why we decided to implement these changes and adjustments, which ranged from telecommuting and flexible scheduling to new benefits such as shuttles and travel stipends. Employees also received psychological and emotional support through lectures, a mindfulness program, massages, etc. All of the measures taken during the first few days following the events on October 18th made it possible for every subsidiary to stay in business and open to the public. Customers and employees alike gave a good review to the assorted solutions put in place to ensure operational continuity and employee wellbeing.

Employee Satisfaction

Having motivated and trained employees is one of the Company's pillars and, in order to achieve this, we have set out to build an atmosphere of respect and a work climate that allows us to meet our objectives. Every subsidiary has regular indicators in place to measure progress. For instance, they all measure their progress at least once a year using a variety of measurement tools such as ESG Compass or the Great Place to Work survey.

ESG Compass is instrumental in enabling our subsidiaries to capture employee opinions on a series of relevant matters such as its contribution to the environment, ethical business practices and community support. Overall employee satisfaction is therefore captured more precisely, providing input

to the administration. Moreover, applying the Great Place to Work survey at Consalud has provided the company with the means to establish a comparative benchmark regarding its standing vis-a-vis other insurance and Isapre companies, which has also been key to gaining a more exhaustive assessment and targeted actions. This survey showed a 79% satisfaction rate. The organization also applied the ESG Compass survey, which revealed an 80% satisfaction rate for the "internal social" dimension.

Regarding RedSalud, although the company obtained the lowest satisfaction rate out of all the subsidiaries (57%), the 2019 score was 10 percentage points higher than the 2018 rating. It is important to bear in mind that this subsidiary operates in a highly demanding industry with considerable rates of staff turnover.

Workplace Climate Survey

2019	Confuturo	Banco Internacional	Consalud	RedSalud	Vida Cámara	Consolidated*
Job Satisfaction	80%	89%	80%	57%	77%	64%
Coverage	91%	84%	81%	87%	85%	86%
Measurement Tool	ESG Compass	ESG Compass	Great Place to Work / ESG Compass	ESG Compass	ESG Compass	ESG Compass

* This figure is a weighted average of subsidiaries' measurements of their work climate.

Employee Turnover by Subsidiary

Total 2019 employee turnover at a consolidated level was 24% with a 9% voluntary turnover rate, which is considered to be stable in comparison to last year's rate. In this area, it should be noted that both Banco Internacional and Vida Cámara registered a drop of one percentage point compared to 2018, while Consalud reduced its rate by 2% compared to the previous year.

With regard to Confuturo, although it leads the pack in terms of turnover rate (47%), approximately 82% of this rate corresponds to changes in the sales force, which has experienced an upward trend in its turnover rate in recent years primarily due to the very dynamic nature of the position and workers moving from one company to the next, plus the company's search for team members best suited to meet company targets.

2019	ILC	Confuturo	Banco Internacional	RedSalud	Consalud	Vida Cámara	Consolidated*
Total Turnover	9%	47%	23%	20%	29%	20%	24%
Voluntary Turnover	9%	18%	7%	8%	11%	9%	9%

* This is a weighted average.

Attracting and Retaining Talent

Performance Management

Having clearly-defined performance evaluation criteria helps showcase progress and meet the targets that the Company has set for the organization overall and for each specific subsidiary. To this end, each organization has defined its own processes and instruments as part of its ongoing performance management model, designed for the purpose of examining outcomes with perspective. This has entailed 360 degree evaluations at some of our subsidiaries, plus specialized platforms at others such as Banco Internacional and Vida Cámara.

A total of 6,111 ILC employees took part in performance evaluations in 2019, equal to 52% of the workforce.

Total Training Hours

ILC	Confuturo	Banco Internacional	RedSalud	Consalud	VidaCámara	Consolidated
174	41,711	32,938	79,509	100,277	4,163	258,772

Average Training Hours

ILC	Confuturo	Banco Internacional	RedSalud	Consalud	VidaCámara	Consolidated
76	58.7	57.9	10.1	44.1	17.9	22.1

Human Capital Development

Given the importance of human capital for the culture of service—one of the pillars of our Sustainability Strategy—training is ongoing and wide-ranging. Having motivated teams of employees providing service excellence is possible when we provide tools for professional and personal development. Promoting our employees' development results in committed and increasingly specialized individuals who are capable of performing better in our business niches, enabling us to better serve our customers and, in turn, contribute to developing and growing each subsidiary and our Company as a whole.

Average Training Hours per Employee

A total of 258,772 hours of training were delivered in 2019, an average of 22.1 hours per employee.

Programs

We would like to point out the initiatives implemented by Confuturo, Banco Internacional and Consalud, since these three subsidiaries conducted more than 40 hours of training per person in 2019:

Education Scholarships

Supporting our employees personal and professional development is a matter of policy at Confuturo and Consalud and is manifested through scholarships for undergraduate and graduate studies. In 2019, Confuturo and Consalud granted 22 and 25 scholarships, respectively.

confuturo

Employee training focuses on providing behavioral and technical tools for professional and personal development. These programs are designed according to each individual position. Corporate headquarters manages three types of training programs:

- Skills for central management: the 2019 focus was on teaching skills for the digital transformation.
- Programs aimed at detecting training needs: technical training course based on gaps as identified. Coverage reached 47% in 2019.
- Regulatory programs: related to knowledge that the entire organization must master. In 2019, the Company held an online course on the Code of Ethics and preventing asset laundering.

Each product segment also had its own training programs. The life annuities segment provided training on a variety of subject matters such as Scomp (Pension Amount Offer and Consultation System), government benefits, pension types, pension beneficiaries and taxation. Meanwhile, the individual insurance segment offered training programs to account executives and managers on taxation, investments and teamwork.



For the third year in a row, the company carried out the Avanza Program which works with five schools that design specific training modules for Bank employees and areas.

- **On-boarding:** orientation for new hires.
- **Regulatory School:** mandatory training and/or courses on industry-specific regulatory and/or legal matters.
- **Continuing Education:** these e-learning voluntary courses touch upon cross-cutting matters and are available to all employees throughout the year.
- **Technical School:** aimed at providing specific technical training related to individual area tasks and operations.
- **Leadership School:** a 32-hour program designed to teach participants key skills required to lead teams of employees, in keeping with predefined leadership traits (demanding, trainer, protagonist, role model, inspirational).

Attracting and Retaining Talent



Training was carried out both in a classroom setting and remotely, with particular emphasis on the distance learning mode, through which the company was able to teach aspects related to technical knowledge for the benefit of the business. Consalud began organizing and coordinating these initiatives through the Consalud Academy, which focuses on 15 front-office positions and material that is organized under seven specialized curricula according to specific responsibilities and functions.

In addition to the Consalud Academy, scholarships were awarded for undergraduate and graduate studies, as well as merit grants for employees with high potential and professional development needs.

Investment in Training

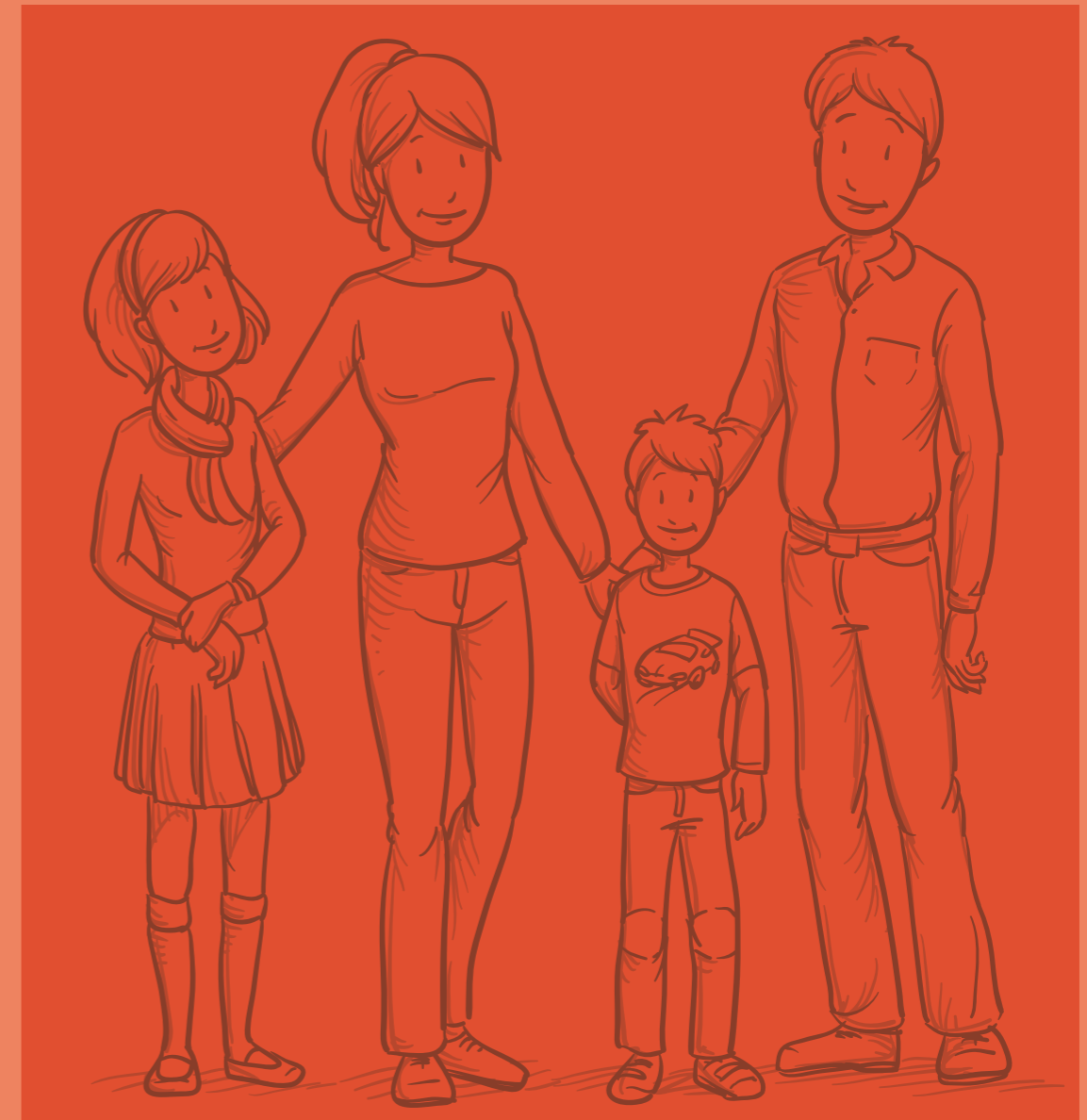
Confuturo	Ch\$330,147,800
Banco Internacional	Ch\$150,062,734
RedSalud	Ch\$266,357,028
Consalud	Ch\$369,318,882
Vida Cámara	Ch\$51,464,285
Total	Ch\$1,115,886,444

Internal Mobility

Offering our employees professional and personal development opportunities within the Company is one of our priorities. Accordingly, all of our subsidiaries have recruiting and selection processes that prioritize internal mobility. In 2019, 370 people within the organization gained access to new job opportunities within the same group but at different subsidiaries.

Percentage of Vacancies Filled In-house

ILC	Confuturo	Banco Internacional	RedSalud	Consalud	Vida Cámara
100%	34%	12%	13%	17.2%	20%



Culture of Ethics

Our subsidiaries have come up with a series of instruments to disseminate their codes of conduct and other relevant documents governing ethics. For instance, subsidiaries hold annual training events for all employees on the Crime Prevention Model, pursuant to Law 20,393. These events are offered in person and via e-learning.

At Confuturo, the Compliance Officer is in charge of implementing an ethics workshop in addition to Crime Prevention Model training. Similarly, Banco Internacional's Compliance Division frequently visits Bank branches for a closer look into the company's culture of ethics. Vida Cámara holds in-person training for areas that work closely with customers, in addition to having online evaluations on the ethics guidelines that are mandatory for company leadership. Each subsidiary posts its codes and manuals on the intranet. RedSalud has an ethics hotline where individuals can report ethics violations (see insert).

RedSalud's Ethics Hot Line

RedSalud has a hotline where stakeholders can openly or anonymously report violations of company regulations, unethical behavior, illegal practices or possible crimes related to Law 20,393 and any other type of crime committed by employees, suppliers or third parties. This channel is available to both customers and employees as an outlet for lodging anonymous complaints and following up on their cases.

Ethical Business Processes

The industries we operate in tend to be quite challenging, offering different types of products and services that may not be easily understood by customers. As a result, customers often find it difficult to appropriately choose products or services that best fit their real needs. With the long-term satisfaction of our customers in mind, we understand that our role is to help them in this regard, ensuring that the business process is conducted in accordance with the highest ethical standards. One of the fundamental challenges regarding this pillar is precisely how to mold this into an ethical culture throughout our organization.

In line with this, in addition to training on codes of conduct, our subsidiaries have implemented a series of tools to safeguard ethical standards in our business process, especially considering that a significant proportion of workers are on sales forces.

Within this framework, Confuturo has worked closely with its Commercial Division on conducting a series of reviews of its policies and Market Conduct Principles, in order to evaluate their validity and shape an ethical culture within the sales force. This has also involved working with the sales team to strengthen policy compliance.

Meanwhile, RedSalud, has designed products under the 'known cost' modality so that patients know beforehand the cost of services rendered, which fosters greater transparency regarding payment collections. This subsidiary has also developed a series of trainings based on the concept of "never and always events," that is, events that should never and always occur in the healthcare field in areas such as surgery and patient relations. It should be noted that 100% of its doctors are accredited.

Vida Cámara, in turn, works with Hubspot, which is a specialty software that detects any anomaly in information during the insurance sales process. In addition, the subsidiary works with the SUSE operating system, which has integrated functions to help administer and manage services associated with closing business transactions, thereby enabling the company to appropriately standardize its business processes.



04

Contribution to Public Debate

Contribution to Public Debate

The year 2019 was marked by a series of social protests in several countries. First, the Fridays for Future movement driven by Swedish activist Greta Thunberg garnered global support for demands for more effective measures against climate change. At the same time, multiple protests against government policies occurred in places such as Hong Kong, Lebanon, Puerto Rico, Ecuador, France, Catalonia, Iraq and others. In Chile, a Ch\$30 increase in the public transit fare triggered a series of demonstrations beginning in October, heightening citizen demands and expectations regarding pensions, health care and debt, three areas in which ILC invests and maintains a leadership position nationally.

In this regard, as an organization we face a very serious challenge, which translates into relevant actions, such as working to further expand access to pensions and health services, striving daily to simplify and improve the quality of services and playing a more active role in pension education and health issues. This becomes even more relevant in light of the fact that the industries in which we operate are highly regulated and, therefore, public policies and regulations must be aimed at improving the performance of each sector.

In view of the above, contributing to public debate is a pillar of our Sustainability Strategy. With this, we aim to ensure that ILC and its subsidiaries are effectively active corporate citizens that make constructive contributions while standing out among the rest of the industry players, always at the forefront of best practices that will benefit our customers.

We want our subsidiaries to lead their sectors in implementing best practices aimed at improving the wellbeing of their stakeholders. Likewise, we believe that contributing our market intelligence, ideas and technical studies is essential to designing reforms that will overhaul the system and thereby provide better conditions to members, patients and customers.

Contribution to Industry Regulatory Improvements

Our subsidiaries strive to be actively involved in industry discussions on matters concerning their operations. In this regard, Confuturo took part in several debates on legislative changes within the market, such as amendments to regulations and rulings, by participating in working groups, impact analysis, document reviews and issuing recommendations and comments.

Regulatory Discussions Involving Confuturo

Amendments to NCG 428 which implied changes to NCG 218

Amendments to Ruling No. 49 (UAF) regarding Due Diligence and Know Your Customer (KYC), electronic funds transfers, electronic transfers involving risky countries and jurisdictions.

IFRS 17

Insurance Declaration Page implemented in accordance with Resolution 3-2015 of the Self-Regulation Council.

NCG 209 (CMF) which issues instructions regarding asset sufficiency testing (TSA in Spanish).

Solidarity Pillar

Amendments to Ruling 1928 (CMF) and Draft Regulations (SUPEN) for implementing new benefits under the Solidarity Pension System.

Moreover, Banco Internacional has been involved in the legislative debate undertaken by the banking sector through the ABIF Legal Committee, along with discussions relative to improved consumer protection mechanisms, derivatives regulations, the credit card fraud liability act, financial portability and rules and regulations under review in general. Furthermore, this subsidiary has participated in seminars on preventing asset laundering from the standpoint of detecting and preventing corruption. Considering that not all Latin American countries have anti-corruption legislation, participating in and showcasing this type of event fosters progress on the matter regionally. In 2019, Bank representatives attended the Anti-Money Laundering Congress sponsored by Banamérica, the 11th International Congress on Asset Laundering

and Terrorism Financing Prevention organized by the Peruvian Association of Banks, and the 23rd Hemispheric Congress in Panama in 2019 organized by the Panamanian Banking Association.

RedSalud is an active member of the Chilean Private Hospital Association—an industry association that has produced a series of publications and documents on public health, addressing issues such as cost of services, waiting lists and Chile's position vis-à-vis the OECD in terms of health. The CEO and Chief Medical Officer of RedSalud sit on the Board of Directors of this industry association.

In the case of Consalud, it is a member of the Association of Isapres, where it actively participates whenever invited to do so. In 2019, the industry association was primarily involved in debate on private health care system reform, which has been subject to a series of amendments and guidelines presented by the Executive Branch. Moreover, the association also took part in discussions on Law 21,173 that establishes the legal obligation of Isapres to provide annual refunds to policy holders for any balance remaining in their accounts.

In so doing, Consalud has sought to contribute its experience in specific public health issues. It has also made contributions to various aspects such as promoting healthy living and preventing sexually-transmitted diseases. For the latter, agreements have been drawn up with Universidad Católica (see box).

Finally, in the case of Vida Cámara, the company's Controller and Chief Counsel are standing and active members of several working committees of the Chilean Association of Insurers (AACH) and working groups set up by the Financial Market Commission with a view to examining regulatory changes and discussing matters of interest to the industry. At the AACH, it contributes to regulations affecting the insurance industry, through its involvement on the Technical Investment Committee, the Finance Committee, the Tax Committee and the Accounting Committee.

Furthermore, Vida Cámara is a member of the Association for Improving Customer Experience (DEC in Spanish). In this organization, the Deputy Customer Experience Manager participates in meetings held regularly with member companies.

Industry Associations and Memberships

We actively participate, through our subsidiaries, in five industry associations, with a view to working with other organizations in the field and becoming involved in public discussion on sector-related issues, in order to bring about sector-wide improvements that will foster wellbeing among beneficiaries and customers. In addition, our companies have also reached agreements with many think tanks and other organizations, through which they seek to contribute their experience on various topics of interest. All tallied, contributions to industry associations and other memberships amounted to Ch\$300,921,537.



Industry Associations

Company	Industry Association
	Chilean Association of Insurers (AACH)
	Association of Banks and Financial Institutions (ABIF)
	Chilean Private Hospital Association
	Isapre Association
	Chilean Insurers Association (AACH)

Other Memberships and Partnerships

Company	Other Membership and/or Partnership
	Global Compact
	Center for Studies on the Elderly and Aging (Centro de Estudios para la Vejez y el Envejecimiento or CEVE)
	Corporate Action Foundation (ACCIÓN Empresas)
	UC Center for Innovation (Centro de Innovación UC)
	Association for Improving Customer Experience (Asociación para el Desarrollo de Experiencia de Clientes or DEC)

Industry Memberships and Associations

Partnership with Universidad Católica

In 2019, two of our subsidiaries (Confuturo and Consalud) teamed up with research centers at Pontificia Universidad Católica de Chile in order to pursue several initiatives aimed at improving the quality of life of people living in Chile.

Confuturo and the Center for Studies on the Elderly and Aging

Given Confuturo's social role and its involvement in the pension sector, it is keen to support developing initiatives that seek to improve the quality of life of older people, who are part of its target group. As a result, Confuturo works closely with Pontificia Universidad Católica de Chile's Center for Studies on the Elderly and Aging (CEVE), on creating opportunities where the organization can have direct contact with the country's seniors, and thus make their activities, concerns and needs more visible, in order to work out solutions.

The first report delivered was entitled 'Support Networks for Seniors Over 60' and revealed the reality of those who accompany individuals belonging to this social group and the loneliness they experience. The study was covered quite broadly by the media and broadcast on various media outlets.

In addition to analyzing issues that may be the target of future public policies, this program is particularly meaningful because it enables the company to gain a better understanding of the problems and concerns affecting its customers. Therefore, the studies provide relevant information that allow it to deliver better, more caring and empathetic services to its customers and their respective communities.

Details of the report are available at www.observatorioenvejecimiento.uc.cl

Consalud and the UC Center for Innovation

Chile is one of the countries worldwide that has witnessed increased rates of HIV, particularly among 15 to 29-year-olds. Therefore, one of challenges taken on by Consalud has been getting more involved in initiatives that contribute both to disease prevention and to the wellbeing of its customers and their families.

Throughout the year Consalud worked closely with student researchers involved in the No Limits Program (Programa Sin Límites) at the UC Center for Innovation. After selecting more than 40 proposals, the team, comprised of students from the center under the academic coordination of the company's Medical Directorate, successfully launched the initiative "Designing innovative interventions for HIV prevention in risk groups associated with Isapre Consalud," which was positively evaluated by both parties.

RedSalud II International Congress

RedSalud's International Congress constitutes an opportunity to make a significant contribution to RedSalud's integration, thereby providing visibility to member professionals, creating a sense of belonging and encouraging them to participate and represent activities relative to the medical specializations under the RedSalud seal. Both versions of this congress successfully placed health care matters of national concern at the heart of the congress' discussions. Likewise, at the close of each meeting, working groups were created to follow up on the issues as well as implement new initiatives.

A large number of medical professionals representing different regions in Chile where RedSalud operates attended the 2019 congress. Eight renowned international guests with experience in their respective medical fields also participated. The congress, entitled "Health Care Update and Perspectives," offered the following main modules:

- Health Care at RedSalud: Today and Tomorrow
- New Challenges in Health Care
- Advancements in Women's Surgery and Pelvic Floor Repair

More than 600 individuals attended this event.





05

Responsible Investment

Responsible Investment

According to Global Carbon Project (GCP) estimates, CO2 emissions increased 0.6% in 2019 compared to the previous year. At the current rate, the temperature could increase by up to 4°C or 5°C globally by the end of the century compared to the pre-industrial era. Companies play a leading role in this regard, and must choose whether they will be part of the problem or part of the solution.

Environmental issues aside, today's society expects companies to behave responsibly towards their employees, customers, communities and all stakeholders alike. Investors are increasingly aware of the environmental, social and/or governance factors (ESG) within their investment portfolios. For instance, in 2019, Ch\$52 billion in assets were traded under ESG criteria, and 479 green bonds were issued on global markets.

As part of our strategic sustainability vision, we understand that this represents a two-pronged challenge for ILC. For one thing, regarding subsidiaries where we manage investments, we aspire to do so responsibly, mindful of the duty and opportunity we have to exert influence to improve the integrated management of our investments. And since we are also an asset in which others invest, we aspire to be an accountable asset for them, by responsibly managing our own operations. As such, the fourth and final pillar of our Sustainability Strategy consists of making and being a responsible investment.



Economic Value Generated and Distributed

The year 2019 presented a challenging political context, including for Chile. From a domestic political perspective, we witnessed the largest demonstrations by Chilean citizens in recent years, and protests also took place in other countries, such as Hong Kong, France, Ecuador and Catalonia. The foreign perspective for 2019 began with trade tension between China and the U.S., and the UK's difficult exit from the European Union, which affected markets.

Given this scenario, some central banks had to reverse their monetary policies, such as the U.S. and Chile, where base interest rates had already begun to climb. Accordingly, financial markets began to recover in 2019, due to monetary expansion policies in emerging markets such as India, China, Brazil, Mexico, Russia, Korea and South Africa, the first phase of the trade agreement between the U.S. and China, and the conclusion of Brexit.

Given this local and international context, ILC earned Ch\$91,011 million in recurring profit, which was similar to the previous year. The improved results from AFP Habitat, Banco Internacional and Vida Cámara were partially offset by weaker performances from Consalud, Inversiones Confuturo and RedSalud. Economic value generated amounted to Ch\$720,140 million.

Following our IPO in 2012, ILC began a phase of consolidating operations, followed by a growth phase. Since 2017, we have reported average annual profit of nearly Ch\$90 billion compared to the Ch\$60 billion reported from 2012 to 2016.

Economic Value Generated

	ILC	
	2018	2019
Revenue (MCh\$) ¹	736,116	720,140

The economic value generated by ILC comes from the services we provide to our customers and enables the company to fulfill its commitments to each subsidiary's employees and to the State, by paying taxes for the benefit of the economy and social welfare.

Economic value generated is calculated using the GRI EC1 indicator. Data on how this indicator is created and distributed provide basic information on how economic value has been created for all our stakeholders and how much has been retained.

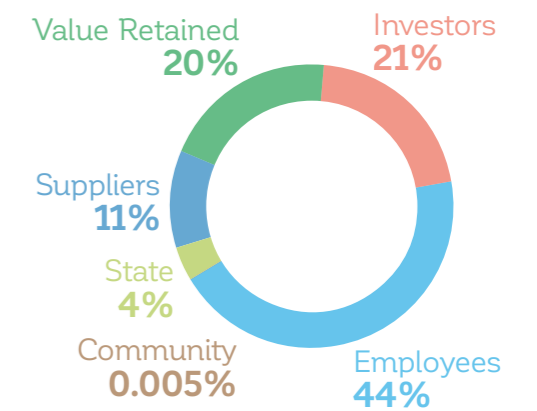
Distribution of Economic Value Generated among Stakeholders

REVENUE (MCh\$)	ILC	
	2018	2019
Suppliers ²	76,607	84,720
Employees ³	302,740	335,462
State ⁴	25,320	13,022
Community ⁵	28	70
Investors	149,384 ⁶	149,354 ⁷
Total	554,080	582,628

Economic Value Retained

MCh\$	ILC	
	2018	2019
(+) Economic value generated	736,116	720,140
(-) Economic value distributed	554,080	582,628
Economic value retained	182,036	137,511

Economic Value Generated 2019



81% of the value generated was distributed to stakeholders, including employees, suppliers, investors (i.e. shareholders, bondholders and banks), the community and the State. ILC retained the remaining 19% for reinvestment.

1 Includes net sales plus income from financial investments and sales of assets.

2 Payments to suppliers, royalties and facilitation payments or monetary gifts

3 Total payments to employees and social contributions

4 Duties and gross taxes, excluding deferred taxes

5 Voluntary contributions and investment funds in the community (including donations)

6 From the total of \$149,384, \$63,100 corresponds to dividend payments, and the rest are financial costs.

7 From the total of \$149,354, \$45,000 corresponds to dividend payments, and the rest are financial costs.

Geographic Breakdown of Revenue, Profit and Taxes

Geographic Breakdown of the Main Financial Figures

Distribution of Economic Value Generated among Stakeholders (Net Sales)

Revenue (MCh\$)	ILC	
	2018	2019
Chile	1,780,453	1,824,698
Peru ⁸	36,334	33,603
Colombia ⁸	0	777
Total	1,816,787	1,859,078

Profit (MCh\$)	ILC	
	2018	2019
Chile	106,604	86,786
Peru	-3,988	3,988
Colombia	0	237
Total	102,616	91,011

Taxes (MCh) ⁹	ILC	
	2018	2019
Chile	25,320	13,022
Peru ¹⁰	514	1,182
Colombia ¹⁰	0	-122
Total	25,834	14,082

Effective Tax Rate

MCH\$	ILC	
	2018	2019
Profit before taxes	139,452	110,865
Taxes paid	25,320	13,022
Effective rate (%)	18%	12%
Income tax rate (%)	27%	27%

The difference between the 2019 nominal income tax rate and the effective tax rate is primarily due to:

1. AFP Habitat's legal cash reserves had record financial returns in 2019. Since they are held and unrealized investments, changes in the share value yield returns and deferred taxes.
 - a) AFP Habitat Chile Legal Cash Reserve at 40.3% (MCh\$24,608)
 - b) AFP Habitat Perú Legal Cash Reserve at 40.3% (MCh\$1,008)
 - c) AFP Habitat Colombia Legal Cash Reserve at 40.3% (MCh\$134)

2. Financial returns on Confuturo's local variable-income investments. Since they are held and unrealized investments, mark-to-market changes yield returns.

a) Return on Confuturo's local variable-income investments (MCh\$395)

3. Since ILC holds a 40.3% share of AFP Habitat, this subsidiary's results are not consolidated. ILC's final results are reported under line "Share of profit (losses) of equity method associates and joint ventures." That is why we must issue proforma financial data to show what the consolidated results would look like in order to calculate the effective rate:

a) AFP Habitat taxes recognized at 40.3% (MCh\$19,389)

b) AFP Habitat taxes paid at 40.3% (MCh\$12,681)

4. Reversal of deferred taxes (MCh\$514)

Once the above-mentioned adjustments have been applied, ILC's effective tax rate increased to 25.7%.

⁸ It is important to note that AFP Habitat Chile, Peru and Colfondos do not consolidate their income in our financial statements, since ILC has a 40.3% interest in those entities.

⁹ Net of deferred taxes

¹⁰ It is important to note that AFP Habitat Chile, Peru and Colfondos do not consolidate their taxes in our financial statements, since ILC has a 40.3% interest in those entities.

Relationship with Construction Workers

The Chilean Chamber of Construction (CChC) is the founder and principal shareholder of ILC, and has a 67% interest in the Company. The remaining 33% is distributed among other Chilean shareholders (with 21.5%) and foreign shareholders (with 11.5%) as of the end of 2019.

The CChC is a trade association established in 1951 to promote construction and thereby have a positive impact on Chile's development. CChC's participation in the pension, health and education sectors arose from the need to improve social security benefits and quality of life for individuals working in the construction industry, which is one of the largest employers in Chile. Along these lines, subsidiaries such as AFP Habitat and Isapre Consalud were established in the 1980s in order to improve the pensions and health of construction sector workers.

CChC receives 67% of the dividends generated by ILC, and manages and invests these funds. Under this organization's investment and expense model and structure, a significant percentage of dividends received are earmarked for social investment projects, and then channeled through CChC Social, an entity devoted to creating and expanding benefits—primarily in health care, training, housing and wellbeing—for construction workers and their families. Moreover, the remaining dividends are allocated to an investment fund that was set up to provide long-term funding for the CChC.

2019: Record Investments and New Beneficiaries in Social Programs

An unprecedented sum of UF481,191 was earmarked for investments in CChC social programs, up 8% from the 2018 figure. Furthermore, 7,615 new spots were created this year, bringing the total number of annual beneficiaries to nearly 300,000.

CChC Social Programs

Area of Intervention	Investments UF 2019	% Change 2018	Number of Benefits Provided in 2019	% Change 2018
Health Sector	131,908	12%	100,561	-2%
Housing Sector	30,480	42%	1,603	15%
Training Sector	141,332	22%	15,829	5%
Wellbeing Sector	109,060	-9%	166,131	5%
Others	68,411	-6%	7,476	-2%
TOTAL	481,191	8%	291,600	3%

Social programs are comprised of four main areas of investment:

- Health:** seeks to promote timely and preventive access to health care for construction workers. It includes programs to cover expenses for hospitalizations, preventive screenings, dental care, mammograms and diagnosis of eye diseases.
- Housing:** seeks to expand opportunities for construction workers to accomplish the dream of home ownership. These benefits are mainly processed through the "Steps Away from Your Own Home" program. This program is set up to assess workers' housing requirements and assist them during the home buying process.
- Training:** boosts workers' job skills by providing them with tools for their education, training and professional development. It includes education scholarships for workers and their children, as well as various job training and certification programs.
- Wellbeing:** creates opportunities for the well-rounded development of construction workers. It includes benefits for specific groups such as SMEs, foreigners, people with disabilities, retired and unemployed individuals with ties to the construction industry, as well as sports and cultural initiatives.

In 2019, programs focused on providing benefits to foreign workers in these areas, while also providing them assistance to regularize their immigration status. Under this program, food donations and transportation vouchers were given to all immigrant workers who had contracts with CChC partner companies.

Post-Civil Unrest CChC Social Services Agenda

Against the backdrop of the social events that began to unfold on October 18, 2019, the CChC has encouraged companies to deepen dialogue with their main stakeholders. In this context, in November the Chilean Chamber of Construction held wide-spread discussions with workers in the sector in order to learn about their main needs and concerns.

To this end, 280 workshops were held throughout the country, involving more 4,000 participants. Workers identified health care, training and social services as their priorities, which then gave way to substantial changes in the budget and programs on the Chamber's 2020 Social Services Agenda.

For more information, click here: https://www.cchc.cl/uploads/basica/archivos/Agenda_Social_enero_2020_%284%29.pdf

ESG Portfolios and Assets

The rapidly changing status of investments under ESG criteria (previously addressed in this chapter) entails responsibilities as well as considerable opportunities for ILC to take actions that will set it apart from the rest in its field, especially considering our position as the leading institutional investor in Chile. We are aware that financial institutions have a critical role to play in terms of tackling sustainability challenges, easing the transition to a low-carbon economy and stimulating sustainable development.

By identifying and addressing growing socio-environmental challenges and associated risks, financial institutions can benefit from leveraging their expertise in financial innovation.

Along with the opportunity to offer new financial instruments, financial institutions also have the chance to create new sources of revenue and build trust among stakeholders.

Through our subsidiaries, we are involved in industries that are fundamental to Chile's development, such as pensions, health care, insurance and lending. All our subsidiaries are measured according to social, environmental and corporate governance criteria through the ESG Compass platform, which provides a rating for various parameters such as Anti-Corruption, Customer Satisfaction and Complaints, Community Relations, Supplier Operations, Diversity and Inclusiveness, Health and Safety, and Compensation Structure, among others.

ILC Issues Social Bond

ILC issued its first social bond in 2019, in accordance with the Social Bond Principles (SBP) of the International Capital Markets Association. It was the second IPSA company to issue this type of instrument.

In order for bonds to be called 'social' bonds, resources obtained from the issuance must be allocated to finance or refinance one of the six categories of social projects provided under the SBPs. ILC bond resources fall under the Small and Medium Enterprise Financing category, through loans granted by Banco Internacional. At year-end 2019, the Bank's total lending to the micro, small and medium enterprise segment (defined as organizations with annual invoicing of less than UF100,000), amounted to US\$558 million, representing 23% of the Bank's total loans and approximately 40% of its customer base. Moreover, 22% of these loans are granted to companies operating outside Santiago. In addition, this initiative has an impact on employment by benefiting a total of 1,855 companies and their respective employees.

This initiative falls under Sustainable Development Goals No. 8: Decent Work and Economic Growth; and No. 9: Industry, Innovation and Infrastructure. Thanks to these loans, business owners can now access financial services, fast credit and join value chains and markets. The above stimulates economic growth and job creation in Chile.

Lastly, as part of the social bond issuance process, the global agency Sustainalytics also published a certified report, available on line at:

http://s21.q4cdn.com/417792851/files/doc_downloads/bond_issuance/ILC-Social-Bond-Framework-Second-Party-Opinion.pdf

ESG Policies and Investments at Confuturo

Our subsidiary Confuturo is a good example of how value is created by incorporating ESG criteria into investment decisions, for it has a system of governance, policies, procedures and indicators that allow it to monitor and improve its management in this area.

This process includes conducting background checks at various levels, which is actually going far beyond what is required under regulations. For instance, counterparties are reviewed in order to determine whether they are or have been involved in money laundering, terrorism financing or bribery, since this review is a condition for proceeding with a formal analysis of the proposal.

Confuturo has adopted an exhaustive ESG risk assessment, in which risks are to be considered on a case-by-case basis by the Investment Committee, which could eventually deny approval of an investment if the counterparty were deemed high-risk in terms of ESG criteria or if it could potentially jeopardize recovering the investment. In addition, certain investments carrying a high sustainability risk could be recommended for sale.

Once the review process is completed, Thomas Reuters issues an ESG summary (containing the main categories of each ESG criterion), which is submitted to the Investment Committee for review. Furthermore, on a monthly basis, a report on investments monitored for ESG is presented to the Investment Committee. The percentage of investments in the portfolio subject to ESG monitoring continued to rise in 2019, reaching 48.6%.

Percentage of Investments Monitored for ESG in Relation to Confuturo's Total Exposure

2018	2019
45.6%	48.6%

Confuturo and Ameris Capital's FIS 2.0

Confuturo uses FIS 2.0 to invest in 10 projects aimed at addressing social and/or environmental issues¹¹. The project portfolio includes various companies from sundry sectors such as recycling, support for startups, support for persons with disabilities, education platforms and transit solution projects. A sum of Ch\$790 million has been placed thus far out of a total of US\$2 million in committed resources. Confuturo holds a 21% interest in the fund and was the first institutional investor in Chile to make this type of investment.

FIS 2.0 AMERIS Confuturo

Total loans	Ch\$790,000,000
Number of projects financed	10

The FIS 2.0 fund is rated by the Global Impact Investing Rating System (GIIRS), the most popular global fund rating system among impact investment funds. It is a rigorous, comprehensive and transparent tool managed by the United States NGO B Lab to rate the social and environmental performance of companies operating in developed and emerging markets around the world.

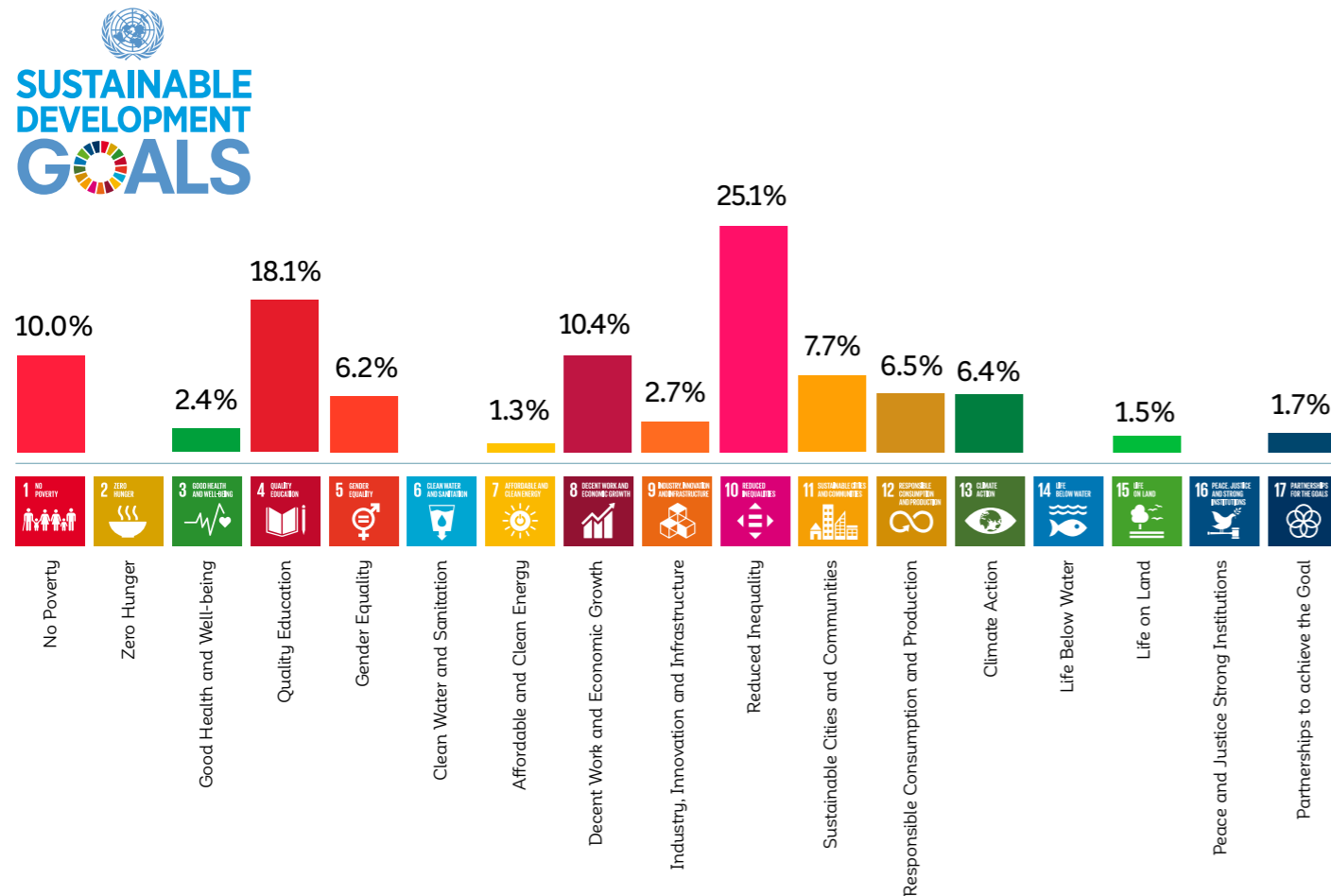
¹¹ More information is available on the FIS Ameris website at: <http://fisameris.cl/portafolio-de-proyectos/>

ESG Portfolios and Assets

This rating system is designed to allow for project comparisons and an international benchmark of funds that seek to obtain not only financial results, but also to provide solutions to problems of a global nature. For the past three years, FIS Ameris has appeared on the GIIRS ranking among the top five impact funds in developing countries.

FIS Ameris earned important international recognition in 2016 and again in 2017 for its contribution to impact investing in Chile. B the Change honored FIS Ameris by naming it among the "Best for the World Funds," for the outstanding social and environmental performance of its funds and projects.

Ameris Capital's FIS and FIS 2.0 funds contribute to the Sustainable Development Goals as follows:



Source: Prepared in house using SDG information and % of total investment of FIS Ameris as of April 2020.

Operational Eco-efficiency

As a Company, we are aware of how important it is to protect the environment and how vital it is to make decisions regarding the environmental impact of our operations, apart from the fact that operational eco-efficiency is beneficial to our business by helping to curtail costs.

Creating an aligned organizational culture is essential for an organization to draw up new action plans that are aimed at minimizing potentially-negative environmental impacts, while anticipating and adapting to different climate-change induced scenarios. Accordingly, every subsidiary today has plans to mitigate these effects through efficient lighting and/or plumbing, recycling points and digital processes using less paper, among other initiatives.

Regarding recycling, our corporate building has recycling points for paper, PET products, electronic items, coffee capsules and batteries. With regard to energy consumption, the building has an intelligent lighting system programmed according to the amount of light outside, as well as a facade designed to make the best use of natural light.

Eco-Efficiency Initiatives



With respect to transportation, ILC implemented an agreement with Cabify, a carbon-neutral company, and additionally set up benefits for its employees, such as the twice-yearly home office system, which helps reduce emissions associated with commuting. ILC also migrated to Google Suite, enabling the Company to access specialized meeting rooms

for working remotely, thereby reducing the number of face-to-face meetings, commuting and paper consumption. Along these lines, other projects were implemented in 2019 that helped significantly reduce paper use (e.g. the Talana application for human resource management), as well as discontinued hard copies of annual reports and sustainability reports, giving priority to the use of digital formats.

confuturo

Confuturo has implemented some initiatives to reduce its environmental impact and consumption in certain areas such as paper and private transport. Firstly, the home office system cuts down on travel time, which has a positive impact on the carbon footprint and employees' work/life balance. This initiative started out as a six-month pilot involving 20 employees; however, the first stage was so successful that it was extended for an additional six months and opened up to 20 more employees. Moreover, the company began monitoring the amount of paper used for printing. In this regard, Confuturo decided to roll out its "Green Pledge" initiative which looks to pare down the amount of paper used in printing. Confuturo allocated the savings obtained from these initiatives to reforestation in Patagonia where it planted trees.

Average consumption (January - September)	745 reams / month
Average consumption (October - December)	584 reams / month

Operational Eco-efficiency



Banco Internacional and Confuturo have also reduced paper usage at their offices through intelligent printing and ongoing monitoring of their paper consumption. One of the benefits of implementing this type of measure is the ability to better control spending by identifying processes that have the potential to be more efficient.

Likewise, a control system is being installed for lighting in common areas which will replace the traditional light control panel. This will allow for programming a schedule for turning lights on and off in order to save energy. In addition, on the six floors used by the Bank within the corporate building, there are recycling containers for paper, cardboard, cans, plastics, batteries and bottle caps, which are then taken to the building's common recycling area for proper classification. Also, at the end of 2019, the company began implementing a telecommuting project for systems area staff, one day a week. This initiative is expected to reduce emissions associated with the use of vehicles for commuting to and from work.

Towards the end of 2019, the 'Todos Sumamos' Program was launched, providing workers the opportunity to propose their own initiatives regarding environmental, labor wellbeing and community issues. It is hoped that this will enable employees to become pro-actively involved in this area.



Incorporating energy efficiency and environmental care into its operations is essential at RedSalud and part of its framework of sustainable management. The following changes have been implemented at its offices for these purposes: 90% of the light fixtures have been changed to LED, and bathroom fixtures and HVAC systems are energy efficient. In addition, an effective alliance is in place with the San José Foundation for recycling paper, and the company instituted a telecommute program available six days a year in order to reduce vehicle/commute-related emissions.

LEED Certification

RedSalud's headquarters, located in the Santa María Tower, are LEED Silver certified. The offices are designed with an air conditioning system based on state-of-the-art double-pane windows with a low-shade coefficient and a line of efficient lighting solutions.

Occupying this space allows us to contribute to the company's environmental commitment by helping to mitigate the effects of global climate change, protect and restore water resources, promote sustainability and regenerative material resource cycles and build a greener economy with better conditions for the wellbeing of employees.



The culture of environmental care and eco-efficiency is of great importance to Consalud employees, who have conveyed their thoughts through the Great Place to Work survey. Along these lines, work has been carried out to raise awareness among employees, encouraging them to participate in actions such as reducing plastic and paper use and promoting the use of electronic platforms, in addition to the digitalization through the following apps: APP Consalud, Compra Mobile, Cuenta Médica Directa, Venta en Canales Virtuales, RPA and OCR for automatic reimbursement processes; in addition to electronic receipts and waybills.



In 2019, Vida Cámara took several measures to reduce its environmental impact, such as using energy-efficient devices like LED lighting and digital timers, and setting up recycling points. It has also started setting up a pilot home office program which would reduce our employees' transportation emissions.

At the operational level, 95% of reimbursement processes are currently digital and managed in paperless format (I-Med 49%, APP 29%, pharmacies 16%). Physical reimbursements were down by 59%, while mobile app usage was more widespread than physical drop boxes.

Water Consumption (mm³)

GRI 303-5

ILC ¹²	Confuturo ¹³	Banco Internacional ¹⁴	RedSalud	Consalud ¹⁵	Vida Cámara ¹⁶
1,094	22,944	10,775	N/A	642,470	2,380

¹² ILC office consumption at Apoquindo headquarters

¹³ 100% coverage of all branches and Apoquindo headquarters

¹⁴ Does not include branches in Temuco, Moneda or Ciudad Empresarial

¹⁵ Out of the scope data.

¹⁶ Only headquarters

¹⁷ A GERSA conversion factor was used where 1 ton = 5000.6 liters

Waste Generation and Treatment GRI 306-2

Our corporate offices generated 93.24 tons of waste in 2019, primarily at subsidiaries Banco Internacional and Confuturo.

Waste Disposed at Corporate Buildings (tons)¹⁷

ILC	6.79
Confuturo	22.63
Banco Internacional	48.24
RedSalud	N/A
Consalud	N/A
Vida Cámara	14.78

We have sent a total of 10.67 tons to recycling projects. Specifically, Banco Internacional and Confuturo were who contributed the most in this area, with 5.09 and 2.39 tons, respectively. Cardboard waste accounted for 47.5% of total recycling (5.07 tons), while 29.9% of recycled items were paper (3.19 tons) and 9.3% glass materials (0.99 tons).

Operational Eco-efficiency

Recycled Wastes from Corporate Buildings 2019 (tons)
GRI 306-2

Waste	ILC	Confuturo	Banco Internacional	RedSalud	Consalud	Vida Cámara
Paper	0.167	0.556	1.186	0.920	N/A	0.363
Cardboard	0.372	1.240	2.644	N/A	N/A	0.810
Glass	0.073	0.243	0.518	N/A	N/A	0.159
Others	0.104	0.346	0.737	N/A	N/A	0.226
Total	0.716	2.386	5.086	0.920	N/A	1.558

Energy Consumption 2019 (Kwh)
GRI 302-1

Headquarters Consumption	2019
ILC	53,926
Confuturo	266,398
Banco Internacional	594,096
RedSalud	63,972
Consalud ¹⁸	1,107,426
Vida Cámara	200,150

In terms of electricity consumption, our corporate offices reported total consumption of 2,285,968¹⁹ Kwh, whereas, electricity consumption at Metropolitan Region RedSalud hospitals was nearly 25 million Kwh. For 2019, the grand total was 27,557,374¹⁹ Kwh.

Energy Consumption 2019 (Kwh)

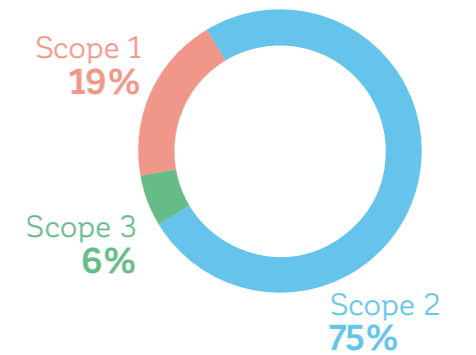
RedSalud Hospitals Consumption (Kwh) ²⁰	2019
Clínica RedSalud Providencia	6,768,612
Clínica RedSalud Santiago	6,972,090
Clínica RedSalud Vitacura	11,530,704

Carbon Footprint

For the second straight year, we have measured the Carbon Footprint at our corporate offices. This year, for the first time we also measured three RedSalud hospitals in the Metropolitan Region, located in the districts of Vitacura, Providencia and Santiago. ILC's carbon footprint was calculated in accordance with the requirements of the GHG Protocol, and uses emission factors from Defra/BEIS (UK), and the emission factor for the National Energy System in Chile, pursuant to each scope. With regard to scope 3, emissions from business travel by taxi were included in this scope for the first time this year, in addition to air travel emissions that were first measured in 2018.

In 2019, our operations produced a total of 14,833 metric tons of CO₂, 75% of which are scope 2 emissions.

Total Greenhouse Gas Emissions [tCO₂e]

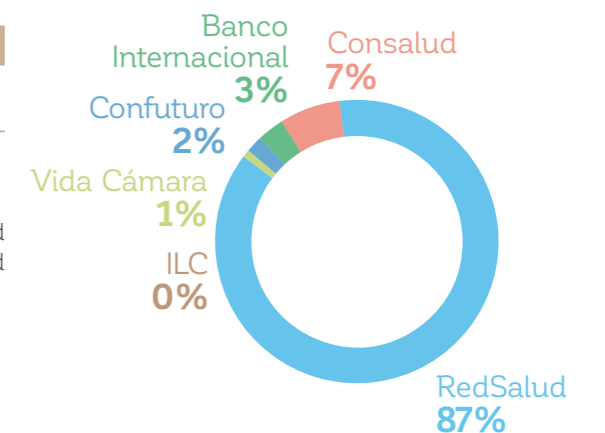


Summary Total Footprint for 2019

	Scope 1	Scope 2	Scope 3	Total
Total Greenhouse Gas Emissions [tCO ₂ e]	2,791	11,177	865	14,833
Percentage of total	19%	75%	6%	

Regarding emissions by business, 87% are produced by RedSalud, although this amount is mainly attributed to the hospitals included in the measurement.

GHG Emissions by Business (tCO₂e)



¹⁸ Out of the scope data.

¹⁹ Consolidated numbers are not verified as they consider Consalud.

²⁰ Out of the scope data.

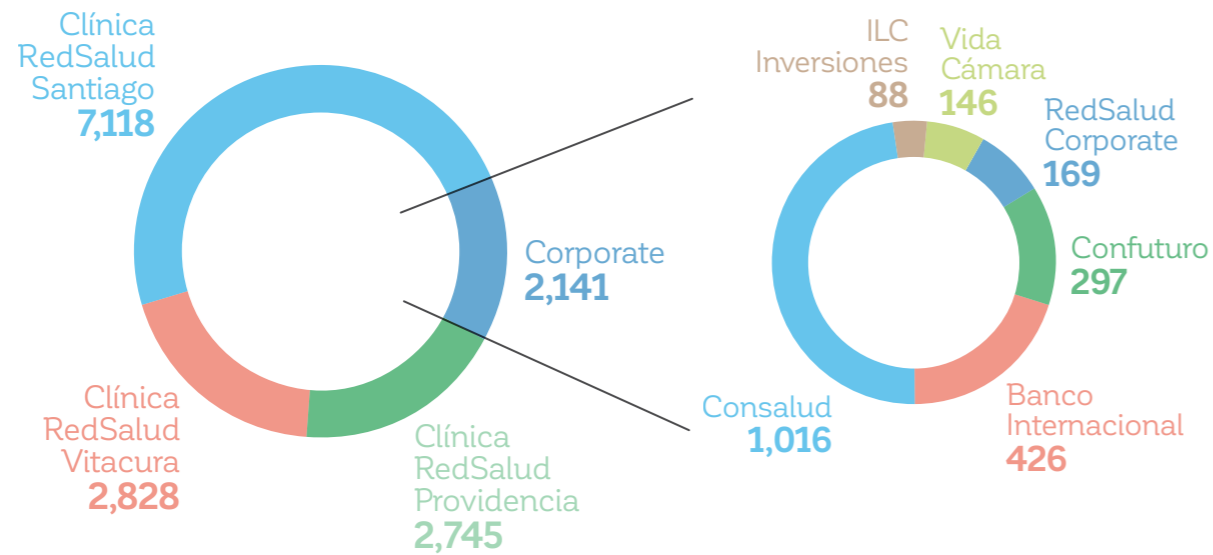
Carbon Footprint

Breakdown by Business

GHG Emissions by Business (tCO ₂ e)	Scope 1 (tCO ₂ e)	Scope 2 (tCO ₂ e)	Scope 3 (tCO ₂ e)	Total (tCO ₂ e)	%
ILC	0.3	22	66	88	1%
Banco Internacional	2.2	241	183	426	3%
Confuturo	1.3	108	187	297	2%
Consalud	354	449	212	1,016	7%
RedSalud	2,432	10,276	153	12,861	87%
Vida Cámara	0.9	81	64	146	1%

When breaking down consumption by business areas, the three RedSalud hospitals account for a total of 12,692 metric tons of carbon, while the corporate offices generated a total of 2,141 metric tons. Consalud's emissions were the highest in the group at 1,016 metric tons of CO₂.

It should be noted that corporate office scope 1 and 2 emissions decreased by nearly 35% compared to 2018, while scope 1 consumption dropped by 189 tons and scope 2 by 501 metric tons of CO₂.



Breakdown by Operations Area

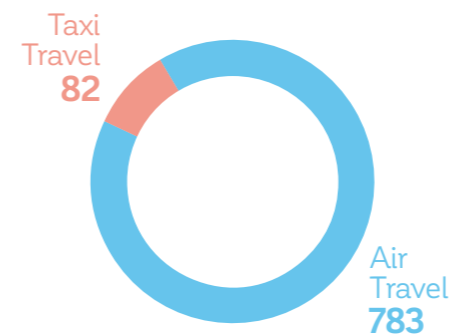
GHG Emissions by Operations Area (tCO ₂ e)	Scope 1 (tCO ₂ e)	Scope 2 (tCO ₂ e)	Scope 3 (tCO ₂ e)	Total (tCO ₂ e)	%
ILC Corporate Building, Banco Internacional, Confuturo, Vida Cámara	4.7	452	500	957	
ILC	0.3	22	66	88	
Banco Internacional	2.2	241	183	426	
Confuturo	1.3	108	187	297	
Vida Cámara	0.9	81	64	146	
Consalud	354	449	212	1,016	
RedSalud Corporate	S.I.	26	143	169	
Corporate	359	927	856	2,141	16%
Clínica RedSalud Providencia	S.I.	2,745	S.I.	2,745	
Clínica RedSalud Santiago	2,432	4,677	9	7,118	
Clínica RedSalud Vitacura	S.I.	2,828	S.I.	2,828	
Hospitals	2,432	10,250	9	12,692	84%

Regarding activities that contribute to our Carbon Footprint, 78% of our scope 1 emissions correspond to fugitive emissions produced by coolants in our operations, while 22% come from fixed sources such as combustion engines and heating boilers. Total scope 2 emissions measured come from electricity taken from the Chilean National Energy System (SEN). Finally, air travel accounts for 91% of our scope 3 emissions, and the remaining 9% corresponds to taxi use.

Breakdown by Activity

Activity	2019 Total (tCo ₂ e)	% of Total	% of Scope
Fixed-source combustion	601	4%	22%
Vehicle combustion	2	0%	0%
Fugitive emissions (coolants)	2,187	15%	78%
Total Scope 1	2,791	19%	
Electricity purchased (SEN)	11,177	75%	100%
Total Scope 2	11,177	75%	
Air travel	783	5%	91%
Taxi travel	82	1%	9%
Total Scope 3	865	6%	
2019 Total Carbon Footprint	14,833		

Travel Emissions by Business (tCO₂e)



Appendix 1

GRI Content Index



GRI Index: Core Option

General Standard Disclosures			
Standard GRI	Description	Page Number	Comments
GRI 102: General Disclosures	102-1 Name of the organization	Book Cover	
	102-2 Activities, brands, products, and services	10-13	
	102-3 Location of headquarters	Book Cover	
	102-4 Location of operations	31	
	102-5 Ownership and legal form	10, 80	
	102-6 Markets served	10	
	102-7 Scale of the organization	48	
	102-8 Information on employees and other workers	48	
	102-9 Supply chain	20	
	102-10 Significant changes to the organization and its supply chain	32	
	102-11 Precautionary Principle or approach		The Company does not consider the precautionary principle on its management
	102-12 External initiatives	16-17	
	102-13 Membership of associations	68-69	
	102-14 Statement from senior decision-maker	4-7	
	102-16 Values, principles, standards, and norms of behavior	11	
	102-18 Governance structure	21-22	
	102-40 List of stakeholder groups	20	
	102-41 Collective bargaining agreements	52	
	102-42 Identifying and selecting stakeholders	20	
	102-43 Approach to stakeholder engagement	18-20	
	102-44 Key topics and concerns raised	14-15	
	102-45 Entities included in the consolidated financial statements	Annual Report 2019 (207)	
	102-46 Defining report content and topic boundaries	14-15	
	102-47 List of material topics	14-15	
	102-48 Restatements of information		The restatement of information and its reasons, are indicated in the report in its respective indexes, graphics, and texts, where data from previous years have been rectified.

General Standard Disclosures			
Standard GRI	Description	Page Number	Comments
GRI 102: General Disclosures	102-49 Changes in reporting		There were no significant changes since the previous report.
	102-50 Reporting period	101	
	102-51 Date of the most recent report	101	
	102-52 Reporting cycle	101	
	102-53 Contact point for questions regarding the report	Book Cover, 101	
	102-54 Claims of reporting in accordance with the GRI Standards	101	
	102-55 GRI Content Index	92	
	102-56 External assurance	94	
Material Aspects			
Economic and Financial Development			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	76	
	103-2 The management approach and its components	76	
	103-3 Evolution of the management approach	76-79	
GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	76-79	
Ethics, Integrity and Transparency			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	24, 62-63	
	103-2 The management approach and its components	24, 62-63	
	103-3 Evolution of the management approach	24	
GRI 205: Anti-corruption	205-3 Incidents of corruption and actions taken		During 2019, in ILC as well as in its subsidiaries, there were no registers of incidents nor breaches regarding corruption.
GRI 206: Anti-competitive conducts	206-1 Legal actions for anti-competitive and/or monopolistic practices		During 2019, in ILC as well as in its subsidiaries, there were no registers of incidents nor breaches regarding anti-competitive nor monopolistic practices.
GRI 406: Non discrimination	406-1 Discrimination incidents and actions taken	24-25	
Environment			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	85	
	103-2 The management approach and its components	85	
	103-3 Evolution of the management approach	88-91	
GRI 302: Energy	302-1 Energy consumption within the organization	88	
GRI 303: Water and Effluents	303-5 Water consumption	87	

General Standard Disclosures			
Standard GRI	Description	Page Number	Comments
GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions	89-91	
	305-2 Energy indirect (Scope 2) GHG emissions	89-91	
	305-3 Other indirect (Scope 3) GHG emissions	89-91	
GRI 306: Waste	306-2 Management of significant waste-related impacts	88	
Attracting and Retaining Talent			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	58	
	103-2 The management approach and its components	58	
	103-3 Evolution of the management approach	60	
GRI 401: Employment	401-1 New employee hires and employee turnover	48, 57	
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	48-50	
Human Capital Development			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	58	
	103-2 The management approach and its components	58	
	103-3 Evolution of the management approach	58	
GRI 404: Training and Education	404-1 Average hours of training per year per employee	58	
	404-3 Percentage of employees receiving regular performance and career development reviews	58	
Commitment to the Community			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	40	
	103-2 The management approach and its components	40	
	103-3 Evolution of the management approach	43	
GRI 413: Local Communities	413-1 Operations with local community engagement impact assessments, and development programs	40-43	
Customer Satisfaction			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	34	
	103-2 The management approach and its components	34	
	103-3 Evolution of the management approach	37	
GRI 418: Customer privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	37	
Governance			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	21	
	103-2 The management approach and its components	21	
	103-3 Evolution of the management approach	22	
	Annual average attendance of directors	22	

General Standard Disclosures			
Standard GRI	Description	Page Number	Comments
Ethical Business Process			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	63	
	103-2 The management approach and its components	63	
	103-3 Evolution of the management approach	63	
	Mechanisms to report violations	62-63	
Contribution to Public Debate			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	66	
	103-2 The management approach and its components	66	
	103-3 Evolution of the management approach	67-69	
	Total contribution in memberships	68	
Financial and Healthcare Education			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	43	
	103-2 The management approach and its components	43	
	103-3 Evolution of the management approach	43	
	Educational programs	43	
Demographic Changes			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	34	
	103-2 The management approach and its components	34	
	103-3 Evolution of the management approach	34	
	Monitoring of demographic changes and population statistics	34	
Sustainable Finance			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	74	
	103-2 The management approach and its components	74	
	103-3 Evolution of the management approach	76-84	
	Use of ESG criteria in investment approaches	82-84	
Technological Challenge			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundary	38	
	103-2 The management approach and its components	38	
	103-3 Evolution of the management approach	39	
	Information about security breaches	39	



Appendix 2

Assurance Letter



Independent Review Report Inversiones La Construcción's 2019 Sustainability Report

To the **President and Directors** of
Inversiones La Construcción S.A.
Present

We have conducted a limited review of the content and data disclosed to GRI 303-5, 302-1, 306-2 and Absence Rate (henceforth "indicators subject to review") reported in the 2019 Sustainability Report of ILC for the year ended on December 31, 2019, which is detailed below:

- GRI 303-5 Water Consumption for ILC S.A., Compañía de Seguros Confuturo S.A.; Banco Internacional S.A; and Compañía de Seguro Vida Cámara S.A.
- GRI 302-1 Energy consumption within the organization for ILC S.A., Compañía de Seguros Confuturo S.A.; Banco Internacional S.A; Compañía de Seguro Vida Cámara S.A. and Empresas Red Salud S.A.
- GRI 306-2 Waste by type and disposal method for ILC S.A., Compañía de Seguros Confuturo S.A.; Banco Internacional S.A; Compañía de Seguro Vida Cámara S.A. and Empresas Red Salud S.A.
- Absence Rate for ILC S.A., Compañía de Seguros Confuturo S.A.; Banco Internacional S.A; Compañía de Seguro Vida Cámara S.A.; Empresas Red Salud S.A. and Isapre Consalud S.A.

ILC's management is responsible for the preparation of this report. Additionally, ILC's Administration is responsible for the contents, affirmations, scope definition and the management and control of information systems which provided the information reported.

Our review was conducted in accordance with attestation engagement standards established by the Colegio de Contadores de Chile A.G. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion over "ILC's 2019 Sustainability Report". Accordingly, we do not express such an opinion.

Contents and data disclosed in the "indicators subject to review" in "ILC's 2019 Sustainability Report" were also reviewed considering the criteria established in the Global Reporting Initiative (GRI) Sustainability Reporting Standard and ILC's internal guidelines, which are summarized as follows:

- Determine that the contents and data disclosed in "indicator subject to review" in "ILC's 2019 Sustainability Report" are duly supported with sufficient evidence.
- Determine that ILC has prepared the contents and data of the "indicators subject to review" in "ILC's 2019 Sustainability Report" in accordance with the Principles on Content and Quality as established by the GRI Standard and its internal guidelines.

Our procedures consisted of conducting inquiries with ILC's Directory, Management and responsible areas involved in the

preparation of the Report, as well as performing other analytical procedures and tests, that included:

- Interviews with ILC's key personnel, in order to assess the "indicators subject to review" in "ILC's 2019 Sustainability Report" preparation process, content definition and information systems used.
- Verification of information and data related to the "indicators subject to review" in "ILC's 2019 Sustainability Report" through supporting documentation provided by ILC.
- Analysis of the collection and internal control process of the content information and data related to the "indicators subject to review" in "ILC's 2019 Sustainability Report".
- Verification of the data reliability using analytical procedures and testing on a sample basis and the review of calculations through recalculations.

Based on our review, nothing came to our attention that caused us to believe that:

- Contents of information and data related to the "indicators subject to review" in "ILC's 2019 Sustainability Report" are not duly supported with sufficient evidence.
- The information and data contents related to the "indicators subject to review" reported in the "ILC's 2019 Sustainability Report" has not been prepared in accordance with the GRI Sustainability Standard and its internal guidelines

KPMG Auditores Consultores SpA

Tamara Agnic M.
Partner

Santiago, June 24, 2020

Appendix **3**

About this Report



About this Report

Throughout this report, we inform our stakeholders about the identification and the importance of the material aspects mentioned above, which is the basis of our Company regarding sustainability. This is ILC's eighth report, which follows the alignments of the Global Reporting Initiative, and has been prepared in accordance with the Core Option of the GRI Standards.

This report is focused on the management of ILC and its subsidiaries - Confuturo, Banco Internacional, RedSalud, Consalud and Vida Cámara - regarding their operations in Chile from January 1st to December 31st 2019.

Part of the content of this report has been verified by the external consultant KPMG, as the auditor's letter determines. For any questions and comments regarding this report and the sustainable management of ILC, contact:

María de los Ángeles Arce,
mdlaarce@ilcinversiones.cl,
+56 2 2477 4683

Cristina Trejo,
ctrejo@ilcinversiones.cl,
+56 2 2477 4681

Gustavo Maturana,
gmaturana@ilcinversiones.cl,
+56 2 2477 4680

Av. Apoquindo 6750, piso 20
Las Condes,
Santiago de Chile



Design and Production
Espacio Vital
www.espaciovital.cl

