



Responsible Investment Policy

SUMMARY

The purpose of this Policy is to establish the principles and guidelines that guide Itaú Administradora General de Fondos S.A. in the responsible investment field.

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1. OBJECTIVE

This Policy aims to establish the principles and guidelines that guide Itaú Administradora General de Fondos S.A. (hereinafter, "Itaú AGF"), in the field of responsible investments and whose purpose is to generate sustainable returns in the long term for its clients and contribute positively to the development of a more efficient and sustainable capital market that generates positive externalities for society and environment.

As an investment manager, Itaú AGF's duty is to invest its clients' assets ethically and responsibly, seeking to achieve a complete understanding of the opportunities and risks involved in investment decisions.

Itaú AGF considers that environmental, social and corporate governance (ESG) factors are important because they affect the value of the assets in which it invests. Given this, these factors are incorporated into the investment process.

In 2022, Itaú AGF became signatory of Principles for Responsible Investment promoted by the United Nations (UNPRI) and this policy is aligned with the six principles promoted by this organization:

1. We will incorporate ESG issues into investment analysis and decision-making processes.
2. We will be active owners and incorporate ESG issues into our ownership policies and practices.
3. We will seek appropriate disclosure on ESG issues by the entities in which we invest.
4. We will promote acceptance and implementation of the Principles within the investment industry
5. We will work together to enhance our effectiveness in implementing the Principles
6. We will each report on our activities and progress towards implementing the Principles.

2. TARGET AUDIENCE

Itaú AGF and its different areas that participate in the investment decision-making process for the funds and mandates.

3. RESPONSABILITIES

3.1 Board of Directors

- Approve and ratify this Policy.
- Approve the governance and/or necessary modifications.

3.2 Research Team

- Integrate ESG factors into the company analysis.
- Present the results of the ESG analysis in a complementary way with the financial analysis of the companies, as the respective areas require it.
- Follow up on the analyzed companies and the incidents that affect them in ESG matters, as well as how these incidents are managed over time.
- Participate in the review of passive ESG funds.
 - Participate in the initial evaluation carried out by the Products Committee and, subsequently, maintain annual monitoring in order to verify compliance with the passive fund's prospectus, together with the Risk and Projects Department.

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3.3 Fixed Income, Equities, and Asset Allocation Team

- Take into consideration the ESG analysis presented by the Research Team for making investment decisions.

3.4 Risk and Compliance Department

- Ensure governance compliance of this policy.
- Participate in the review of passive ESG funds.
 - Participate in the initial evaluation carried out by the Products Committee and, subsequently, maintain annual monitoring in order to verify compliance with the passive fund's prospectus, together with the Risk and Projects Department.

3.5 Internal Audit Department – Banco Itaú Chile

- Based on the audit plan, review compliance of this policy and associated procedures.

3.6 Investment Committee

- The Investment Committee, which meets on the first Wednesday of each month, will be the formal instance where compliance of this policy is reviewed and monitored.
- All relevant topics related to compliance of this policy discussed during the respective month must be incorporated into the Investment Committee, such as, for example, analysis of companies incorporating ESG criteria, engagement processes in development, among others.

3.7 Credit Committee

- Evaluate the integration of ESG factors in the risk analysis of the issuers presented.

3.8 Products Committee

- According to the scope of this Policy, approve new funds, verifying that they comply with ESG requirements as defined in their respective prospectus.

4. RULES

4.1 Investment Process

The main objective of Itaú AGF's investment process is to create value for its clients by analyzing and interacting with the companies in which it invests. The purpose is to develop a deep knowledge of these companies and the sectors in which they operate, also taking into consideration the entire context (economic, social, environmental, etc.).

The continuous search for information, both financial and non-financial, that can impact the market value of companies is a fundamental part of this process. The goal is to have all the relevant information for fully informed decision making. Knowing in advance and valuing ESG factors allows us to identify events with the potential to create or destroy value in a company and thus improve risk-adjusted returns.

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For this reason, it becomes relevant to establish the principles and guidelines that determine the way in which Itaú AGF considers ESG factors in the investment decision-making process and the exercise of active ownership.

4.2 Responsible Investment Approach

Itaú AGF considers that ESG factors are important because they affect the value of the assets in which it invests and opts for the ESG integration approach.

This approach seeks to identify investment opportunities and reduce the risks related to the funds.

4.3 Integration of ESG factors in the Investment Process

The process of integration of ESG factors must be conducted with an integrated vision of risks and comply with at least the following aspects:

- a) ESG factors will be incorporated into the company analysis process using a proprietary model and by contracting specialized services.
- b) The analysis must consider the impact of ESG factors in the company operations and its short, medium and long-term outlook.
- c) The analysis must formally consider at least the following topics within each ESG factor:
 - Environmental Factors: Water, Energy and Materials; Biodiversity and land use; Waste Management and Climate Change.
 - Social Factors: Customers, Communities, Employees and Suppliers. Including Human Rights.
 - Corporate Governance Factors: Board structure, composition, independence, quality, diversity, compensation and technical committees, among other important topics.
- d) The integration of ESG factors must be for all actively managed Fixed Income and Equity Funds that are invested in debt instruments and/or shares of open or closed companies that are part of our Latin American coverage, excluding Brazil. The objective is to see the impact of ESG factors on the traditional models internally used for each asset class and thus be able to make a final investment decision that considers all risks.
 - Fixed Income:
 - Base Rating calculation, as defined in the Credit Risk Policy and its respective Manual.
 - ESG analysis.
 - Base Rating modification according ESG analysis.
 - Based on the ESG analysis, the Base Rating can be maintained, lowered or raised one notch.
 - ESG analysis must be presented in a complementary way with the financial analysis of the companies, as the respective areas require it.
 - Equity:
 - Financial analysis.
 - ESG analysis.
 - ESG analysis must be presented in a complementary way with the financial analysis of the companies, as the respective areas require it.

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- e) Conflicts of interest related to Responsible Investments must be addressed through direct engagement with companies. Then, with as much information as possible, internal governance must be activated, which involves management.
- f) This policy is complementary to the Credit Risk Policy, the Investment Policy and the Voting Policy of Itaú AGF.

4.4 Exclusions

List of economic sectors where Itaú has decided not to operate, as it believes that they contradict Itaú's values or affect people or their environment:

- Production or sale of any product considered illegal under Chilean legislation or any international regulation, convention or agreement or anything that is internationally prohibited such as pharmaceuticals, pesticides/herbicides, substances that harm the ozone layer, PBCs (polychlorinated biphenyls), wildlife or any product regulated under the Convention on International Trade in Endangered Species of Wild Fauna and Flora.
- Production or sale of radioactive materials (except for the purchase of medical equipment, quality control, measurement or any other equipment whose source of radioactivity is considered insignificant or duly protected).
- Production or activity that is considered harmful, exploitative or uses forced or child labor.
- Production or sale of adherent asbestos fibers (except for the purchase and use of cement tiles in which the asbestos component does not exceed 20%).
- Open sea (international waters) marine fishing where the net exceeds 2.5 km in length.
- Commercial lumber operations in tropical or native forests.
- Production or sale of wood or another forestry product that is not from sustainably managed forests.
- Companies related to activities that encourage and/or are connected to prostitution.

4.5 Stewardship: Engagement and Proxy Voting

4.51 Engagement

4.511 Companies

Itaú AGF seeks to relate to the companies in which it invests to understand them better. The objective is to establish a constructive dialogue and deepen knowledge about them to determine how ESG factors can affect their market value.

Itaú AGF is individually committed to actively promoting the adoption of ESG best practices in the companies that are part of its portfolios, through communication with them, in order to reduce risks and protect the interests of its clients. For the same purpose, and analyzing case by case, Itaú AGF participates in Collaborative Engagement processes to join forces with other investors who share its vision regarding the importance of sustainability in investments.

On the other hand, Itaú AGF encourages companies to promptly communicate any information related to ESG issues that may affect their financial performance.

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4.512 Policymakers and other stakeholders

Itaú AGF is committed to actively participating in working groups, consultation processes and information by public or private institutions, aimed at collaborative work through meetings between the parties for the development of responsible investments in Chile.

Additionally, through the different associations to which it belongs, Itaú AGF is committed to participating in the generation of discussions, preparation of technical documents and proposals that contribute to a more sustainable capital market.

4.52 Proxy Voting

Good corporate governance practices can promote greater alignment between the interests of companies and those of their shareholders.

To exercise the right to vote in Ordinary and Extraordinary Shareholders' Meetings of companies in which Itaú AGF has investments through its funds, ESG factors must be incorporated into the decision-making process.

4.6 Passive ESG Funds - Controls

Approval of new funds

The Products Committee is the body in charge of approving new funds in which Itaú AGF can invest, verifying that they comply with ESG requirements as defined in their respective prospectus.

The Research Team will participate in the initial evaluation by the Products Committee, delivering its recommendation according to the guidelines established in the manual associated with this policy.

Follow-up

After initial approval, a periodic review of Passive ESG Funds must be carried out, in order to guarantee that the funds meet the criteria established in their respective prospectus.

The review will be done by the Research team together with the Risk and Compliance Department at least annually.

4.7 Controls and Reporting

Compliance controls must be incorporated into the respective manuals, procedures and risk and control matrices.

In addition, compliance with the Responsible Investment Policy will be monitored through the Annual PRI Transparency Report.

Also, Itaú AGF publicly reports on its processes and progress related to responsible investments in its Annual Report and in the Annual Integrated Report of its Parent Company, Banco Itaú Chile.

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5. INFORMATION SOURCES

For the development and implementation of this policy, Itaú AGF uses as a source of information:

- **Development:**
 - PRI Guides¹.
- **Implementation:**
 - IAM Brasil Guides.
 - Sustainalytics
 - Bloomberg
 - Capital IQ S&P
 - SASB (Sustainability Accounting Standards Board).²
 - TCFD Recommendations (Task Force on Climate-related Financial Disclosures).³

6. RELATED DOCUMENTS

- a) [Investment Policy](#)
- b) [Credit Risk Policy](#)
- c) [Voting Policy](#)
- d) [Sustainability Corporate Policy](#)
- e) [Responsible Investment Policy Itaú Asset Management Brasil](#)
- f) [ESG Integration into Fixed Income Research - Itaú Asset Management Brasil](#)
- g) [ESG Integration into Fundamental Equity Valuation - Itaú Asset Management Brasil](#)
- h) [Integration of Climate Scenarios into the investments of Itaú Asset Management](#)
- i) [Responsible Investment and SDG.](#)
- j) [Climate Change- Itaú Asset Management Brasil](#)
- k) [Environmental Health and Safety Sector Guidelines - Energy Sector - Itaú Asset Management Brasil](#)
- l) [Environmental Health and Safety Sector Guidelines - Materials Sector - Itaú Asset Management Brasil](#)
- m) [ESG Risk Ratings - Methodology Abstract - Sustainalytics](#)
- n) [ESG Risk Ratings whitepaper Vol. 1 - Sustainalytics](#)
- o) [ESG Risk Ratings whitepaper Vol. 2 - Sustainalytics](#)
- p) [ESG Risk Ratings whitepaper Vol. 3 - Sustainalytics](#)
- q) [The ESG Risk Ratings Material ESG Issue – Human Rights - Sustainalytics](#)
- r) [Stewardship - PRI](#)
- s) [Reporting Framework Glossary - PRI](#)

¹ <https://www.unpri.org/>

² <https://sasb.org/standards/>

³ <https://www.fsb-tcfd.org/>

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7. GLOSSARY⁴

- **Responsible Investment:** Involves considering environmental, social and governance (ESG) issues when making investment decisions and influencing companies or assets (known as active ownership or stewardship). It complements traditional financial analysis and portfolio construction techniques.
- **Principles for Responsible Investment (PRI):** PRI is an association of investors and service providers with an international network that puts into practice the six Principles for Responsible Investment. Its objectives are to understand the implications of ESG factors on companies and to help its signatories in the integration of these factors in their investment decisions.
- **Stewardship:** Also known as 'active ownership', stewardship is the use of investor rights and influence to protect and enhance overall long-term value for clients and beneficiaries, including the common economic, social and environmental assets on which their interests depend
- **Engagement:** Interactions between an investor and current or potential investees/issuers, in order to: improve practice on an ESG issue, change a sustainability outcome in the real world or improve public disclosure. Engagement can also be with non-issuers, such as policy makers or standard setters.

⁴ <https://www.unpri.org/>