



ESG SUPPORTING DOCUMENT 2023

COMPLEMENTARY TO THE INTEGRATED REPORT FY 2023
CAJA DE COMPENSACION DE ASIGNACION FAMILIAR DE LOS ANDES

The scope of the ESG data reported by Caja Los Andes covers all of the company and its controlled subsidiaries, in line with its financial consolidation criteria. Therefore, the same consolidation boundaries are used for both financial and non-financial data. In this way, we aim to provide our stakeholders with sustainability disclosures that adequately reflect our organizational and management reality, providing an accurate picture of the environmental and social impacts of the company.

We have assessed whether the members of the Board of Directors comply with the independence criteria defined by S&P Global in its Corporate Sustainability Assessment. To be considered independent, these criteria require that members meet at least 4 of the following 9 criteria (of which at least 2 must be of the 3 first criteria):

1. The director must not have been employed by the company in an executive capacity within the last year.
2. The director must not accept or have a “Family Member who accepts any payments from the company or any parent or subsidiary of the company in excess of \$60,000 during the current fiscal year”, other than those permitted by SEC Rule 4200 Definitions, including i) payments arising solely from investments in the company's securities; or ii) payments under non-discretionary charitable contribution matching programs. Payments that do not meet these two criteria are disallowed.
3. The director must not be a “Family Member of an individual who is [...] employed by the company or by any parent or subsidiary of the company as an executive officer.”
4. The director must not be (and must not be affiliated with a company that is) an adviser or consultant to the company or a member of the company’s senior management.
5. The director must not be affiliated with a significant customer or supplier of the company.
6. The director must have no personal services contract(s) with the company or be a member of the company’s senior management.
7. The director must not be affiliated with a not-for-profit entity that receives significant contributions from the company.
8. The director must not have been a partner or employee of the company’s outside auditor during the past year.
9. The director must not have any other conflict of interest that the board itself determines to not be considered independent.

All members of Caja Los Andes' Board of Directors comply with the independence criteria defined by S&P Global in its Corporate Sustainability Assessment:

Director:	Ítalo Ozzano	Andrés Arriagada	Joaquín Cortez	Pablo Portales	Ximena Bravo	Claudia Castro	Marcela Andaur
Condition 1	✓	✓	✓	✓	✓	✓	✓
Condition 2	✓	✓	✓	✓	✓	✓	✓
Condition 3	✓	✓	✓	✓	✓	✓	✓
Comply from 1 to 3	3	3	3	3	3	3	3
Condition 4	✓	✓	✓	✓	✓	✓	✓
Condition 5	✓	✓	✓	✓	✓	✓	✓
Condition 6	✓	✓	✓	✓	✓	✓	✓
Condition 7	✓	✓	✓	✓	✓	✓	✓
Condition 8	✓	✓	✓	✓	✓	✓	✓
Condition 9	✓	✓	✓	✓	✓	✓	✓
Comply from 4 to 9	6	6	6	6	6	6	6
INDEPENDENT?	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Board mandates: Among the 7 members of Caja Los Andes' board of directors, all of them hold mandates on other boards of companies listed on stock exchanges either in Chile or abroad. However, none of them hold more than 4 mandates.

Board meeting attendance: In the Corporate Governance Code of Caja Los Andes, it is a requirement for directors to attend and participate in committee meetings. The Code also specifies that a director's term may end due to repeated unjustified absences, with a maximum of four allowed within a six-month period. Based on these guidelines, and considering there are typically 12 sessions per year, the minimum required attendance rate stay at 66.67%.

As of September, 2024, the average tenure of our Board of Directors was 2.3 years, taking into account the date when each was appointed:

Ítalo Ozzano: Apointed on August, 2017.

Andrés Arriagada : Apointed on August, 2023.

Joaquín Cortez : Apointed on September, 2022.

Pablo Portales : Apointed on August, 2023.

Ximena Bravo : Apointed on January, 2022.

Claudia Castro : Apointed on August, 2023.

Marcela Andaur : Apointed on August, 2023.

It is important to note that our bylaws establish that Board members, once elected, shall hold office for a period of three years, and can be re-elected for up to two additional terms. Upon completion of the maximum period of nine years, they may not run again as candidates. The only exception applies to the Chairman.

Caja Los Andes has predefined corporate performance indicators relevant to the Chief Executive Officer's (CEO) variable compensation. These indicators are linked to both Financial Returns and Relative Financial Metrics:

Financial Returns: The CEO's variable compensation is partly based on metrics that drive the financial performance of the company. These include:

- **Efficiency:** The company measures its financial efficiency by the generation of surplus before distributing benefits, assessed annually in millions of local currency (MM\$). This reflects the company's ability to optimize its financial resources and generate returns before obligations such as benefits are distributed.

Relative Financial Metrics: In addition to internal financial targets, the CEO's compensation is also tied to the company's performance relative to its peers and the market. These metrics include:

- **Market Share:** The company tracks its market penetration among active employees and pensioners, ensuring that it maintains or increases its market position relative to competitors. This metric provides insight into how the company compares to peers in terms of market growth and customer reach.
- **Customer Experience:** Improvement in the Net Promoter Score (NPS) is a key metric that reflects customer satisfaction and loyalty, indirectly indicating competitive positioning in the market.
- **Stakeholder Relations:** The global SSINDEX survey, which measures the company's perception across various stakeholder groups (customers, employees, suppliers, investors, etc.), is another important comparative metric. A positive result in this survey enhances the company's reputation and standing relative to peers.

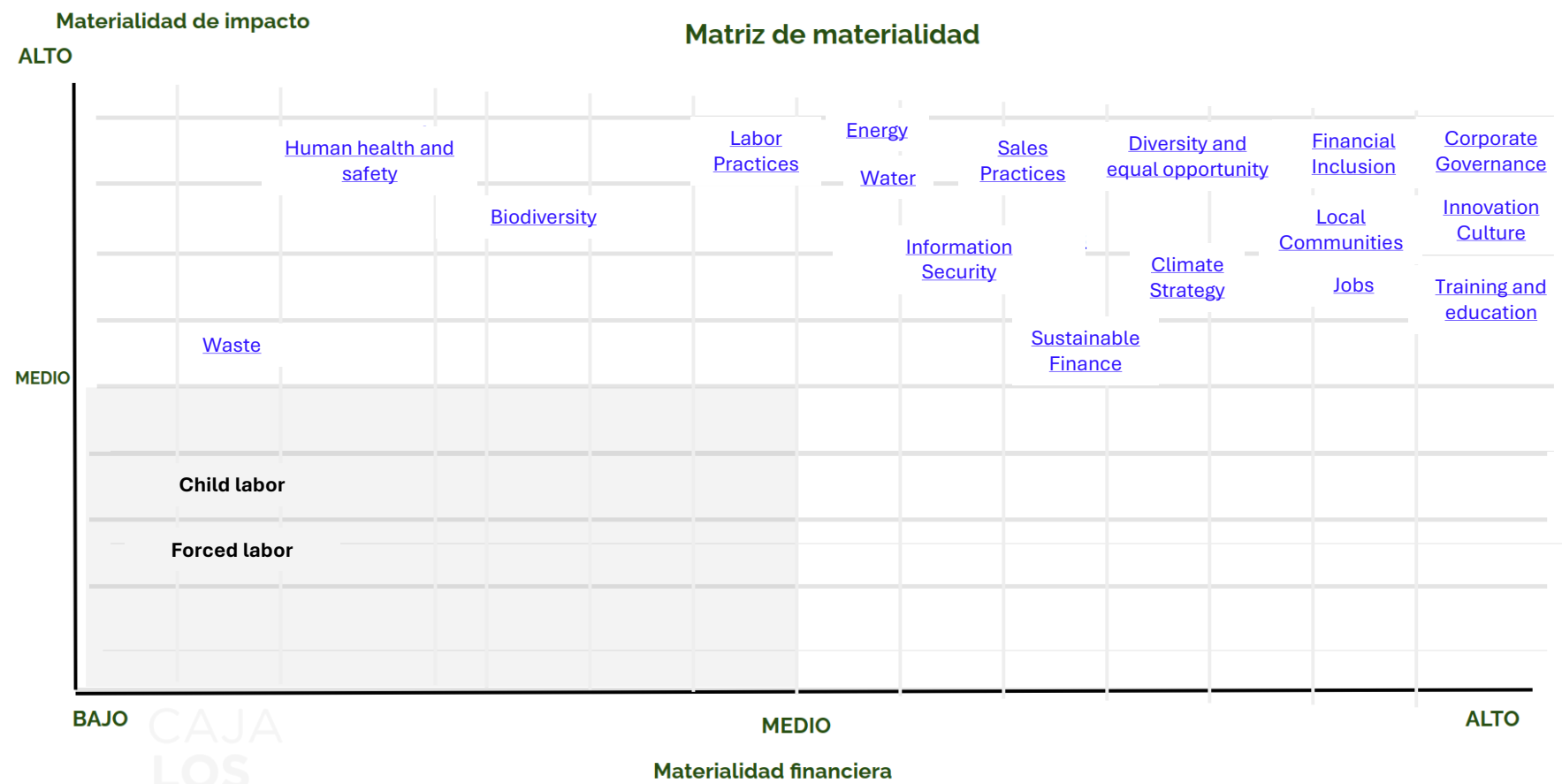
These metrics form the basis for calculating the CEO's incentive compensation, and detailed information regarding these performance indicators is available in the company's public reporting.

1.3.1

Materiality Analysis

Our Materiality Analysis is frequently updated, at least, once every year.

Our material issues have been reported in our Integrated Annual Report 2023, and prioritization of topics can be found below:



At Caja Los Andes, we integrate the outcomes of our materiality assessments into our enterprise risk management processes. Our risk governance framework is built on robust policies and methodologies that facilitate the identification, analysis, and mitigation of significant risks. The alignment between material issues and key business risks is strengthened through continuous monitoring and reporting, ensuring a holistic approach to managing both financial and non-financial risks. 'Climate Strategy' has gained relevance as a material topic in recent years, whereas previously, such topics were not part of the risks managed at Caja Los Andes. A notable example is how we now actively manage 'Climate Risk.' Further details are available in our 2023 Integrated Annual Report.

Since 2021, Caja Los Andes has conducted the Stakeholders Sustainability Index (SSIndex) annually to gather valuable insights from our stakeholders on key sustainability topics. In 2023, the survey involved 4,110 participants, including external stakeholders such as employees, affiliated companies, working and retired members, suppliers, and other key actors. This broad involvement of external stakeholders plays a crucial role in our materiality analysis process, helping to integrate their perspectives into identifying and prioritizing material issues.

The results of the Materiality Analysis have been published in our 2023 Integrated Annual, this document has been reviewed and approved by our Board of Directors.

Our people: Trust and Quality of Life:

- Our people are crucial to Caja Los Andes' performance because it directly influences employee engagement, productivity, and long-term retention, all of which have significant financial implications. Trust and a positive work-life balance are key drivers of employee commitment and motivation, which in turn reduce absenteeism, turnover, and operational risks. When employees feel supported and valued, as reflected by the 86% satisfaction rate in the Great Place to Work assessment, they are more likely to stay with the company, leading to lower recruitment and training costs. Furthermore, a focus on employee well-being mitigates risks related to burnout and disengagement, which can negatively impact service quality and customer satisfaction. In a competitive labor market, maintaining a workforce that feels empowered and secure ensures that Caja Los Andes can continue to deliver high-quality services, protecting its revenue streams and enhancing its reputation. By addressing the quality of life and trust within the organization, Caja Los Andes strengthens its human capital, which is a critical asset in sustaining its operational success and financial stability.
- Caja Los Andes addresses this material issue through a comprehensive strategy focused on enhancing employee well-being and fostering a culture of trust. This strategy is operationalized through initiatives like the Work-Life Balance Program, which promotes flexible working arrangements, and the Quality of Life Program, which includes emotional support, health benefits, and tools like the Emotional Check-in to monitor and respond to employee needs. These initiatives are designed to reduce turnover, absenteeism, and operational risks, ensuring a stable and engaged workforce. The company also implements diversity and inclusion programs, which aim to create an equitable work environment, further contributing to employee satisfaction and commitment. Together, these strategies align with the company's broader goals of maintaining high levels of employee trust and well-being, while also directly supporting operational efficiency and long-term financial sustainability.

Customer Experience and Satisfaction:

- Customer experience and satisfaction are essential drivers of Caja Los Andes' overall business success, especially in relation to sales practices. These factors are closely linked to the company's ability to generate revenue, mitigate risks, and reduce costs. High levels of customer satisfaction enhance loyalty and engagement, encouraging repeat use of key services and additional welfare benefits. Satisfied customers are more likely to recommend our products, contributing to organic growth and strengthening the company's brand reputation. Conversely, poor customer experiences pose significant operational risks, as dissatisfied customers may lead to increased complaints, regulatory scrutiny, and reputational damage, all of which can negatively impact financial performance. When sales practices align with customer expectations, they help mitigate legal risks and foster trust with stakeholders, including members, affiliated companies, and regulators. Additionally, improving customer experience can lead to cost savings by minimizing the need for corrective actions, reducing churn rates, and improving operational efficiency through streamlined customer service processes. By continuously enhancing customer satisfaction, we not only strengthen its market position but also secure long-term financial sustainability, while ensuring that its operations remain aligned with its mission of promoting social welfare and contributing to the well-being of millions of people. In this way, sales practices tied to customer experience become a core driver of both risk management and revenue generation for the company.
- To address this, Caja Los Andes has implemented several strategic initiatives focused on enhancing service quality and customer engagement across its products and services. One of the key strategies is the expansion and digitalization of its service channels, including the development of the Tapp digital prepaid card, which provides customers with convenient, user-friendly access to financial services. Additionally, our investment in its Customer Experience Lab (CXLab) allows the company to continuously improve service delivery by utilizing data-driven insights to tailor offerings that meet customer needs. The Digital Factory within CLA also plays a critical role in developing personalized and accessible digital solutions that enhance the customer journey, allowing members to manage their benefits, loans, and social services more efficiently. Moreover, Caja's agile transformation strategy ensures that customer feedback is incorporated into operational improvements, enabling quick adjustments to service offerings and enhancing overall customer satisfaction. These initiatives are supported by robust training programs aimed at empowering employees to deliver high-quality, people-centered service, reinforcing our commitment to customer satisfaction as a core business objective.

Penetration of financial services and social benefits:

- Financial inclusion, particularly through the penetration of financial services and social benefits, is a critical driver of Caja Los Andes' business performance. Expanding access to financial products such as social loans, prepaid cards like Tapp, and digital banking services, enables us to increase our customer base and drive revenue growth. The inclusion of underserved populations, particularly in rural and lower-income areas, opens new market opportunities, fostering both customer acquisition and retention. This broad reach helps us to differentiate as a leader in the social security sector, enhancing our competitive advantage. Additionally, improved financial inclusion reduces operational risks by distributing Caja's financial services more evenly across demographic segments, minimizing the reliance on a concentrated market base and thereby diversifying revenue streams. It also mitigates reputational risks associated with social inequality, as greater inclusion enhances the company's social value proposition and aligns with our mission of promoting well-being for all. The cost of not addressing financial inclusion could manifest in missed opportunities for growth and increased regulatory pressures, particularly in an environment where the demand for inclusive financial services is rising. Thus, the penetration of financial services is not only a social imperative, but a strategic business priority directly tied to our financial sustainability and risk management.
- To address the material issue of financial inclusion and expand the penetration of our financial services and social benefits, we have implemented several key strategies. One of our primary initiatives is the Tapp digital prepaid card, which allows us to reach underserved populations, particularly in rural areas where traditional banking services are limited. Additionally, we launched the 90-Day Inclusion Challenge, a pilot financial education program that helps financially excluded communities access our wide range of social and financial products. This program is designed to be scalable, ensuring we can promote financial inclusion and foster responsible use of our services. We are also enhancing accessibility by utilizing mobile branches and expanding our digital platforms, making it easier for both urban and remote customers to apply for and manage social loans, savings plans, and insurance products. Through these initiatives, we are directly addressing financial inclusion by bridging access gaps, increasing financial literacy, and expanding our reach, all while staying true to our mission of promoting social welfare and economic equity.

Executive Compensation and Incentives related to material issues:

Caja Los Andes offers an annual variable bonus called the "Single Incentive for Annual Productivity." This bonus is paid to all executives and employees as compensation, based on their base salary, at the end of each year. The amount depends on the percentage of achievement of the company's annual objectives and the employee's management level.

The aspects that are assessed and the metrics used are the following:

- EXPERIENCE: Improve recommendation through NPS in annual measurement
- REACH: Increase product and benefit penetration annually. Increase % of members with benefits in at least 2 pillars
- MARKET SHARE: Maintain market share among active workers and increase market share among pensioners
- PEOPLE: Maintain or improve GPTW survey result annually
- EFFICIENCY: Generate surplus before delivery of Benefits annually
- RELATIONSHIP: Increase the result of the SSINDEX (stakeholder perception) survey annually
- CARBON FOOTPRINT: Reduce the carbon footprint with respect to the baseline.

Risk Review: We formally review our risk exposure on a regular basis, both at corporate level and also for our subsidiaries, more frequently than twice a year, through various committees that monitor and manage operational, financial, and non-financial risks to ensure informed decision-making and compliance with legal regulations. Risk review involves establishing risk management practices that are overseen and managed by the Corporate Risk Management through various areas responsible for identifying, monitoring, measuring, and mitigating potential risks that could impact the defined objectives and operations, potentially resulting in financial losses, reputational damage, or harm to employees. To execute this, there is an appropriate committee structure that supports corporate governance in making informed decisions for the Board, primarily through the Risk and Finance Committee. Additionally, there are other internal instances within and beyond the Corporate Risk Management that support risk administration and decision-making prior to the Board:

- **Risk Commission:** Monthly review of risk appetite indicators for each risk, such as Credit Risk, Liquidity Risk, Market Risk, and Non-Financial Risks (Operational, Technological, Outsourced Services, Reputational, Internal Control, Operational Continuity, Fraud Risk).
- **Operational Risk Committee:** A biweekly meeting where the organization defines the level of operational risk it is willing to take, considering its business activities and ensuring compliance with current legal regulations.
- **Normalization Committee:** A session where the monthly results of collection management regarding the current and written-off delinquent portfolio are presented, as well as the normalization strategies for the upcoming month.

For further, and detailed information, please refer to our Integrated Annual Report 2023.

Risk Management Process Audit:

- **Internal Audits:** At Caja Los Andes, internal auditing plays a critical role in the third line of defense, providing an independent evaluation of the design and operation of internal risk management and control processes. These audits are conducted based on best practices outlined in ISO 31000 and COSO standards. The internal audit team assesses the operational risk management methodology, focusing on the control environment, risk assessment, control activities, communication, and monitoring. This is conducted on an annual basis, and for the period between January and December 2023, the audit specifically evaluated the design, operation, and regulatory compliance associated with managing operational losses, operational risk self-assessment, and the internal control system, ensuring their proper integration and execution.
- **External Audits:** In 2023, the Superintendence of Social Security (SUSESO) conducted external audits on Caja Los Andes' risk management practices, in accordance with the regulatory framework outlined in the Compendium of Rules governing Family Allowance Compensation Funds. These audits ensure compliance with established regulations and the effective management of risks within the organization.

Risk Culture: Caja Los Andes has strategies in place to promote an effective risk culture throughout the organization:

- **Risk training:** At Caja Los Andes, fostering a strong risk culture is a top priority to ensure the integration of risk processes, procedures, and awareness across all levels of the organization. This is achieved through the Annual Risk Culture and Awareness Program, led by the Non-Financial Risk and Internal Control Management team. The program is designed to create an organizational culture that emphasizes the importance of identifying, evaluating, controlling, and mitigating non-financial risks. The program offers a range of training initiatives, tailored to different roles and levels within the company. Key employees involved in operational risk management and internal control receive specific training, planned in collaboration with the training department to reinforce their competencies. Additionally, monthly corporate inductions for new employees and leaders focus on preventive risk management and internal controls. Mandatory e-learning courses, video capsules, and weekly updates ensure that all employees stay informed and aligned with the best practices in risk management and internal control. This comprehensive approach guarantees that risk awareness is deeply embedded in the organizational culture.
- **Considering risk factors when developing new products or services:** Caja Los Andes has an Internal Risk Management Procedure for Projects, which establishes the general requirements and principles related to risk management when incorporating new products, projects, process modifications, and pilots. This procedure ensures the proper identification, evaluation, mitigation, and monitoring of risks, with a particular focus on operational risks. It applies to all new developments, whether internal or external, regardless of the funding source or implementation method. The process promotes a systematic approach to managing risks, ensuring that any significant exposures are documented and reported transparently to business units, senior management, and the Board for proactive risk management.

Regulatory Changes in our Sector

Description	At Caja Los Andes, we have identified an emerging risk stemming from potential regulatory changes in the Chilean compensation funds sector. Ongoing parliamentary discussions on social security, pension reform, and health insurance (Isapres) could lead to new laws that significantly alter our operations. This situation is driven by increasing demands for greater transparency amid declining confidence in public institutions, corporations, and politics. Although these regulatory changes are still in the discussion phase, we believe they could have substantial long-term impacts, requiring us to adjust our business model and strategy.
Impacts	The potential impact of these regulatory shifts is significant for CLA, as they could affect our primary source of income: the granting of Social Credit. Additionally, changes in social security regulations may disrupt other financing sources, including revenue from services provided to the state and contributions from pensioners. If these changes materialize, they could negatively affect our financial statements, given that our main product and source of income is loan issuance. The uncertainty surrounding the future of social security, and its regulation underscores the need for us to adapt quickly and strategically.
Mitigating actions	To mitigate this risk, we are actively working on diversifying our sources of income. We have established strategic alliances with key companies in the insurance and savings sectors, such as Cardiff and AGF Soy Focus, and have launched the TAPP fund provision card, aimed at promoting social inclusion. Additionally, we are undergoing a deep process of digital transformation to address market challenges, technological disruption, and potential regulatory changes. This transformation is guided by top-tier international consultants and is part of a long-term strategic plan designed to help us navigate the uncertainties ahead.

Cybersecurity Risks Following the Adoption of Artificial Intelligence

Description	<p>At Caja Los Andes, we have identified an emerging risk related to the adoption of Artificial Intelligence (AI). While AI holds great promise due to its ability to process vast amounts of data, learn from complex patterns, and make autonomous decisions, it also introduces new cybersecurity challenges. Currently, there is no legal framework in Chile specifically addressing AI-related cybersecurity risks. This emerging risk is driven by the increasing sophistication of cyberattacks, such as social engineering and phishing, which are already leveraging AI to enhance their effectiveness. Additionally, AI-powered systems themselves may become targets for sophisticated cyberattacks, posing potentially devastating consequences.</p>
Impacts	<p>The potential impact of AI-related risks is significant. Cyberattacks like phishing have become more effective due to advancements in AI, enabling attackers to steal credentials, passwords, and sensitive information from customers, employees, and the organization itself. Manipulating algorithms to achieve malicious outcomes or exploiting vulnerabilities in autonomous systems are just some examples of how AI can be weaponized. The threat of data breaches, service disruptions, and loss of confidential information is real and presents one of the major dangers associated with AI. The rapid pace of AI development creates uncertainty, making it difficult to predict how this technology will impact cybersecurity in the future.</p>
Mitigating actions	<p>To mitigate these risks, we have established the AI Taskforce, composed of nine leaders from different areas of CLA, to promote awareness of the ethical use of AI within the organization. This taskforce aims to define and implement policies and procedures for training our employees on AI and new technologies. Additionally, we are in the process of reviewing two Information Security Guidelines that will provide general directives and responsibilities regarding the use of AI across the organization. We also conduct cybersecurity webinars and share best practices to raise awareness and prepare our teams for AI-related risks.</p>

1.5.3 and 1.5.5

Crime Prevention: Business Policy/ Procedures; and Codes of Conduct: Systems/ Procedures

Caja Los Andes conducts an annual independent assessment of its monitoring procedures as part of its crime prevention efforts, in compliance with business policies and procedures. This assessment has been conducted by MC Compliance is a Chilean company specializing in the audit, certification, and verification of compliance systems. They focus on the implementation and review of crime prevention models, particularly in relation to Law 20.393 on corporate criminal liability. MC Compliance acts as an independent third party, conducting external audits to ensure that companies' policies and procedures meet legal requirements. They provided independent certification and auditing of Caja Los Andes' Crime Prevention Model (MPD), verifying that the system complies effectively with the relevant legal standards.

This assessment is outlined in documents such as *Certificado N° 485/2023*, which verifies that the company has an implemented Crime Prevention Model (MPD) that meets all the requirements established in Article 4 of Law No. 20.393, considering the size, business type, income level, and complexity of the organization. Additionally, the *Informe de Re-Certificación* confirms that the Crime Prevention Model has been audited and has undergone rigorous testing to ensure the sufficiency and effectiveness of its controls. The compliance system is certified and audited by independent MC Compliance, this certification process involves a thorough review of the company's codes of conduct, compliance systems, and breach reporting mechanisms, ensuring that all procedures are effective and up to standard. This independent third-party verification guarantees that our system remains compliant with legal requirements and maintaining ethical business practices.

1.5.3 and 1.5.5

Crime Prevention: Business Policy/ Procedures; and Codes of Conduct: Systems/ Procedures



CERTIFICADO N° 485/2023

Adopción e Implementación Modelo de Prevención de Delitos

En Santiago, con fecha 15 de febrero del año 2023, MC Compliance S.A., Rut N° 76.125.969-5, entidad registrada con el N° 3 en el Registro de Entidades Certificadoras de Modelos de Prevención de Delitos que mantiene la Comisión para el Mercado Financiero, certifica que **Caja de Compensación de Asignación Familiar de los Andes** Rut N° 81.826.800-9, en relación a la Ley N° 20.393:

- (i) Cuenta con un Modelo de Prevención de Delitos;
- (ii) Que dicho Modelo se encuentra implementado; y
- (iii) Que dicho Modelo contempla todos los requisitos establecidos en los numerales 1), 2) y 3) del artículo 4º de la Ley 20.393, en relación a la situación, tamaño, giro, nivel de ingresos y complejidad de Caja de Compensación de Asignación Familiar de los Andes, de conformidad con lo dispuesto en la letra b) del N° 4 de dicho artículo.

El presente Certificado tendrá una duración de dos años a contar de esta fecha. Sin embargo, su vigencia queda subordinada a las siguientes condiciones:

- 1) Cumplir con los Planes de Mejoras descritos en Informe de Re-Certificación.
- 2) Mantención de las condiciones que se observaron y verificaron a la fecha de preparación y entrega del Informe de Re-Certificación mencionado anteriormente.

Estuvo a cargo de la dirección del proceso de Certificación y de la evaluación del Modelo de Prevención de Delitos, Héctor Roco Castillo, Rut 14.016.543-3 y Patricio Eguiguren Muñoz, Rut 06.066.487-0.

MC Compliance S.A., declara que no pertenece al grupo empresarial de la entidad Certificada y que ni MC Compliance S.A. ni sus personas relacionadas han asesorado a la entidad Certificada o a una entidad de su grupo empresarial para efectos del diseño o implementación de su Modelo de Prevención de Delitos.

Patricio Eguiguren M.
Director Comercial
MC Compliance S.A.

Héctor Roco
Director de Auditoría
MC Compliance S.A.



Santiago, 19 de Junio de 2024

Señor
Francisco Smith
Encargado de Prevención de Delitos
Caja de Compensación de Asignación Familiar de Los Andes
Presente

De nuestra consideración:

En atención a lo establecido en la Norma de Carácter General (NCG) N° 302 de fecha 25 de enero de 2011, emitida por la Comisión para el Mercado Financiero (CMF) tengo el agrado de presentar a su consideración, nuestro Segundo Informe de Seguimiento del Modelo de Prevención de Delitos tipificados en la Ley N° 20.393, para Caja de Compensación de Asignación Familiar de Los Andes.

En este Informe se realiza una revisión de los controles más importantes relacionados con el Modelo de Prevención de Delito que Caja de Compensación de Asignación Familiar de Los Andes mantiene.

Hacemos presente que nuestras apreciaciones y/o conclusiones se realizan a partir de la información proporcionada por Caja de Compensación de Asignación Familiar de Los Andes, de forma tal que, si cualquiera de los instrumentos o antecedentes entregados para nuestra revisión careciere de integridad, vigencia o validez, ninguna parte de este informe tendrá efecto legal ni podrá atribuirse a nuestra empresa como una opinión válidamente emitida.

Agradecemos la confianza depositada en nuestra firma y la ayuda recibida por todo el personal de Caja de Compensación de Asignación Familiar de Los Andes, en el desarrollo de nuestro trabajo.

Saludamos muy atentamente a usted.

Héctor Roco
Director de Auditoría
MC Compliance S.A.

During 2023, no breaches were substantiated regarding corruption, bribery, discrimination, harassment, customer data privacy, conflicts of interest, money laundering, insider trading, or any other issue covered by our Code of Conduct (“Código de Buenas Prácticas y Conductas Caja Los Andes”).

1.6.1

Contributions & Other Spending

The total annual amount of our monetary contributions and expenses for lobbyists or lobbying organizations, trade associations, and other tax-exempt groups:

	2020	2021	2022	2023
Lobbying, interest representation or similar	0	0	0	0
Local, regional or national political campaigns / organizations / candidates	0	0	0	0
Trade associations or tax-exempt groups	\$ 16,293,013	\$ 83,258,399	\$ 70,398,738	\$ 77,644,118
Other (e.g. spending related to ballot measures or referendums)	0	0	0	0
Total contributions and other spending	\$ 16,293,013	\$ 83,258,399	\$ 70,398,738	\$ 77,644,118
Data coverage (as % of employees)	100%	100%	100%	100%

We approach global warming from a strategic perspective in order to have a positive impact on our affiliates, and at the same time, contribute to the challenges that Chile has assumed within the framework of the Paris Agreement.

Our sustainability strategy has been validated by the company's board of directors, reflecting our commitment to this important cause. Likewise, we have established a solid environmental strategy with concrete objectives and goals in energy efficiency, water management, and the incorporation of renewable energies for our operation. One of our key ambitions is to reduce our emissions by 50% by 2030, in line with scientific guidelines for effectively addressing climate change. In addition, we have set ourselves the target of zero emissions by 2040.

In this regard, governance is key to ensuring that we meet these environmental targets. To this end, we have implemented a robust governance structure that constantly monitors and tracks our progress toward reducing emissions and achieving our environmental commitments.

Along these lines, we have decided to establish alliances with important actors that demonstrate our intention to strengthen our commitment and align ourselves with global best practices. We joined key bodies such as the United Nations Global Compact and the Climate Action Alliance. These affiliations allow us to collaborate effectively with other stakeholders through different working groups and to promote concrete actions to combat climate change at the national and international levels.

Our actions not only reflect our commitment to sustainability, but also contribute directly to the challenges that Chile has assumed under the Paris Agreement. We are focused on reducing our greenhouse gas emissions, promoting sustainable practices and actively participating in the fight against climate change. Through these initiatives, we are working together with other actors to forge a more sustainable and resilient future for Chile and the world.

Additionally, our approach to climate change is reflected in the climate policy positions and activities of trade associations in all jurisdictions where we operate. We ensure that these positions are aligned with our sustainability strategy and climate commitments, fostering consistency and integrity in our efforts to address global warming across all regions where we have a presence.

Caja Los Andes is a privately held, non-profit social security entity that operates as a Family Allowance Compensation Fund, in accordance with Chilean Law No. 18,833, the General Statute for Family Allowance Compensation Funds. The purpose of these social security entities is the administration of social security benefits for its affiliates. This type of entity is exempt from First Category Tax, by application of number 3 of article 40 of the First Category Tax Law (LIR), as it is a social security institution that has the authorization of the President of the Republic through Supreme Decree No. 326. Except for a few exceptional items which account for less than 2% of our total income, the income obtained by Caja Los Andes is exempt of income tax, and therefore any assessment related to our tax obligations can be considered not applicable.

Board of Directors responsibility: The cybersecurity strategy at Caja Los Andes is overseen by the Chairman of the Board, with direct support from the Risk and Finance Committee, a board-level committee responsible for Information Security and Cybersecurity. This committee, chaired by Ítalo Ozzano and comprised of Pablo Portales Montes, Claudia Castro Hruska, and Andrés Arriagada Laissle, plays a critical role in reviewing and approving risk management proposals, evaluating key risks, and defining policies for mitigating them.

Italo Ozzano - Chairman of the Board of Directors and Risk and Finance Committee: Civil Industrial Engineer from Universidad de Santiago de Chile. He was National Vice President, Director, National Counselor and President of the Industrialists Committee of the Chilean Construction Chamber (CChC). He has been a member of the Board of Caja Los Andes since 2017. Currently, he is Corporate Business Manager of Gerdau AZA. S.A, where he also served as Business Development Manager and Commercial Manager. Therefore, it is for this and other positions, he has gained experience in cybersecurity.

Executive Management Responsibility: Luis Valdebenito, from the Risk Management team, serves as our Chief Information Security Officer (CISO). He is tasked with establishing and maintaining the vision, strategy, and programs to protect Caja Los Andes' information assets and technologies. In this capacity, he designs and supervises the organization's cybersecurity policies to ensure the protection of data and systems against emerging threats. He reports directly to the Corporate Risk Officer (CRO), Maricel Suarez, ensuring that all cybersecurity initiatives align with the broader risk management strategy defined by the Risk and Finance Committee.

As a *Caja de Compensación*, Caja Los Andes' core business model focuses on providing social security and financial services to affiliated workers, pensioners, and their families. This model enables us to offer a range of benefits that complement the public social security system, including social loans, mortgage loans, savings accounts, and insurance products. These services are designed to meet the essential needs of our members, such as healthcare, education, and recreation, while promoting financial inclusion through responsible lending practices. Caja Los Andes actively promotes financial inclusion by focusing on a conscious credit policy and responsible lending practices, ensuring that our members' financial well-being is prioritized. Our approach to sustainable financing builds on this foundation, incorporating three key pillars: Universality, Responsibility, and Conscious Access, ensuring that we extend financial solutions that are both socially and environmentally responsible. By embedding these principles, we deliver access to formal, responsible, and informed financing alternatives for our affiliates. Our commitment to sustainable development is reflected in:

- Serving the most vulnerable segments of our population.
- Offering convenient rates to ensure affordability and accessibility.
- Addressing basic needs through financing that supports health, education, food, and recreation.

Through these financial solutions, we aim to improve the well-being of our members while contributing to broader sustainability goals.

In the financing products segment, we operate based on our **Risk Policy** and the benefits structure outlined in our **Credit Policy**, which guide and regulate our actions. Additionally, we ensure full compliance with current SUSESO regulations, and we continuously monitor our performance using key indicators from regulatory agencies monthly, such as Commission for the Financial Market, the regulatory body responsible for overseeing and supervising financial markets, including banks, insurance companies, stock exchanges, and other financial entities. This approach allows us to maintain responsible and transparent financial practices, ensuring that we meet the needs of our affiliates while upholding the highest standards of accountability.

Caja de Compensación Los Andes (CLA) is a non-profit Chilean organization that provides social benefits to its members, who are typically workers and pensioners. Its business model is based on offering services such as loans, social support, health benefits, education, recreation, and discounts on a variety of products and services. Among these services, social loans are one of the most prominent offerings, as personal loans are provided to its members under preferential conditions.

Among all our products, we have the emergency “Health Loan” which is a product available monthly, aimed at supporting our members in financing unforeseen health-related emergencies. This pre-approved loan can only be used directly at pharmacies, medical centers, and opticians, offering a credit amount of \$120,000 CLP for pharmacies and \$240,000 CLP for medical centers and opticians. With a repayment period of 3 to 6 months, this loan aligns with sustainable consumer loan principles by promoting financial inclusion through accessible and responsible credit offerings, ensuring our members can cover essential health expenses without financial strain.

In 2023, the total amount of emergency loans granted reached MM\$42,202 CLP, reflecting our commitment to providing financial support during critical times.

2.1.1

Energy Consumption

Total energy consumption	Unit	2020	2021	2022	2023
Total non-renewable energy consumption	MWh	7,102	8,495	10,583	12,406
Total renewable energy consumption	MWh	2,753	2,033	2,661	2,686
Data coverage (as % of total employees)	%	25.61%	38.91%	100%	100%

Our 2023 target for total non-renewable energy consumption was to reduce 3% compared to the previous year. This corresponds to 10,265MWh.

2.2.1

Waste Disposal

Waste	Unit	2020	2021	2022	2023
Recycled/reused waste	metric tonnes	0.5	8.5	25.7	33.82
Household and similar waste (HSW)	metric tonnes	417.7	411.7	606.0	606.84
Composting	metric tonnes	-	-	0.12	2.14
Hazardous waste	metric tonnes	-	-	-	0.09
Data coverage (as % of total employees)	%	4.85%	42.43%	36.81%	48.02%

Note: the disposal of hazardous waste, corresponding to 91 kg of alkaline batteries, is carried out with suppliers authorized by the Regional Ministry of Health.

Our 2023 target for total waste disposed was to reduce 2% compared to the previous year. This corresponds to 594 metric tonnes.

Water consumption	Unit	2023
Water extracted from groundwater sources	Million cubic meters	0.10
Water from the water network	Million cubic meters	0.20
Water from water trucks	Million cubic meters	0.01
Total fresh water withdrawal	Million cubic meters	0.31
Total fresh water discharge	Million cubic meters	0.115
Total net fresh water consumption	Million cubic meters	0.195
Data coverage (as % of facilities)	%	100%

Our 2023 target for total net fresh water consumption was to reduce 3% compared to the previous year. This corresponds to 0.109 million cubic meters.

2.4.3

Indirect Greenhouse Gas Emissions (Scope 3)

Scope 3 Category	Source	Emissions in the reporting year (ton CO ₂ eq)	Emissions calculation methodology
Purchased Goods and Services	Drinking Water	77	The calculation was performed under the guidelines of ISO 14064-1 and GHG Protocol guidelines. Water consumption data from invoices across CLA facilities was used, with monthly consumption multiplied by DEFRA's emission factor; estimates were applied where invoices were missing. Emissions from water supplied by tank trucks were calculated using internal monthly records and DEFRA factors. Paper purchases were tracked via procurement records, converted to kilograms, and multiplied by DEFRA's emission factor. For industrial paper, similar methods were used, with technical specifications converting data to kilograms. Food and beverage purchases were extracted from SAP, with kilograms multiplied by the DEFRA factor for "Material Use - Other - food and drink."
	Water trucks	1	
	Office paper	60	
	Sanitary paper	24	
	Food	734	
	Total	896	
Waste generated in operations	Household residues	302	The calculation followed ISO 14064-1 and GHG Protocol guidelines. Household assimilable waste data from CLA facilities was quantified using internal records from SINADER certificates and DEFRA emission factors. For waste disposed of in landfills without removal records, a waste generation calculator from Manuia consulting was used, based on their sector expertise.
	Recycling	0,0007198	
	Hazardous residues	0,0000019	
	Composting	0,0190895	Data on waste sent for recycling was obtained from supplier reports for Caja Los Andes facilities. Hazardous waste data from 2023 was quantified using final disposal certificates from the removal supplier. Organic waste volume generated in 2024 at Hotel Costanera's kitchen was provided by a specialized supplier through a final disposal certificate.
	Total	302	

2.4.3

Indirect Greenhouse Gas Emissions (Scope 3)

Scope 3 Category	Source	Emissions in the reporting year (ton CO ₂ eq)	
Business travel		231	The data to be quantified is the air transportation for business trips made by workers. The information was obtained through a document provided by Caja Los Andes, which details the airport of origin and destination, the stopovers and the month of the trip. Assumptions, calculations and/or estimates: The kilometers traveled were calculated using the calculation tool provided by the International Civil Aviation Organization of the United Nations (ICAO).
Employee commuting		1187	The data to be quantified is the transportation of workers to move around the home-work-home sections, considering both the distances and the means of transportation used. The information was obtained through an online survey of workers where a representative n was defined and the results were then extrapolated to the rest of the organization.
Fuel-and-energy-related-activities (not included in Scope 1 or 2)	Fuel manufacturing (WWT)	705	The calculation was performed under the guidelines of ISO 14064 and GHG Protocol. The data to be quantified is the amount of fuel used in Scope 1, which allows us to calculate the emissions associated with the supply chain before the fuel is used by the organization (extraction, refining and transportation) before the fuel is burned.
Use of sold products	Food loss	26	For the calculation of wasted food, the assumption was used that 20% of the food purchased, cooked and delivered to the facility becomes food waste (FAO, 2019).
Energy used in remote work		847	The calculation was performed under the guidelines of ISO 14064 and GHG Protocol. The energy value to be used to obtain the emissions was obtained from a survey in which the employees were asked about: winter heating, summer air conditioning and office equipment used during the workday. With this information we established hours of use of equipment, with monthly days of attendance according to hybrid/presential regime and from the power defined as standard for each equipment we obtained the energy consumption according to the fuel used. With this, the CO ₂ emissions resulting from teleworking were estimated.
Total		4194	

We have a corporate sustainability policy that aims to establish the main guidelines and frameworks for creating value in the business through the implementation of the corporate sustainability strategy that was defined with the board of directors. The policy and strategy reflect the organization's commitment to contribute to sustainable development by integrating environmental, social and governance criteria across the organization, with sustainability being an integral part of the business strategy. This is the basis for a sustainability strategy with an agenda of actions that will enable us to make progress on environmental, social and governance issues in order to contribute to sustainable development.

Our sustainability strategy has 3 main axes, where climate-related issues are present mainly in the first two:

1. Sustainable value chain: we promote sustainable functioning and operation by incorporating the best global standards in sustainability. The specific climate actions linked to this axis are:
 - a. Measurement and management of organisational carbon footprint, we seek to reduce emissions.
 - b. Survey and management of physical and transactional risks under TCFD guidelines as a result of climate change and new regulations.
 - c. Corporate and management targets on climate-related issues (carbon footprint, energy, water)
 - d. Training of employees and senior management on climate risks.
2. Sustainable customers: We raise awareness and provide tools to enable our customers and affiliates to adopt sustainable solutions.
 - a. Offering financial products and social benefits to our members based on the climate risks and opportunities raised that encourage and accelerate the evolution towards a low-carbon economy. In addition, providing access to solutions that help them incorporate sustainable solutions into their lives.
 - b. Accompany our companies and suppliers in incorporating sustainability into their operations through diagnostic tools and training.
3. Articulation with the ecosystem: We have an impact on the country's sustainability, promoting innovative solutions to national problems through the articulation of various actors from the public, private and entrepreneurial sectors.

Climate risks are presented to the sustainability committee, which includes members of the board of directors. The Sustainability and Infrastructure Committee aims to ensure that the Sustainability strategy permeates throughout the organization and ensure the proper implementation of transformational projects. It also ensures the adequate investment of fixed assets and the maintenance of Caja Los Andes infrastructure, contributing to the sustainable development objectives. The general manager, board of directors and first line managers participate in this committee.

Governance

a) Describe the board's oversight of climate related risks and opportunities.

Given that Caja los Andes is in the initial stages of identifying climate risks, we have focused on two main areas: first, generating a diagnosis, by monitoring the risks and deepening the impacts, and second on the training of senior management, board members and teams involved in the management of climate risks. This approach aims to develop strategic response actions and ensure effective management of climate risks in the future.

Since 2023 and continuing into 2024, we have engaged a consultancy with an expert provider to address progress across the four pillars of the TCFD, tailored to Caja los Andes' maturity level. A key deliverable for 2024 is focused on governance, which involves generating a diagnosis of the current governance framework and proposing a structure aligned with TCFD recommendations and the three lines of defense risk model used by Caja los Andes. This proposed governance structure includes the board of directors, senior management, and relevant teams.

b) Describe management's role in assessing and managing climate-related risks and opportunities.

The survey and management of climate change risks and opportunities are spearheaded by the Risk and Transformation and Sustainability departments, with the former acting as the initiative's primary sponsor. Both departments report directly to general management.

We are currently working on formally establishing the governance of climate-related risks and opportunities.

In the meantime, management has been responsible for:

- 1) securing funding to advance this initiative with expert advice.
- 2) allocating human resources and managers to be part of the project
- 3) monitoring progress and making decisions
- 4) report progress in committees and boards of directors.
- 5) train top management and teams to level knowledge.

Since 2023 and this year 2024 we are carrying out an assessment, where we are defining the governance of climate risk management, defining the roles and responsibilities of each management, position and/or collaborators in climate risk management. The result of this assessment will be published in the 2024 Integrated Report.

2.4.5	TCFD Disclosure
Strategy	<p data-bbox="313 582 624 928">a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.</p> <p data-bbox="649 207 2390 328">The following risks were identified for Caja Los Andes in the short, medium and long term based on the survey of climate change risks and opportunities. This assessment was done with the support of the expert consultant in sustainability and climate change, and it considers our operations and our affiliates.</p> <ol data-bbox="649 335 2390 999" style="list-style-type: none"> 1. Transition: <ul style="list-style-type: none"> • Stricter regulations impose costs for greenhouse gas emissions. • Increased financial disclosure requirements related to climate change or emission reporting • Stigmatization of sectors that are resource intensive or fail to act on climate action • Increased demand for financial products and services that include climate change or ESG criteria. • Change in consumer behavior, conscious consumption trends and decarbonization. • Rising costs of raw materials (natural resources) • Stricter energy efficiency regulations cause certain assets and/or real estate to lose their book value (stranded asset risk). 2. Physical: <ul style="list-style-type: none"> • Drought • Heavy rainfall causing flooding and/or landslides • Heat waves • Rising sea levels- • Fires <p data-bbox="649 1049 2127 1085">Opportunities were identified together with the financial products and social benefits teams:</p> <ul data-bbox="649 1092 2127 1299" style="list-style-type: none"> • Financial products with green labeling • Microcredits for the development of projects aimed at mitigating climate change risks. • Debit financial products with green labeling • Initiatives to mitigate the impact of members and affiliated companies on climate change • Training for affiliated companies belonging to critical industries.

Strategy	<p>a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.</p>	<p>In 2022 CLA Turismo was formed as an independent subsidiary of Caja Los Andes. With this view as a separate subsidiary, it was determined that the physical risks to which the hotel network is exposed could significantly affect them financially, so the inherent risk to which these assets are exposed was lifted as follows:</p> <ul style="list-style-type: none"> • days of intense precipitation • standardized precipitation index • maximum precipitation • frequency of drought • heat waves • degree days above and below 15°C • extreme wind <p>Residual risk was assessed for 7 prioritized assets. Next steps include extending the residual risk analysis to the rest of the assets, generating plans to address them based on the gaps detected, quantifying the risks to determine their impact, and identifying opportunities to improve the guest experience.</p>
	<p>b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.</p>	<p>The impacts of the climate risk assessment identified and assessed in this period are as follows:</p> <ul style="list-style-type: none"> - Physical risks of climate change in resorts: qualitative impacts (higher operating costs, water rationing, impact on facilities, air conditioning overload, power supply interruptions, staff health risks, fire, customer dissatisfaction, restriction of outdoor activities, more frequent maintenance, increased operating costs, security risk, loss of access, collapse of drainage systems and interruption of services). - Physical and transition risks of climate change on the credit portfolio: Quantitative (financial) impacts on the credit portfolio.

Strategy

b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.

The occurrence of climate risks, both physical and transitional, may affect the repayment capacity of social loans and potentially impact the income of Caja los Andes. A climate scenario analysis was conducted to determine the percentage of the current loan portfolio exposed to drought, flood and transition risks. Exposure to these risks was identified according to geographical areas and economic sectors.

A qualitative credit sensitivity analysis was performed on the prioritized climate risks, considering the economic sector of the affiliated company and the geographical location of the affiliate. The analysis considered the analysis of geographical sensitivity to physical risks against 2 climate hazards (drought and floods) and sectoral sensitivity analysis to transition risks against 2 transition risks (stricter regulations impose costs due to the emission of greenhouse gases and the increase in the cost of raw materials and their micro and macro economic effects).

The results were as follows:

- 61% of CLA's loan portfolio balance belongs to industries with a high or very high weighted index. This means that 439,248 affiliates have jobs in economic sectors with greater uncertainty in the face of climate change and require greater reconfiguration of their business models.
- 36.6% of the loan portfolio is located in communities vulnerable to extreme climate events, such as droughts and floods.
- 21.3% of the loan portfolio corresponds to economic sectors of affiliated companies with high transition risk (technological and regulatory changes, higher taxes on emissions, among others).

Strategy

c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

In the net zero climate scenario, transition risks become increasingly significant. To ensure resilience, Caja Los Andes prioritizes the ongoing monitoring of these risks while capitalizing on identified opportunities. This involves closely tracking macroeconomic variables to anticipate potential regulatory and market shifts related to the country's transition. Additionally, it is crucial for us to monitor carbon-intensive sectors or those most vulnerable to the transition and to expand the range of financial products aligned with a low-carbon economy.

In the current climate policy scenario, physical risks are becoming increasingly significant. To ensure resilience, Caja Los Andes concentrates on the continuous monitoring of these risks. Specifically, this includes:

- Assessing the impact of physical risks on the credit portfolio.
- Continuously monitoring operations at resorts situated in high-risk areas and developing action plans to maintain continuity while protecting vulnerable surrounding communities.
- Expanding the range of financial products to help members adapt to the physical impacts of climate change.

**Risk
Management**

a) Describe the organization's processes for identifying and assessing climate-related risks.

Caja Los Andes' risk management framework, in line with its policies, adheres to external regulations (SUSESO) and international best practices, specifically ISO 31000. Climate risk management is a crucial component of this framework, and it is developed through a model that considers three interrelated factors: hazard, exposure, and vulnerability.

b) Describe the organization's processes for managing climate-related risks.

The climate risk assessment was carried out with the support of a consulting firm with expertise in the subject. In the case of Caja Los Andes, a bibliographic review of the financial sector was carried out, interviews were conducted with CLA's risk and operations teams, and the financial information of CLA and the resorts was analyzed. From this exercise, key findings were identified from the financial information deriving from potential climate risks and opportunities, as well as identifying potential transmission channels.

c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.

When CLA Tourism was established as a separate subsidiary, a physical risk survey was conducted at the resorts. To carry out the survey, a study of the geographical location of each of them was conducted to determine the inherent risk, after which 7 assets were prioritized based on the relative importance in terms of revenue, visitors per year and importance to the brand. To determine the residual risk of these assets and their preparedness for climate hazards, a questionnaire was administered to the maintenance and infrastructure personnel of each asset.

Metrics & Targets	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	These metrics and targets are part of the ongoing consultancy work mentioned earlier and have not yet been formalized.
	b) Disclose Scope 1, Scope 2, and if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Our GHG emissions disclosure for the last three years can be found on our Integrated Report 2023, p.88.
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	<p>The work plan for 2023-2024 considers progress in the 4 pillars recommended by the TCFD. Particularly, in relation to the objectives, the following are being defined:</p> <ol style="list-style-type: none"> 1) governance of climate risks assigning concrete responsibilities (instances, to teams, frequencies) to the system that currently exists in Caja los Andes. 2) Risk management: a methodological proposal is being generated to integrate climate risks into enterprise risk management, including a methodology to integrate credit risk and infrastructure risk with risk teams through work meetings (the methodology and proposal of how to integrate it into what already exists is being taught). 3) Survey of suggested metrics for the monitoring and management of climate risks. Metrics are proposed for credit and infrastructure risks of the resorts. <p>Once the aforementioned points are established, we will define the most suitable objectives for both monitoring climate risks and guiding the teams involved.</p>

2.4.6

Climate-Related Management Incentives

Who is entitled to benefit from this incentive?	Type of incentive	Incentivized KPIs
CEO	Monetary	<ol style="list-style-type: none"> 1) Among the corporate objectives is the reduction of the carbon footprint by 6.3% with respect to ac2022. The carbon footprint measures the contribution to climate change from the company's operations. 2) Stakeholders sustainability Index increase by one percentage point in SSIndex with respect to 2022 (from 76% to 77%). The SSIndex is a sustainability perception indicator for the different stakeholders, one of the questions evaluates the concern of Caja Los Andes for the environment, in this sense it has pushed the implementation of different projects that go in that line and contribute to improve the environmental performance of CLA, for example: renewable energy, energy efficiency, water reuse system for irrigation, recycling, composting.
Second line managers, assistant managers, heads of departments, administrative staff and project managers, among others	Monetary	<ol style="list-style-type: none"> 1) Reduction of carbon footprint by 6.3% compared to 2022. The carbon footprint measures the contribution to climate change from the company's operations. 2) SSIndex 3) Reduction of water and energy consumption by 5% compared to 2022.

For our climate change analysis, we utilize the RCP 8.5 physical scenario. Additionally, we consider the transition scenarios of IEA STEPS and BAU 1.5°C.

Through our Policies relating to Gender Equality & Diversity and Inclusion, as well as the Internal Regulations of Order, Hygiene and Safety, Caja Los Andes has established a series of guidelines to prevent harassment, both work-related and sexual, as well as discrimination in the workplace.

In this regard, a series of campaigns and training have been performed for our collaborators to raise their awareness on these issues.

We also have reporting mechanisms and escalation processes available for our collaborators, in case any breach of this type occurs.

	Target for 2023 (%)	% at the end of 2023
Total of women	55%	60%
Women in all management positions	45%	46%
Women in junior management positions	45%	48%
Women in top management positions	28%	29%
Women in management positions in revenue-generating functions	50%	52%
Women in STEM-related positions	28%	29%

We monitor and disclose the results of our gender pay gap analysis:

	% that represents the salary of women over men	Difference between men and women employees (%)
Mean gender pay gap	92,3%	7,7%
Median gender pay gap	94,4%	5,6%
Mean bonus gap	87,6%	12,4%
Median bonus gap	88,8%	11,2%

- Our human rights policy is based on a series of international guidelines and standards from which we establish commitments in this matter. As we indicated in our Report, Caja Los Andes joined the Global Compact Network in Chile in 2015, committing to put the 10 universal principles into practice related to human rights, labor standards, the environment and anti-corruption.
- This commitment also includes the principle of equitable remuneration, that is, that remuneration is equitable for male and female workers for work of equal value. Respect for Freedom of Association among our collaborators is also considered among this commitment.

- To identify, mitigate, and address issues related to Human Rights, we have the “Ethics Channel”, which is aligned with the Code of Good Practices and is also a part of the Crime Prevention Model or CPM, this allows us to identify potential vulnerabilities in the company and within our employees. We also have a Human Rights Policy and a general Due Diligence process with third parties to assess negative information in the press or other information that could have an impact from a compliance perspective, which may include issues related to human rights.
- In the following sections of our 2023 Integrated Report, you can see further information and initiatives related to human rights mitigation: “Ethics and integrity” , “Sustainability”, “Stakeholder Engagement”, and “Trust and Quality of life”

3.3.2

Employee Development Programs

Below we present 2 professional development programs with impacts and indicators on the business:

Name and description	Business Benefits	KPIs	Number of participants
<p>SERVICE SCHOOL</p> <p>The School of Service is a development program for collaborators, who interact with our affiliates. The program covers Social Security topics in Chile, financial products and skills that are key to customer service.</p> <p>Through this incremental training, participants acquire skills that allow them to offer a better service, raising standards of care and contributing to strengthening the relationship with clients, in accordance with the organizational purpose of being creators of a new way of doing security. social, people-centered and based on a unique service experience.</p>	<p>This is a relevant program to increase our relationship with customers, through the tools that collaborators acquire to serve customers.</p> <p>This impact of the service experience is measured through our perception and recommendation measurements to these stakeholders, impacting customer retention and corporate reputation.</p>	<p>Our main impact indicator is the clients' NPS. The year 2023 was 41%, which represents an increase from previous years since in 2022 it was 37%, 2021 it reached 33% and 2020 it was 31%</p> <p>The SNEX as a net satisfaction index was 70% in the branches</p>	757
<p>MAS Líder</p> <p>It is a program that is carried out annually for all Caja Los Andes leaders, which aims to empower the role through the delivery of tools that allow adequate team management. This program seeks to develop leadership by promoting positive internal climates and safe work environments.</p>	<p>The main benefit for the business in this type of program is linked to the work environment, through the results obtained in GPTW, making Caja Los Andes a great place to work for everyone. This also provides better conditions for retaining talent and increasing productivity.</p>	<p>As we mentioned previously, GPTW is our main impact measurement tool. In 2023, 91% of employees consider Caja Los Andes to be a great place to work (GPTW 2023) Caja Los Andes is also in 4th place in the ranking of the best companies to work with more than 1,000 collaborators</p>	452

Caja Los Andes has various performance evaluation modes and tools, that include

- **Evaluation by objectives and competencies, considering goals both at an individual level and for teams and areas:** This approach considers not only the achievement of set objectives at the individual level but also how well teams and broader areas within the organization meet their targets. The evaluation process typically includes measuring outcomes against predefined goals, as well as assessing competencies such as skills, behaviors, and attitudes that contribute to success. By integrating these elements, this method provides a comprehensive view of performance, encouraging alignment with organizational goals and fostering continuous development.
- **Agile conversation and feedback formats, on a continuous basis:** These formats emphasize regular, open, and iterative exchanges between team members. The goal is to ensure ongoing alignment, quickly address issues, and foster a culture of continuous improvement. Feedback is shared in real-time or at short intervals, enabling teams to adapt and evolve their processes, enhance collaboration, and achieve better outcomes in their projects. As noted, this type of appraisal has a continuous frequency in our company.

As part of our benefits, at Caja Los Andes we have implemented two breastfeeding rooms, exclusive, private, hygienic and safe spaces, designed with the appropriate environmental and sanitary conditions to guarantee dignified breastfeeding.

In terms of postnatal, primary caregivers have access to 12-week maternal leave. Secondary caregivers (fathers) receive 1 week according to legal requirements

Our GPTW climate measurements include a series of metrics associated with employee satisfaction, as well as indicators of purpose, and emotions of happiness and stress.

Caja Los Andes has established a series of guidelines regarding Occupational Health, Safety and Wellbeing for both its internal operations and its contractors and external parties. These guidelines, established by our Executive Management, establish strict compliance with national regulations, and when these are insufficient, international parameters, such as ISO 45001, are considered as a relevant standard. The company also establishes the principle of continuous improvement in health and safety processes and functions, generating updated controls for compliance.

Under Chilean law 16744, our company stipulates the participation of collaborators through Joint Committees, from where OSH work instances are implemented. With this, its responsibility is established to proactively prevent accidents and risks in the workplace, through continuous awareness-raising events. The company has defined a series of roles and responsibilities throughout the organization, through the Risk Prevention Area.

The Health and Safety guidelines establish identifying those most critical aspects that may represent a greater risk. In that sense, through the risk matrix, action plans are established for the most priority aspects that require immediate action. The objective as a company is to identify and manage 100% of these critical factors.

Finally, the accident rate and occupational illness indicators have company objectives. These are managed through action plans, measuring their progress through the most relevant indicators.

Through its control tools, Caja Los Andes monitors the main health and safety risks in its branches and operations. The company has a work plan, which includes quantified objectives in relation to accidents and occupational diseases to address these risks. The progress against these goals is evaluated considering how the risks are being addressed, as well as to evaluate on how these tools are contributing to their reduction.

These tools also provide internal inspections with an analysis of compliance with OHS regulations. The work is carried out in conjunction with Joint Hygiene and Safety Committees - with worker representatives - as well as with the CChC Mutual, an external specialized organization that works with international standards such as ISO 45001. The mutual provides a series of advice and recommendations, which include, among other areas, emergency drills and evacuations so that the company acts in accordance with these procedures in case of contingencies. Accident investigation is also established in its modules, through a detailed record of the events that occurred.

Finally, Caja Los Andes has training among its pillars of its OHS Work Plans. This results in a series of courses and training sessions - both in person and remotely - on the protocols and standards, as well as on more specific topics, arranged by the mutual security company.

Understanding the social role of Caja Los Andes and its non-profit role, the company has established its commitment to Financial Inclusion through its Risk Policies, the responsibility of which falls on the Corporate Risk Management. This establishes the feasibility of providing financial options and formal access to a highly vulnerable segment of our society, with affordable rates, complying with the pillars of: Universality, Responsibility and Conscious access. Our commitments address aspects such as over-indebtedness, minimum access, innovation and updating of benefits. This Risk Policy establishes, among other points:

- Our pricing policy establishes that we will remain between 5 and 35% below the maximum conventional rate – TMC
- The average Social Credit is \$1,800,000 and families use it mainly to finance unexpected health expenses, consolidation and payment of debts
- By granting our social credit annually, we benefit more than 2 million members with solutions in the areas of health, education, food and recreation, supporting the family budget.

The company has sought to innovate and generate greater breadth of financial services for underserved groups. Thus, for example, during 2023, we have strengthened savings as an essential component of the FI and the financial health of our members. We have focused on expanding savings options, highlighting the payroll discount method and promoting the Housing Savings Account, which offers the possibility of accessing state subsidies. We have also expanded our financial education initiatives, supporting pensioners as well as vulnerable segments with the commitment to generate support based on their needs.

In order to adapt to the needs of our groups and audiences we serve, we have provided various service channels, both remote and physical, establishing a personalized experience with our affiliates. In this regard, we provide access to a formal, responsible and informed financing alternative to our affiliates, based mainly on the following pillars:

- Serve the most vulnerable segments
- Provide convenient rates
- Provide solutions to basic needs

In addition, declaring sustainable actions in our diversity of benefits, these are communicated on our public website.

Complementing the above, we have procedures in our Credit Policy to avoid over indebtedness.

Along with this, Caja Los Andes has carried out permanent training for our customer service channel, as well as for backup staff to encourage respectful treatment of our clients and target segments. Likewise, the company has participated in working groups with the Superintendency of Social Security (SUSESO) in Chile, to identify improvements in the service and quality of the products offered.

Finally, clients can channel their complaints through our Help Center, where they can indicate their requirements on topics such as Savings, Benefits, Medical Leave, Social Support, among others. Complying with transparency, we also measure ourselves against the indicators of the regulatory bodies on a monthly basis and we make public all the characteristics of our benefits, through the Caja Los Andes public website.

Among our financial inclusion products, we can highlight the following:

- 1. Social Loans:** Delivery of formal, responsible, affordable and conscious financing in line with the current needs of our members and their family groups. This social credit mainly helps families from the most vulnerable segments, where it is mainly used to finance unexpected health expenses, consolidation and payment of debts. For our Pensioned members - the most vulnerable group- Caja los Andes offers a lower interest rate, always taking care to avoid over-indebtedness, as well as being the entity that allows them to access as pensioners with low income . The granting period is from 1 to 60 months and can be complemented with credit relief and unemployment insurance. Regarding credit rates, we have differentiated rates between retired and active members, where this first segment is guaranteed a lower rate than the active ones, declared in our credit policy. The average income of our active members according to the classification of Income Deciles in Chile is up to Decile 9. At the end of 2023 we reached 342.569 clients with 322.572 transactions.
- 2. Emergency Credit:** Credit intended to support financing related to health emergencies of our members, with an approved credit that can be used directly at points of sale in pharmacies or medical centers without putting members into debt, complying with the principle of supporting our members in emergency health situations, without falling into over-indebtedness in private banks and taking care of the responsible financing of our target population. The amount of this type of operations is \$120,000.- to be used in pharmacies and \$240,000.- in medical centers. The granting period ranges from 3 to 6 months. This credit is especially granted to vulnerable segments and in rural areas. At the end of 2023 we reached 210,219 with 187,841 transactions
- 3. Life insurance for pensioners:** Insurance designed for the needs of our elderly adults an affordable cost that allows Caja los Andes to accompany and protect them in a life cycle where vulnerability increases. This insurance provides coverage for disability and death up to age 81. It offers an ecosystem of free benefits and services specially designed for our seniors, including recreational activities, taxi transportation, health and legal advice, among others. At the end of 2023 we reached 106.789 clients with the same number of transactions.*

*The repetition of this figure is due to the fact that the number of pensioners is the same as the number of contracts issued.

Among our non-financial support, we can highlight the following:

- 1. Housing Subsidy Talks:** Talks aimed at providing tools for those who need to access their first home through the Housing Subsidy, a State benefit, and who, due to their low economic income, cannot qualify for a subsidy through private banks. To date, 4 talks have been given, with a reach of 589 registered attendants
- 2. Entrepreneurship course:** free training mesh to provide basic business management tools, such as: Cash flow, product price, entrepreneurship funds, etc. This is especially aimed at microbusinesses and entrepreneurs. To date, 2,777 registrations have been generated
- 3. Inclusion Challenge Program 90 Los Muermos- Caja Los Andes and Tapp.** For Caja Los Andes, it is important that its members, focused on the most vulnerable segments such as the elderly, pensioners, low-income workers, acquire knowledge of financial and digital services. This program is aimed at SMEs, older adults and women heads of household in the Muermos commune as a financial inclusion measure is essential to promote growth and improve the quality of life of people, whether to undertake, make future plans, pay debts or prevent different unforeseen events that allow them to establish goals and objectives with a great objective that is to improve their social well-being and quality of life, as well as that of their families. To date, 2,398 members have registered in this initiative
- 4. TECLA Challenge:** Contest for start-ups that have the challenge of impacting, with sustainable and innovative solutions, the well-being of our affiliated clients and their families throughout Chile. We look for solutions that generate a triple positive impact in economic growth, social impact and environmental sustainability, rewarding entrepreneurs through funds. To date, we have 12 winners, 196 collaborators in the impacted companies

- Caja Los Andes has a Corporate Data Policy, which establishes the main general guidelines, roles, responsibilities and framework of the Government, Data Protection and Security , and its main objective is to be the reference framework for correct execution of the data governance model within Caja Los Andes. Its guidelines apply to internal operations and suppliers.
- Caja Los Andes has carried out external audits on data protection, having also incorporated internal audits on Data Governance.

Being a social security entity that handles personal data of affiliates, we have a custodian function for said information, so we must adopt a series of measures aimed at protecting the data from any treatment that does not comply with current regulations. For this reason, since 2021 we have implemented the PIA (Privacy Impact Assessment) control, which seeks to optimize the protection of personal data of the members and collaborators managed by the Fund, either directly or through a third party. Under this process, 0% of customer data is used for secondary purposes.