



Santander®

Es el momento

Banco Santander Chile

Green Bonds Allocation and Impact Report

As of June 30, 2024.

Contents

Our Sustainability Strategy and
ESG Framework

Banco Santander-Chile's
Green Bonds

Project Selection
Process

Impact Indicators
and Specific KPIs

Deloitte Verification
Letter

Disclaimer

The targets and objectives included in this Green Bond Allocation and Impact Report (the "Report") are aspirational; as such, no guaranty or promise is made that they will be met or implemented successfully. The information and any underlying assumptions contained in this Report are expected to evolve over time. This Report covers the consolidated business of Santander Chile, and its subsidiaries and does not address the performance or operations of Santander Chile's vendors, suppliers, customers or other third parties.

This Report is for general informational purposes only and does not constitute legal, tax, accounting, financial or investment advice of any kind or an offer to invest, and in making this report available Santander Chile gives no advice and makes no recommendation to buy, sell, or otherwise deal in shares or other securities of Banco Santander, S.A. ("BSSA"), Santander Chile, or any other securities or investments. Prior to making any investment, a prospective investor should consult with its own investment, accounting, legal and financial advisors to independently evaluate the risks, consequences, and suitability of such an investment.

Contents

Our Sustainability Strategy and ESG Framework

Banco Santander-Chile's Green Bonds

Project Selection Process

Impact Indicators and Specific KPIs

Deloitte Verification Letter



Our Sustainability Strategy and ESG Framework

Since its establishment in 1978, Banco Santander-Chile (“Santander Chile”, the “Bank”) has been a fundamental pillar in the country’s financial landscape, characterized by its innovative spirit, a focus on service quality, and a firm commitment to serving all Chileans. Over the years, we have consolidated ourselves as the largest bank in the country by consolidated assets, with an extensive network of branches and Work Cafés.

The Bank’s mission and vision are to contribute to the progress of individuals and businesses by being the best open financial services platform, acting responsibly and earning the trust of its employees, customers, shareholders, and society.

With this in mind, four strategic pillars were defined addressing the expectations of our key priority groups:

- 1 | **Digital Bank with Work/Cafes...**
... for more than 5 million customers and 450 thousand SMEs by 2026, based on state-of-the-art technology and customer-centric processes and people.
- 2 | **Specialization and added value for companies...**
... with a differentiated value-added offer and service in transactional products, FX and advisory.
- 3 | **Sustained generation of new business opportunities...**
... fostering competition, seeking growth and leading the sustainable finance market.
- 4 | **Agile, collaborative, high-performance organization...**
... the best place to work in Chile by attracting, developing, and retaining exceptional people based on merit.



In our continuous quest to be leaders in sustainable finance for our communities, our commitment to sustainability and ESG principles is embedded in every aspect of our business. We firmly believe that sustainability is essential to our role in the economy, the environment, and the social development of Chile and beyond. This is why we strive to integrate and generate impact, creating value for all our stakeholders.

Commitment to Sustainability and ESG Principles

For Santander Chile, sustainability is the ability to adapt to new needs through creativity and innovation, generating value for stakeholders. This facilitates social and economic progress, while mitigating environmental impact in the sectors where the Bank operates, within the context of solid corporate governance.

The Bank has its own Responsible Banking and Sustainability Policy, updated at the end of 2023¹. This document is based on major international conventions and agreements on corporate sustainability, including the Equator Principles, the United Nations Global Compact, and the United Nations Sustainable Development Goals (UN SDGs).

Our Sustainability Strategy and ESG Framework	Banco Santander-Chile's Green Bonds	Project Selection Process	Impact Indicators and Specific KPIs	Deloitte Verification Letter
---	-------------------------------------	---------------------------	-------------------------------------	------------------------------

Voluntarily, Santander Chile undertakes ethical, social, and environmental commitments that go beyond legal obligations, related to both the direct and indirect impacts of its activities. To continue building a more responsible institution, the Bank integrates environmental, social, and governance criteria as part of its strategy and culture.

For Santander Chile, contributing to the UN 2030 Agenda is part of its strategy. For this reason, its objectives are aligned with 8 of the 17 UN SDGs, with specific commitments to be fulfilled.

OBJECTIVES	FOCUS
<div style="background-color: #4CAF50; color: white; padding: 10px; font-size: 2em; text-align: center; margin-bottom: 10px;">E</div> <p>Supporting the transition to a low-carbon economy.</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="background-color: #4CAF50; color: white; padding: 5px; text-align: center; font-size: 0.8em;">13 CLIMATE ACTION </div> <div style="background-color: #FFC107; color: white; padding: 5px; text-align: center; font-size: 0.8em;">7 AFFORDABLE AND CLEAN ENERGY </div> <div style="background-color: #FFC107; color: white; padding: 5px; text-align: center; font-size: 0.8em;">11 SUSTAINABLE CITIES AND COMMUNITIES </div> <div style="background-color: #FFC107; color: white; padding: 5px; text-align: center; font-size: 0.8em;">12 RESPONSIBLE CONSUMPTION AND PRODUCTION </div> </div>	<ul style="list-style-type: none"> → Establish plans to advance the decarbonization of our portfolios. → Have a robust green financing proposal to support customers in this transition. → Continue to decrease the environmental impact in our operation.
<div style="background-color: #9C27B0; color: white; padding: 10px; font-size: 2em; text-align: center; margin-bottom: 10px;">S</div> <p>Supporting people's inclusive growth, through our product and service offerings, financial well-being, and education.</p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="background-color: #9C27B0; color: white; padding: 5px; text-align: center; font-size: 0.8em;">8 DECENT WORK AND ECONOMIC GROWTH </div> <div style="background-color: #9C27B0; color: white; padding: 5px; text-align: center; font-size: 0.8em;">5 GENDER EQUALITY </div> <div style="background-color: #9C27B0; color: white; padding: 5px; text-align: center; font-size: 0.8em;">4 QUALITY EDUCATION </div> </div>	<ul style="list-style-type: none"> → Promote a diverse and inclusive workplace. → Offer products and services that support inclusion, financial wellness, and savings. → To support and link with the communities where we are present, with a focus on education and entrepreneurship.
<div style="background-color: #FFEB3B; color: white; padding: 10px; font-size: 2em; text-align: center; margin-bottom: 10px;">G</div> <p>Ensure effective corporate governance, a strong corporate culture, and high levels of transparency.</p> <div style="background-color: #0070C0; color: white; padding: 5px; text-align: center; font-size: 0.8em;">16 PEACE, JUSTICE AND STRONG INSTITUTIONS </div>	<ul style="list-style-type: none"> → Integrate ESG into processes, risk management, and governance. → Have high levels of transparency and quality in the delivery of information to our stakeholders. → Ensure that the organization has the necessary competencies in ESG issues.

1. This document defines the Responsible Banking and Sustainability approach of Banco Santander Chile and includes the principles, commitments, objectives and strategy in relation to shareholders, employees, clients, suppliers, social issues, environment, diversity, fiscal responsibility, respect for human rights and prevention of corruption and other illegal conduct.

Contents

Our Sustainability Strategy and ESG Framework	Banco Santander-Chile's Green Bonds	Project Selection Process	Impact Indicators and Specific KPIs	Deloitte Verification Letter
---	-------------------------------------	---------------------------	-------------------------------------	------------------------------

In 2023, the “Santander Group Green, Social & Sustainability Funding Global Framework” (the “Framework”)² was updated. This document serves as a reference for green, social, and sustainability-labeled financing instruments offered by Santander Group’s entities, including Santander Chile, which:

- Incorporates market guidance on thresholds and criteria for defining green and/or social projects, assets and activities.
- Complies with the four core components of the Green Bond Principles (GBP), Social Bond Principles (SBP), and Sustainability Bond Guidelines (SBG), as organized by the ICMA; as well as the four core components of the Green Loan Principles (GLP) and the Social Loan Principles (SLP), as organized by the LMA, LSTA and APLMA.
- Adheres to any specific regulations regarding Green, Social, and Sustainability bonds applicable at the time of issuance.

Under said Framework, Santander Chile can issue Labeled Financial Instruments (LFI) in the form of bonds, loans, deposits, commercial papers, or other debt instruments. These instruments are identified under the following three labels:




























- **Green LFI:** address environmental sustainability through contributions to eligible assets that make a positive contribution to climate change mitigation or other environmental challenges.
- **Social LFI:** address social sustainability through contributions to key economic systems for human development that could benefit economically and/or socially disadvantaged populations.
- **Sustainability LFI:** address a combination of Green and Social eligible assets.

2. <https://www.santander.com/content/dam/santander-com/en/documentos/presentaciones-de-renta-fija/2023/06/prf-santander-gss-global-funding-framework-june-2023.pdf>

Eligible Categories for Use of Proceeds

Eligible assets can be projects (project finance) or any other type of loan for business activities whose financed assets are: (i) identified as green, social, or sustainable; or (ii) where the specific loan is fully applied to green, social, or sustainability uses that are in line with the eligible categories of the Framework.

The following table describes the economic activities that contribute to environmental and social sustainability and are therefore eligible, provided they meet the eligibility criteria detailed in the Framework.

	UN SDG Alignment	UN SDG Alignment
Green	Renewable energy  	Clean Transportation  
	Energy efficiency   	Sustainable water and wastewater management   
	Pollution prevention and control    	Climate Adaptation 
	Environmentally sustainable management of living natural resources and land use  	Eco-efficient Products and Technologies  
	Terrestrial and aquatic biodiversity  	Green Buildings  
	Social	Affordable basic infrastructure  
Access to essential services		
Affordable Housing  		

Contents

Our Sustainability Strategy and ESG Framework

Banco Santander-Chile's Green Bonds

Project Selection Process

Impact Indicators and Specific KPIs

Deloitte Verification Letter



Banco Santander-Chile's Green Bonds

In October 2023, to support its transition strategy towards sustainability, Santander Chile executed its first green issuance under the Framework, consisting of a dual-tranche transaction of two bonds identical in terms of structure and conditions but in size, one for JPY 3,000 million and another for JPY 5,000 million.

The objective of the transaction was to finance new mortgage operations for the purchase of homes that are currently finished and habitable and meet specific sustainability criteria based on energy efficiency certifications (that measure aspects such as the use of renewable energy, and the incorporation of water and energy-saving systems). Specifically, those housing projects with an A+, A, and B rating in the Housing Energy Rating ("Calificación Energética de Vivienda" or "CEV", as per its acronym in Spanish) would meet the eligibility criteria for the Green Building category within the Framework, also benefiting customers with a preferential rate. This criteria is moreover consistent under Chilean regulations and aligned with international standards, contributing to the reduction of the carbon footprint and promoting sustainable practices in the real estate sector³.

3. See [Ley de Eficiencia Energética, Chile] (<https://www.bcn.cl/leychile/navegar?idNorma=1155887>) and other relevant regulations.

Our Sustainability Strategy and ESG Framework	Banco Santander-Chile's Green Bonds	Project Selection Process	Impact Indicators and Specific KPIs	Deloitte Verification Letter
---	-------------------------------------	---------------------------	-------------------------------------	------------------------------

Together the two bonds totaled JPY 8,000 million (equivalent to USD 53 million at the time of issuance), with an identical interest rate of 0.845% and a term of two years in both cases.

Issuer	Banco Santander Chile
Rating	Moody's: A2 (stable) S&P: A- (stable)
Currency	JPY
Issue Amount	3.000.000.000 // 5.000.000.000
ISIN	XS2710356085 // XS2710355608
Trade Date	October 20, 2023
Maturity	October 27, 2025
Rank	Senior, Unsecured and Unsubordinated
Coupon	0,845% (semi-annual)
Use of Proceeds	<p>Green Mortgages, defined as mortgages that are used to buy green buildings in Chile that meet the certifications of efficiency of real estate defined within the Santander Group Green, Social & Sustainability Funding Global Framework</p> <p>Link: https://www.santander.com/content/dam/santander-com/en/documentos/presentaciones-de-renta-fija/2023/06/prf-santander-gss-global-funding-framework-june-2023.pdf</p>
Second Party Opinion	<p>Second Party Opinion" (on the framework) was provided by Sustainalytics (see here https://www.santander.com/content/dam/santander-com/es/documentos/presentaciones-de-renta-fija/2023/06/prf-santander-group-green-social-and-sustainability-funding-global-framework-second-party-opinion-2023.pdf), whilst the "external verification" (on the report) was granted by Deloitte</p>

Allocation Report

The net proceeds from the issuance were credited to Santander Chile's treasury account and incorporated into its general liquidity pool; no specific accounts were created. The Bank has allocated an amount equal to the net proceeds from the offering to eligible mortgage loans, which has included 509 loans totaling JPY 8,000 million, corresponding to the purchasing of newly received and finished homes. The eligible green mortgages correspond to loans granted between 2021 and 2024.

Total Eligible Portfolio

CEV-A+	2.459.559.660 JPY	386.894 UF	15.284.985 USD
CEV-A	4.120.680.872 JPY	648.192 UF	25.608.057 USD
CEV-B	15.457.482.800 JPY	2.431.495 UF	96.060.850 USD
TOTAL	22.037.723.332 JPY	3.466.581 UF	136.953.892 USD

Total Eligible Portfolio

2020	1.314.948.674 JPY	206.844 UF	8.171.776 USD
2021	3.274.262.409 JPY	515.048 UF	20.347.972 USD
2022	4.922.045.835 JPY	774.248 UF	30.588.157 USD
2023	9.938.591.282 JPY	1.563.362 UF	61.763.583 USD
2024	2.587.875.131 JPY	407.078 UF	16.082.404 USD
TOTAL	22.037.723.332 JPY	3.466.581 UF	136.953.892 USD

- The total amount in UF (Unidades de Fomento, a Chilean inflation-indexed currency) of the eligible green mortgages portfolio, issued from January 2020 to June 2024 was 3,466,581 UF and ~ 40% of this portfolio was selected reaching the amount of 1,398,570 UF.

Our Sustainability Strategy and ESG Framework	Banco Santander-Chile's Green Bonds	Project Selection Process	Impact Indicators and Specific KPIs	Deloitte Verification Letter
---	-------------------------------------	---------------------------	-------------------------------------	------------------------------

- The details of the amounts of the selected loans, classified according to their corresponding environmental certifications are shown below⁴:

Bond I		XS2710355608		
CEV-A+	1.580.803.014 JPY	248.664 UF	9.823.933 USD	
CEV-A	870.267.694 JPY	136.895 UF	5.408.297 USD	
CEV-B	3.096.777.566 JPY	487.130 UF	19.244.989 USD	
TOTAL	5.547.848.274 JPY	872.688 UF	34.477.219 USD	

Bond II		XS2710356085		
CEV-A+	618.859.026 JPY	97.348 UF	3.845.912 USD	
CEV-A	1.056.004.470 JPY	166.112 UF	6.562.562 USD	
CEV-B	1.668.268.237 JPY	262.422 UF	10.367.488 USD	
TOTAL	3.343.131.732 JPY	525.882 UF	20.775.962 USD	

Additionally, these loans were marked from the most recent to the oldest, in compliance with the look-back period established within the framework. The details of the amounts according to the year of mortgage placement are shown below.

Bond I		XS2710355608		
2021	58.618.869 JPY	9.221 UF	364.288 USD	
2022	825.764.782 JPY	129.895 UF	5.131.733 USD	
2023	3.733.090.638 JPY	587.223 UF	23.199.370 USD	
2024	930.373.986 JPY	146.350 UF	5.781.829 USD	
TOTAL	5.547.848.274 JPY	872.688 UF	34.477.219 USD	

Bond II		XS2710356085		
2021	161.700.068 JPY	25.436 UF	1.004.888 USD	
2022	1.162.991.165 JPY	182.941 UF	7.227.433 USD	
2023	1.094.479.920 JPY	172.164 UF	6.801.668 USD	
2024	923.960.578 JPY	145.341 UF	5.741.972 USD	
TOTAL	3.343.131.732 JPY	525.882 UF	20.775.962 USD	

4. Exchange rates used in the report as of June 2024. UF = 37,571.86 CLP, USD = 951.02 CLP and USD = 160.91 JPY.

Contents

Our Sustainability Strategy and ESG Framework

Banco Santander-Chile's Green Bonds

Project Selection Process

Impact Indicators and Specific KPIs

Deloitte Verification Letter

CASE STUDIES

In this section, we present two cases of buildings associated with the green mortgages allocated through our recent green bond issuance, which includes all the green mortgages issued from these buildings. These projects stand out for their significant contributions to environmental sustainability and the promotion of green building practices.

Edificio Roble Plaza Costanera (CEV-B)

Costanera Norte II, a real estate developer, constructed a building with 241 apartments in Antofagasta. Santander Chile provided green mortgages for 91 of these apartments, representing 38% of the total apartments, more detail of this project below.



AVG Heating Demand ⁵	Heating Demand El Roble ⁶	Savings ⁶
13 kW/m²	0,2 kW/m²	98,5 %
AVG Cooling Demand ⁷	Cooling Demand El Roble ⁸	Savings ⁸
47 kW/m²	22,3 kW/m²	52,6 %



Edificio Las Águilas (CEV-A+)

Parque Vistamar II Limitada, another real estate developer, constructed a building with 222 apartments in Antofagasta. Santander Chile provided green mortgages for 105 of these apartments, representing 47% of the total apartments, more detail of this project below.⁶

AVG Heating Demand ⁶	Heating Demand Las Águilas ⁷	Savings ⁸
13 kW/m²	0,3 kW/m²	97,7 %
AVG Cooling Demand ⁹	Cooling Demand Las Águilas ¹⁰	Savings ⁸
47 kW/m²	12,5 kW/m²	73,4 %

5. Average apartment heating demand in Antofagasta according to CEV report from the Ministry of Housing and Urban Planning. See note 11.

6. Average heating demand for building departments. / 7. Percentage of energy savings for each concept. / 8. Average cooling demand for building departments.

9. Average apartment cooling demand in Antofagasta according to CEV report from the Ministry of Housing and Urban Planning referenced above.

Our Sustainability Strategy and ESG Framework	Banco Santander-Chile's Green Bonds	Project Selection Process	Impact Indicators and Specific KPIs	Deloitte Verification Letter
---	-------------------------------------	---------------------------	-------------------------------------	------------------------------

Impact Report

BANCO SANTANDER CHILE KEY IMPACT INDICATORS FOR ELIGIBLE GREEN MORTGAGES

To measure the relevant impact of the eligible green mortgage portfolio, the Framework defines the following possible KPIs:

Real Estate

Number, size, use of green building certification of Green Buildings.	Annual GHG emissions reduced/avoided in tonnes of CO ₂ , equiv. vs local baseline/baseline certification level.	Amount of renewable energy installed in building.	Energy use reduced/avoided vs local baseline/building code in %.
---	--	---	--

Note: Where CO₂ emissions figures are reported, the GHG accounting methodology and assumptions will be referenced.

Regarding the green mortgages underlying the bonds issued, we will be reporting on the number, size, and use of green building certification of Green Buildings, as follows:

- Between January 2020 and the end of June 2024, a total of 1,301 green mortgages were granted for projects with eligible Housing Energy Ratings (CEV A+, A, and B) equivalent to 3,466,581 UF.
- Throughout the analyzed period, a total of 69 projects from 51 real estate developers participated and are related to the total eligible green mortgage's portfolio.
- Selected mortgages are composed by 52 projects developed by 37 real estate companies equivalent to 1,398,570 UF.

According to the brochure published by the Ministry of Housing, homes certified between CEV A+ and CEV B achieve an energy savings of between 100% and 55% compared to the reference home described in the same document¹⁰. Considering our selected portfolio, with an average energy savings of 92,5% for CEV A+ (#124), 77,5% for CEV A (#111) and 62,5% for CEV B (#274), the weighted average energy savings for our selected portfolio is approximately 73,1%.

10. See https://www.calificacionenergetica.cl/media/Folleto-Calificacion-Energetica-de-Viviendas.pdf?bcsi_scan_b0cfe6fe1fc787d6=0&bcsi_scan_filename=Folleto-Calificacion-Energetica-de-Viviendas.pdf

Our Sustainability Strategy and
ESG Framework

Banco Santander-Chile's
Green Bonds

Project Selection
Process

Impact Indicators
and Specific KPIs

Deloitte Verification
Letter

Deloitte Verification Letter

Deloitte.

September 27, 2024.

To: The Board of Directors of
Banco Santander Chile.

Deloitte
Auditores y Consultores Limitada
Rosario Norte 407
Rut: 80.276.200-3
Las Condes, Santiago
Chile
Fono: (56) 227 297 000
Fax: (56) 223 749 177
deloittechile@deloitte.com
www.deloitte.cl

We have performed a limited assurance engagement included on the Green Bonds Allocation and Impact Report as of June 30, 2024 (hereinafter the "Report"), reviewing that the proceeds from the Green Bonds, were disbursed by the Bank for the financing and refinancing of eligible assets, as well as the stated impact metrics (hereinafter the "Subject Matter Information") for the period ended June 30, 2024, in accordance with the Bank's Green, Social & Sustainability Funding Global Framework (the "Framework").

Standards and Assurance Process

Our responsibility is to express a limited assurance conclusion included on the Report as of June 2024 based on the procedures that we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements Other than Audits or Reviews of Historical Financial Information (ISAE 3000), issued by the International Auditing and Assurance Standard Board (IAASB). This standard requires that we plan and perform this engagement to obtain limited assurance about whether the Report for the period ended as of June 2024 is free from material misstatement.

A limited assurance engagement involves performing procedures (primarily consisting of making inquiries of management and others within the entity, as appropriate, and applying analytical procedures and review of samples) and evaluating the evidence obtained. The procedures also include assessing the suitability in the circumstances of the Bank's use of the applicable criteria as the basis for the preparation of the review of the Report for the period ended as of June 2024.

Deloitte® se refiere a Deloitte Touche Tohmatsu Limited una compañía privada limitada por garantía, de Reino Unido, y a su red de firmas miembro, cada una de las cuales es una entidad legal separada e independiente. Por favor, vea en www.deloitte.com/cl/acercade la descripción detallada de la estructura legal de Deloitte Touche Tohmatsu Limited y sus firmas miembro.

Deloitte Touche Tohmatsu Limited es una compañía privada limitada por garantía constituida en Inglaterra & Gales bajo el número 07271800, y su domicilio registrado: Hill House, 1 Little New Street, London, EC4A 3TR, Reino Unido.

Our Sustainability Strategy and ESG Framework	Banco Santander-Chile's Green Bonds	Project Selection Process	Impact Indicators and Specific KPIs	Deloitte Verification Letter
---	-------------------------------------	---------------------------	-------------------------------------	------------------------------

Our review included the following procedures:

- Interview key staff responsible for the Green Bond to understand the policies, processes, internal controls related to green project assessment and revenue management of screening, environmental benefits assessment, and reporting.
- Making enquiries of the Bank's management, including those with responsibility of process of issuing the Green Bonds.
- Verify the Green Bond records, project approval documents, and other related documents to assess whether projects funded by the Green Bond comply with the evaluation criteria.
- Reconciling values disbursed to the underlying records.
- For a limited sample, reconciling the disbursed amounts to the records and validation of the disbursed performed.
- Review of key impact indicators stated within the report.
- Our conclusions are referring to the latest version of the Report which was received on September 24, 2024.

Our independence and quality control

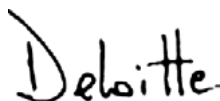
We have complied with the relevant rules of professional conduct and code of ethics applicable to the practice of accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The firm applies International Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Sustainability Information associated to the Green Bonds Allocation and Impact Report, and the assets selected and assigned to the green allocation bond for the period ended as of June 2024 of Banco Santander-Chile, is not prepared, in all material respects, in accordance with the applicable criteria established in the Framework.

Sincerely,





Santander