

TRANSFER PRICING POLICY

SUMMARY

Policy regulating cross-border transactions carried out with related parties abroad, which must be carried out at normal market prices, values or returns.

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1 OBJECTIVE

The purpose of this Transfer Pricing Policy ("the Policy") is to establish the regulatory and management framework to be observed with respect to all cross-border transactions entered into by Itaú Chile (hereinafter the "Bank" "Itaú Banco", "Itaú") or its domestic subsidiaries (collectively the "Itaú Group"), with related parties located abroad, which must be carried out at normal market prices, values or returns.

The guiding transfer pricing principle is the "Arm's Length" or "Market Value" principle as defined by the Organization for Economic Cooperation and Development (OECD) Guidelines, which serves as the basis for most jurisdictions in determining their transfer pricing rules, which seeks to ensure that transactions between related parties are carried out in the same or similar manner as they would have been carried out by independent entities, establishing prices, values or profitability margins that conform to market parameters.

The rules set forth below must be observed in order to define the prices and/or profits to be obtained by the entities of the Itaú Group that carry out transactions among themselves, and the methods and/or parameters for calculating them.

Notwithstanding the foregoing, all parties involved in the transaction must check that the prices and/or profits, as well as the methodologies and/or calculation parameters fully comply with local regulations, including Art. 41 E of the Income Tax Law. The Bank's Tax Planning Department must have the Transfer Price reports supporting the prices and/or profits, as well as the methods used to calculate them. Similarly, in the absence of such reports, the tax impact in the country or countries involved in the relationship must be reported.

Specific objectives:

- a. Ensure compliance with the Transfer Pricing rules of all entities within the Itaú Group by implementing a homogeneous approach applicable to intercompany transactions;
- b. Define common standards for determining Transfer Pricing between companies belonging to the Itaú Group;
- c. Establish the methods to be used to determine the Transfer Pricing in the main intercompany transactions carried out by the entities belonging to the Itaú Group; and
- d. Establish that the entities of the Itaú Group are compensated in accordance with the "Market Value" principle based on the duties performed, the assets they own and the risks they assume.

Notwithstanding the tax obligations regulated in this Policy, cross-border transactions entered into with related parties must strictly comply with the provisions of the **Related Party Transactions Policy**.

2 TARGET AUDIENCE

This policy is applicable to the Bank and all its domestic subsidiaries that carry out transactions with related companies abroad, in accordance with the description of duties and risks described throughout this document. This applies in cases where foreign transfer pricing legislation respects the "arm's length" or "market value" principle established by international transfer pricing guidelines, even if there are some country-specific particularities.

However, it should also be noted that in those cases in which the corresponding jurisdictions do not apply the "market value" principle, but use protection¹ and fixed percentages of returns regimes, this could lead to international double taxation scenarios as they do not coincide with the pricing guidelines developed in this procedure; it will be necessary to make the corresponding adjustments in order to avoid such situations. In other words, in these cases it will be necessary to analyze each of the operations to determine whether the "safe harbor" standards comply with the acceptable parameters according to local regulations.

In any of the above cases, this policy seeks to provide the Bank with a complete and precise control over these transactions, which requires monitoring these transactions during all stages (negotiation, implementation and compliance) so that the Tax Planning Department has the necessary information to comply with the pertinent tax and administrative obligations.

3 RULES AND RESPONSIBILITIES

3.1 The Policy covers all cross-border transactions entered into by Itaú Group companies among themselves, and this list is not exhaustive:

- a. Fixed asset transactions;
- b. Service transactions; and
- c. Financial transactions.

3.2 The companies providing the services must have the background information to reliably demonstrate that the amounts charged to the related entities, as a result of the provision of services,

¹ In tax matters, a safe harbor is a regulation that applies to a certain category of taxpayers, exempting them from certain obligations contained in the tax legislation and making them beneficiaries of a special, usually simpler, regime.

and the way of establishing the price of such transactions, are in line with transactions of a similar nature carried out by independent third parties and, therefore, have respected market parameters.

3.3 Market value is determined by applying the traditional or transactional Transfer Pricing methods set forth in Article 41 E of the Income Tax Act, as indicated below:

- Comparable Uncontrolled Price Method (CUP);
- Resale Price Method;
- Cost plus Margin Method;
- Profit Split Method;
- Transactional Net Margin Method (TNM);
- Residual Methods

3.4 All cross-border transactions between Itaú Group companies with related parties abroad must necessarily have a Transfer Pricing study (hereinafter "Transfer Pricing Report" or "TPR") that accounts for the determination of the prices, values or returns of the transactions. To this end, the Tax Planning Department, if required, will assist the respective areas, in order to help select suppliers to prepare these TPRs, both in liaising with them, as well as in the negotiations or contracting of services.

3.5 At the time of contracting or carrying out any negotiation with related parties, such negotiations shall be reported and sent to the Tax Planning Department, which may require the supporting documents indicated in numbers 3.3 and 3.4. This is essential to ensure the accuracy of the relevant TAs.

3.6 The Bank and its subsidiaries domiciled in Chile are required to keep at the disposal of the Chilean Internal Revenue Service (hereinafter the "SII"), all the information by virtue of which the Transfer Pricing methods have been applied to the respective transactions, or prepared the TPR, as indicated in numbers 3.3 and 3.4, respectively.

4 GOVERNANCE

4.1 The responsible business unit or management, which considers the need to enter into a cross-border transaction with a related person abroad, must inform, at least 10 days prior to the date of the transaction or contract, the Bank's Tax Planning Management, Financial Control Management, and Corporate Legal Management (together the "Validating Management Departments"), about the transaction to be entered into, so that these areas may issue an opinion on the feasibility and impact of the transaction. This information should be sent by e-mail to

preciodetransferencia@itau.cl, and a meeting should also be called to explain the respective business context.

4.2 Any of the aforementioned transactions must have a contract or formal agreement between the parties, ratified by the respective validating Management offices prior to the signing of the document. The above is irrespective of the amounts involved in the relevant transactions.

4.3 Prior to the signing of the aforementioned documents, the Transfer Price Report must be submitted to the validating Management Offices. A copy of the report should be sent to the following e-mail address preciodetransferencia@itau.cl

4.4. Once the approval of the validating Management Offices has been obtained, the Corporate Legal Division will inform the responsible business unit or management, in accordance with the provisions of 4.1 above, of the conformity to sign the respective agreements.

4.5 The Tax Planning Department will keep a list of all cross-border transactions with related parties for the purpose of consolidating the information required by the Annual Tax Affidavits (TA No. 1907 and 1951) to be sent to the SII. In this regard, the Corporate Counsel Management must keep available and update the list of related parties (hereinafter, "the list"), in accordance with Article 100 of the Securities Market Law, No. 18,045.

Likewise, the Tax Planning Department will be in charge of maintaining and safeguarding the Transfer Pricing reports prepared for Itaú, which will be sent to the e-mail address preciodetransferencia@itau.cl

4.6 For the purposes of preparing the respective Tax Affidavits (TA), the Tax Planning Department will take the data contained in the list, as well as all the transactions that have been reported in accordance with points 3.5 and 4.1 of this Policy.

4.7 The aforementioned information will be taken into account when preparing the note on transactions between related parties, which is the responsibility of the Financial Control Department.

4.8 Failure to comply with the obligations of any of the parties involved in this procedure shall be reported to the respective corporate divisions, as well as to the Chief Executive Officer.

5 RELATED DOCUMENTS

- Related Party Transactions Policy.