Investor Conference – Credicorp

September 2020

AGENDA

I. ILC at a Glance

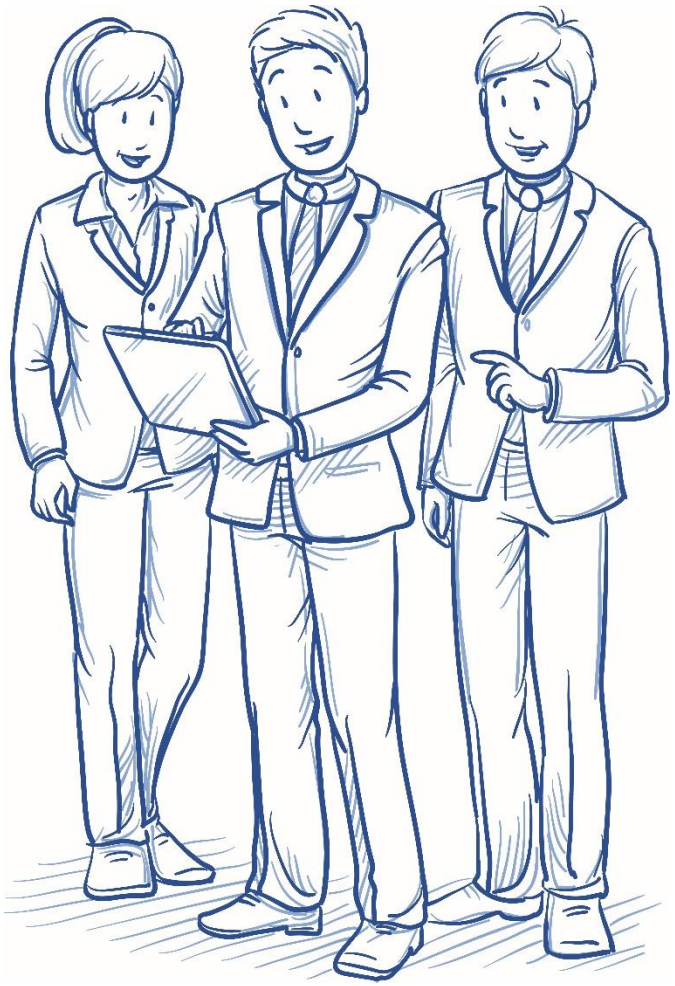
II. ILC: Value Proposition

1. From consolidation to growth & diversification
2. Focus on solid financial structure & sustainability

III. Closing Remarks

IV. Appendix

I. ILC at a Glance



ILC AT A GLANCE

Mission:

We aim to improve the quality of life of our clients, by offering them efficient and accessible services, mainly in the financial and health sectors.

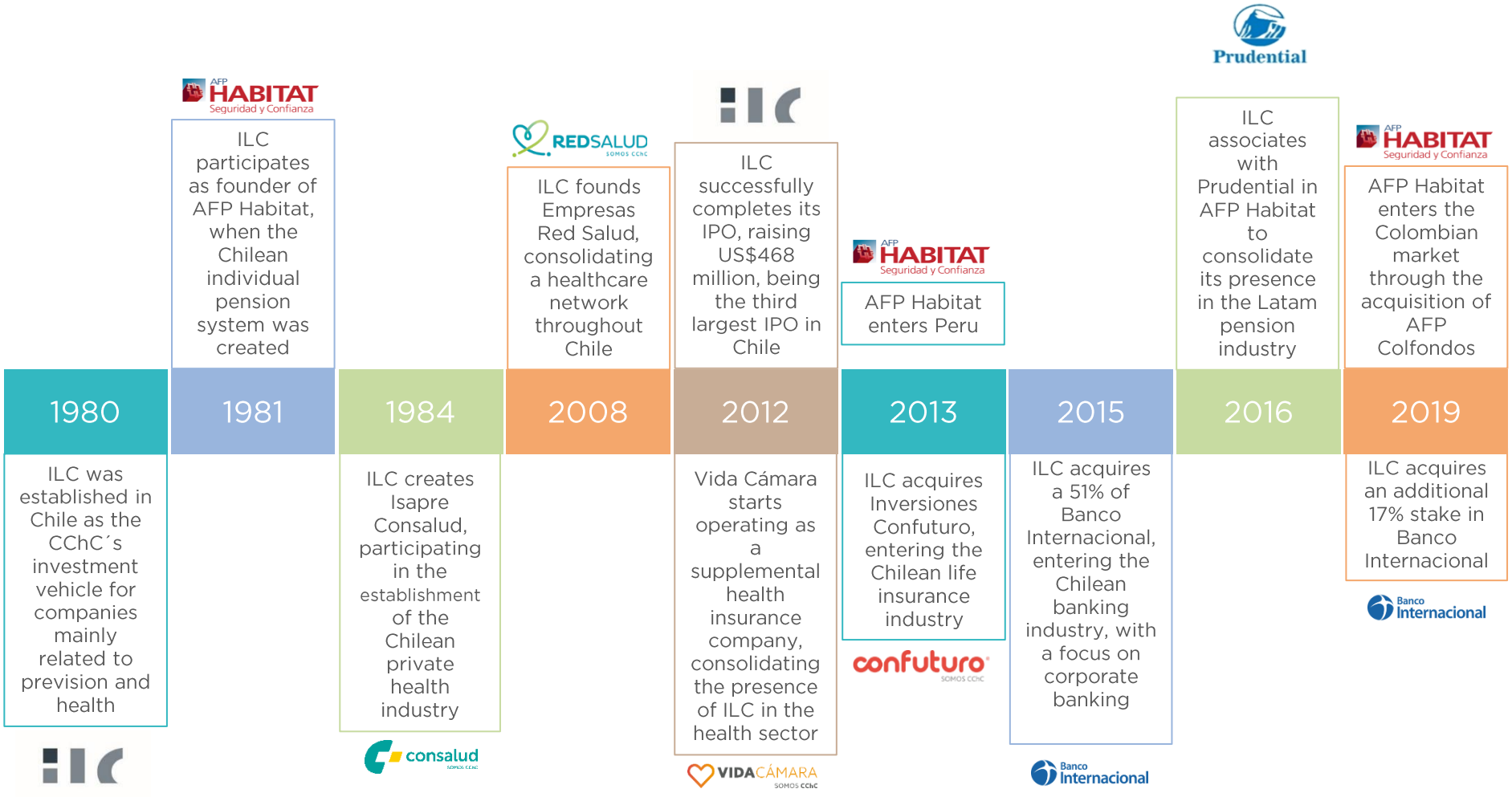
We favor value creation, efficiency and sustainability, guided by the values of our Controlling Shareholder, the Chilean Chamber of Construction (CChC).

Sectors where ILC participates Financial & Health	**ROE-Net Inc. LTM June 2020** 6.0% CLP$ 46.4 bn.	**Dividend Yield LTM June 2020** 2.4% at closing price (June 2019)
Local Risk Rating AA+	**AUM as of June 2020**(1) US$77.6 bn. AFP Habitat Chile, AFP Habitat Peru, AFP Colfondos and Confuturo	**Consolidated Employees** ~15 th. Chile, Peru and Colombia

(1) FX: CLP$821.23/US$; PEN$3.53/US$; COP$3,714.5/US$

Source: Inversiones La Construcción (ILC), Comisión para el Mercado Financiero (CMF), Bolsa de Comercio de Santiago, Superintendencia de Pensiones Chile, Superintendencia de Banca, Seguros y AFP Perú (SBS Perú), Superintendencia Financiera de Colombia and Asociación de Aseguradores de Chile (AACh)

ILC: A 40 YEAR-OLD COMPANY



Source: Inversiones La Construcción (ILC)

SUBSIDIARIES AT A GLANCE

FINANCIAL SECTOR:

- Pension Funds

AFP HABITAT Seguridad y Confianza

40% stake

2° Pension Fund Company in the Andean Region

- Life Insurance

confuturo SOMOS CChC

100% stake

1° Pensions Paid 3° AUM

- Banking

Banco Internacional

67% stake

11° Commercial Loans

HEALTH SECTOR:

- Healthcare Network

REDSALUD SOMOS CChC

100% stake

1° Private Healthcare Network

- Mandatory Health Ins.

consalud SOMOS CChC

100% stake

1° in Contributors and Beneficiaries

- Supplementary Health Ins.

VIDACÁMARA SOMOS CChC

100% stake

3° in Direct Premiums and Beneficiaries

Stock and flow figures as of June 2020 (LTM)
Source: ILC, CMF, Superintendencia de Pensiones Chile, Superintendencia de Banca, Seguros y AFP Perú (SBS Perú), Superintendencia Financiera de Colombia, Superintendencia de Salud Chile, AACh, Anual Reports

II. ILC: Value Proposition

ILC: VALUE PROPOSITION

1.

From Consolidation to Growth & Diversification

2.

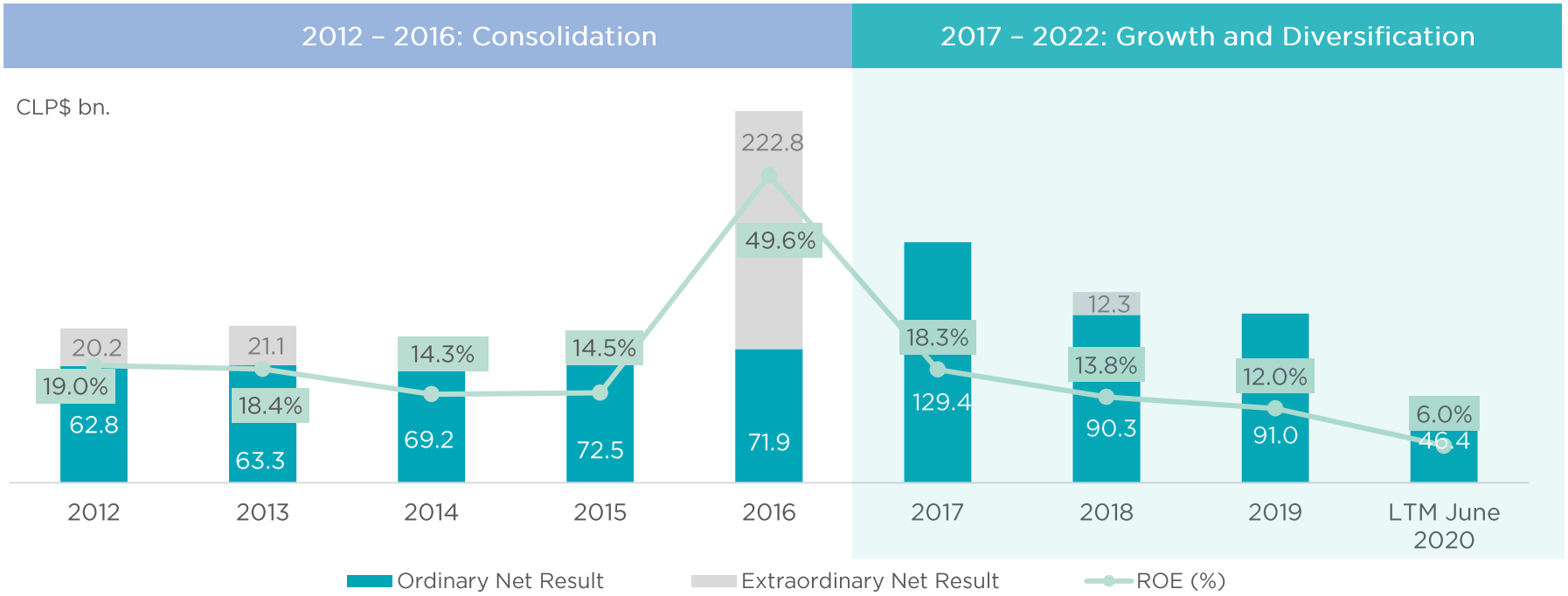
Focus on Solid Financial Structure & Sustainability

RETURN INDICATORS

Average ROE (2012 – LTM June 2020)	18.4%
Ordinary Net Result CAGR (2012 – LTM June 2020) (2012 – 2019)	-3.5% 5.4%

Dividend Yield(1) (2012 – LTM June 2020)	6.6% annual (average)
CAPEX (2012 – LTM June 2020)	US$670 m. (self financed)

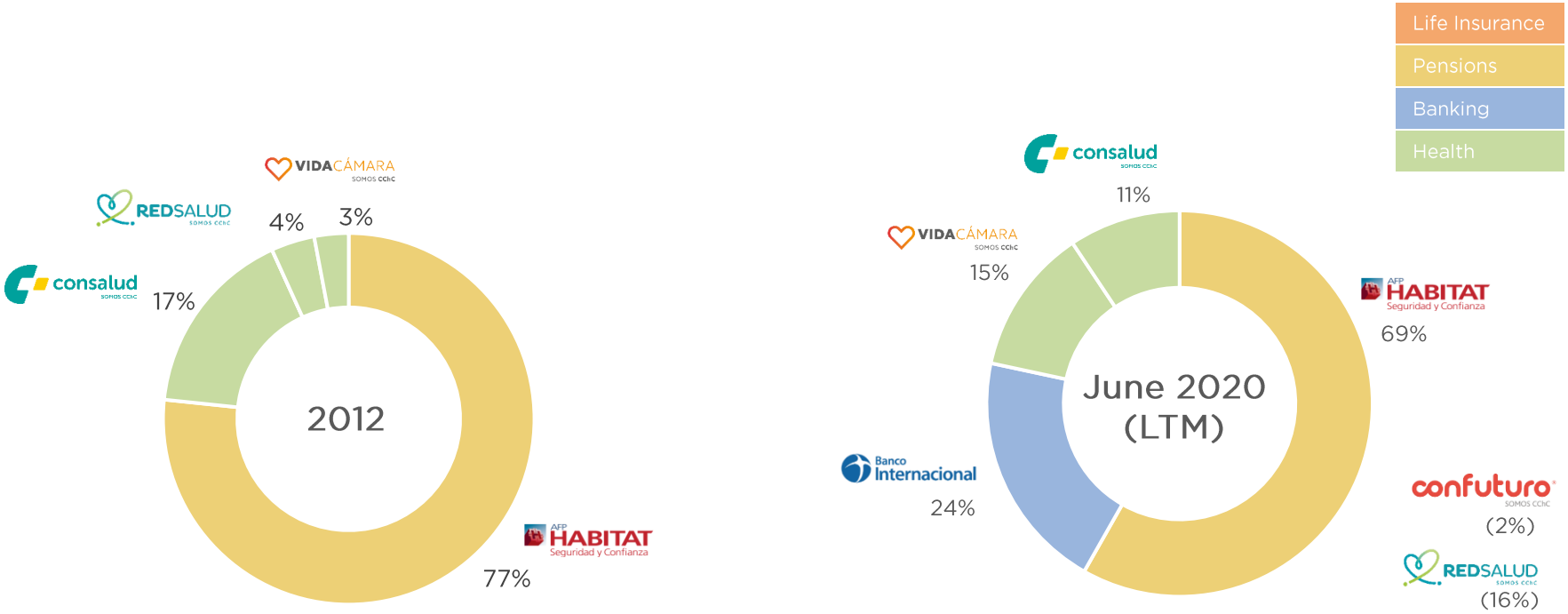
ILC: Net Income and ROE Evolution



(1) Dividend yield at IPO's price
Source: ILC

RESULTS DIVERSIFICATION

ILC´s Ordinary Net Income Composition(1)



AFP Habitat and Isapre Consalud reduced their impact on results from 93% in 2012 to 80% in June 2020 (LTM)

(1) Considers recurring profit of ILC subsidiaries, excluding ILC SG&A, Financial Expenses and Other Expenses
Source: ILC

VALUE GENERATION BLOCKS

Pensions Funds

AFP HABITAT Seguridad y Confianza

Life Insurance

confuturo SOMOS CCHC

Banking

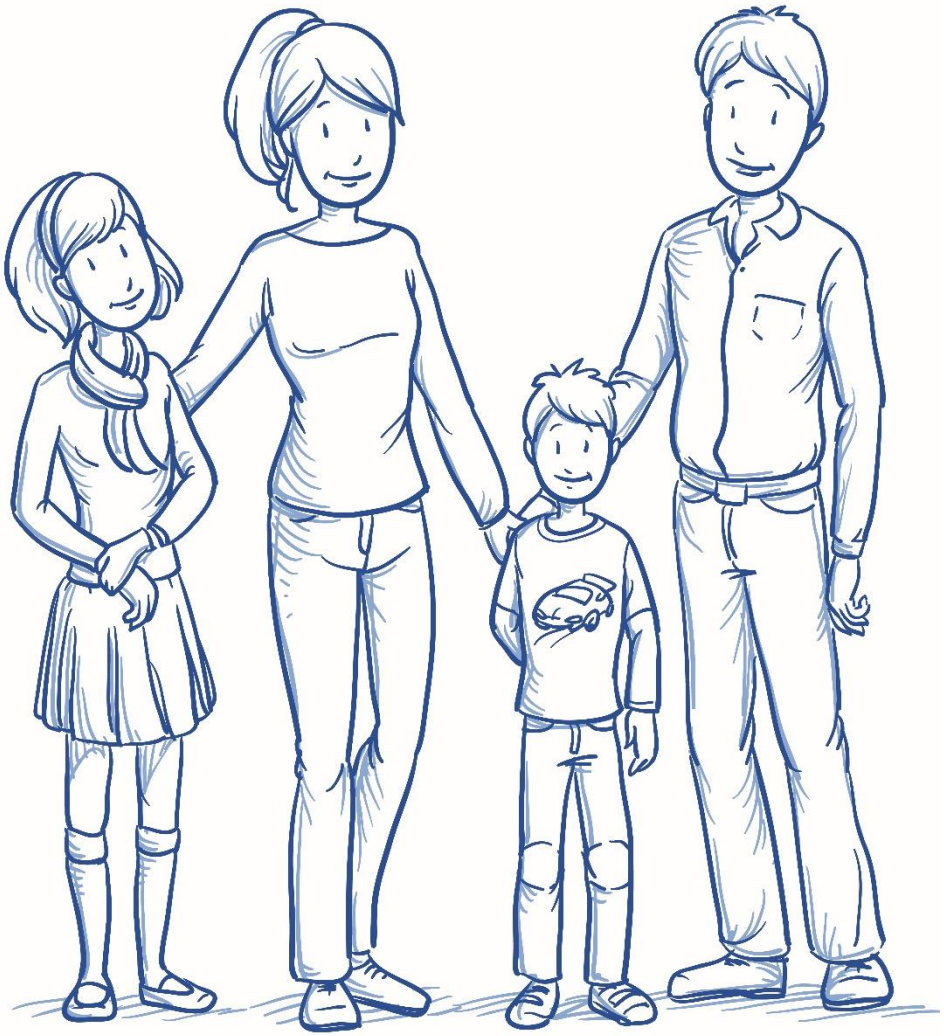
Banco Internacional

Health

REDSALUD SOMOS CCHC

consalud SOMOS CCHC

VIDACÁMARA SOMOS CCHC



AFP
HABITAT
Seguridad y Confianza

PENSIONS AT THE ANDEAN REGION: POTENTIAL UNDER THREE DIFFERENT DYNAMICS

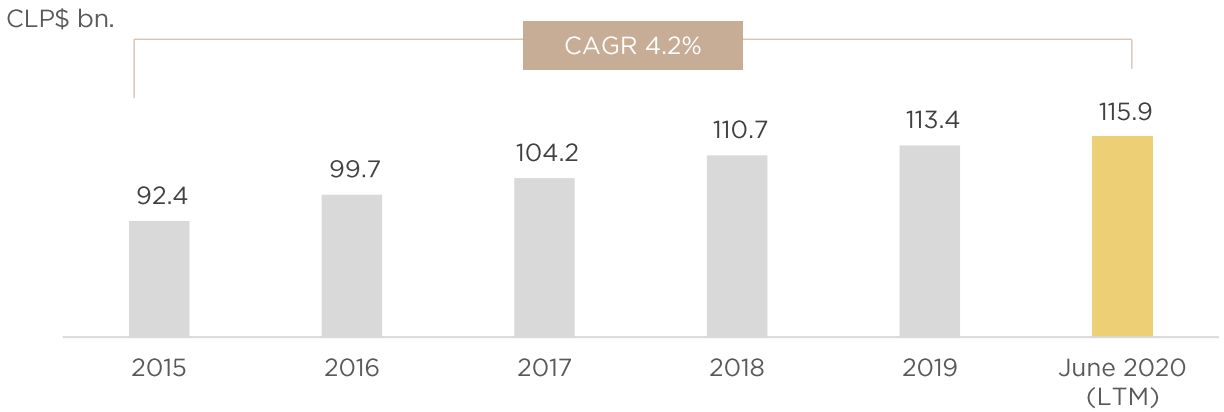
- In 2016, ILC associated with Prudential to spread its presence throughout the Latin American Pension Industry

		Chile	Peru	Colombia	Consolidated
Pension System (2019)	Population (m.)	19	33	50	102
	Active Population (m.)	10	19	27	55
	Labor Formality (%)	72%	40%	43%	47%
	GDP (US$ bn.)	286	211	395	892
	Fees	Salary	Mix	Salary	
	Tenders for newcomers	2 years	2 years	-	
	AUM (US$ bn.)	200	43	73	316
AFP Habitat June 2020 (LTM)	Revenues (US$ m.)	235	38	34	307
	Net Res. bf. Taxes and *Encaje* (US$ m.)	131	16	6	152
	AUM (US$ bn.)	56	3	10	69
	Affiliates (m.)	1.9	1.0	1.9	4.9
	Contributors (m.)	1.0	0.3	0.7	2.1
	Pensioners (m.)	0.4	0.0	0.0	0.4
	Employees	2,898	244	909	4,051

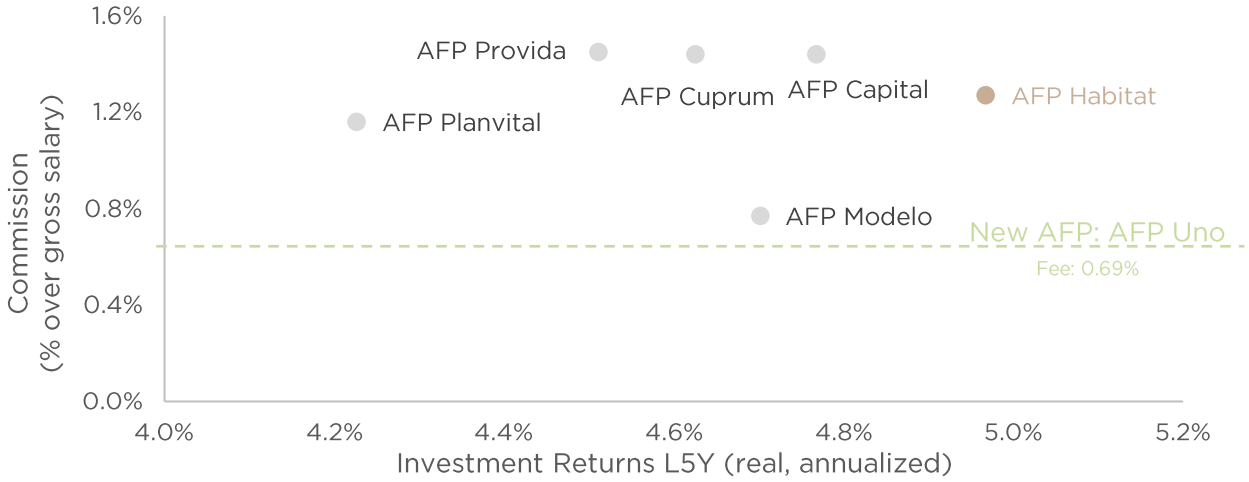
FX: CLP$821.23/US$, PEN$3.53/US$, COP$3,714.5/US$
Source: World Bank, CMF, AFP Habitat, SBS Perú and Superintendencia Financiera de Colombia

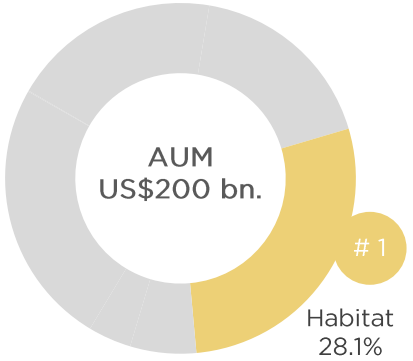
FOCUS ON TAXABLE INCOME AND INVESTMENT RETURNS

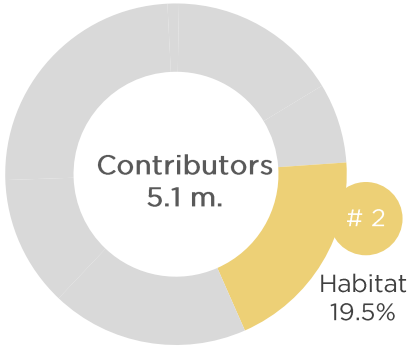
Net Result before Taxes and *Encaje*



AFP Industry: Fee vs Investment Returns





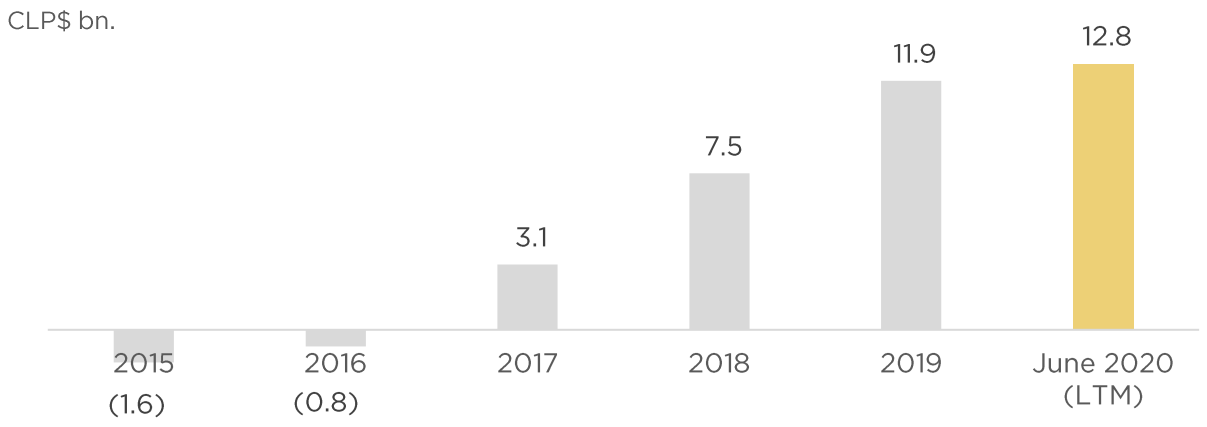


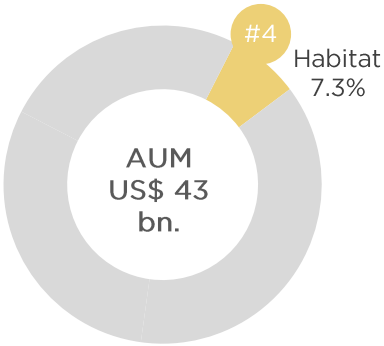
Average Taxable Income
CLP$ 1.0 m.
+22% over industry average

FX: CLP$852.03/US$
Source: Superintendencia de Pensiones Chile, AFP Habitat

GROWING GREENFIELD COMPANY

Net Result before Taxes and *Encaje*





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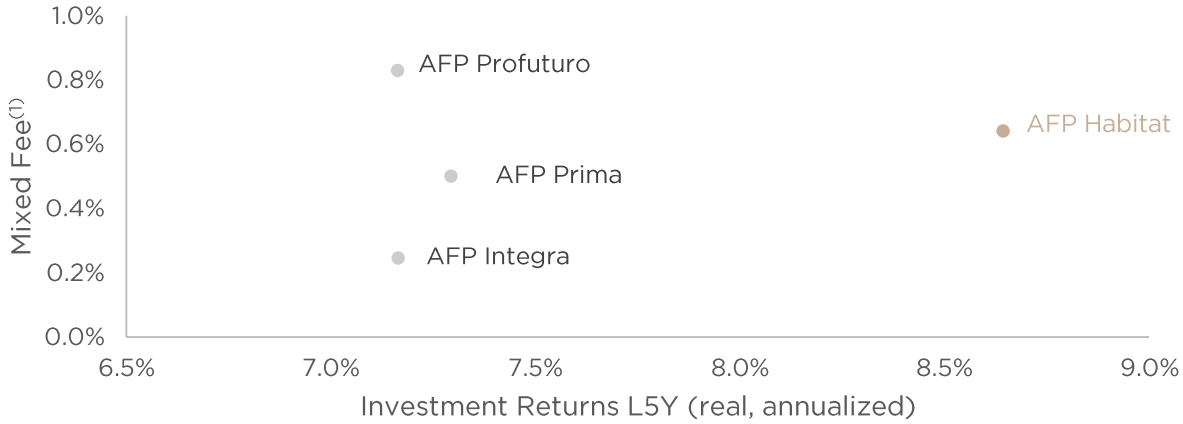
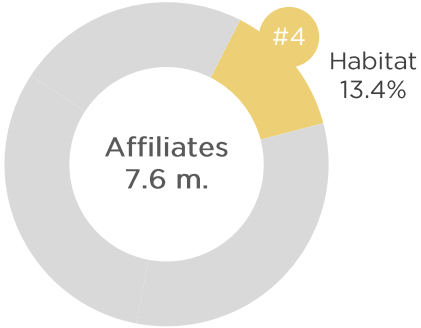


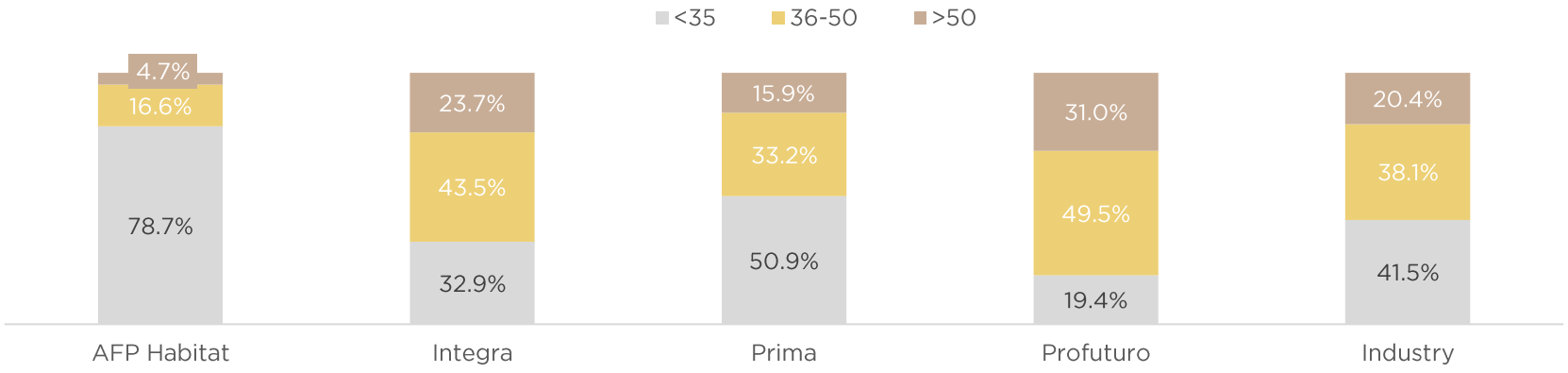


Mixed Fee:
Salary (0.38%) and AUM (1.25%)

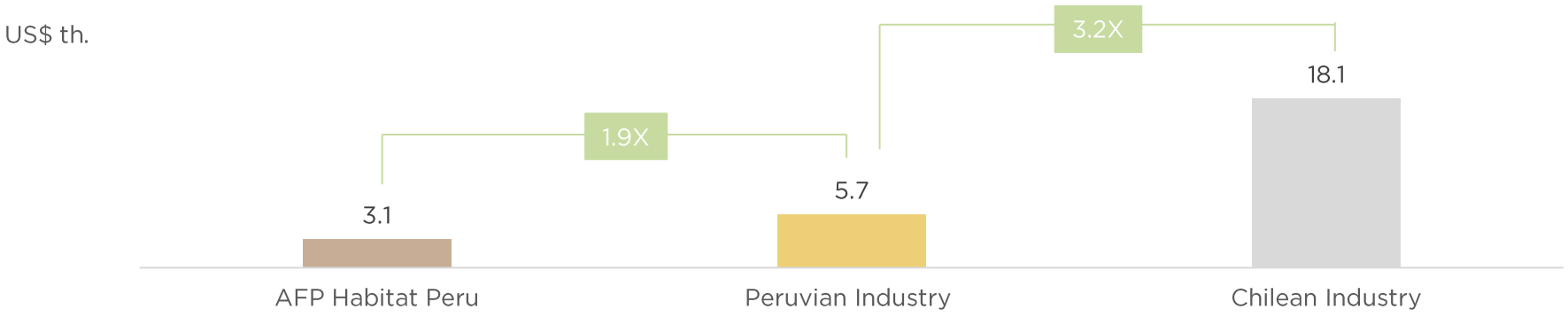
(1) Calculated by weighing 70% and 30% fees on flows and AUM, respectively
FX: PEN$3.53/US$
Source: SBS Perú,, CMF

GROWING GREENFIELD COMPANY

Affiliates by Age Range



AUM per Affiliate



Figures as of June 2020
FX: CLP$821.23/US$; PEN$3.53/US$
Source: SBS Perú, Superintendencia de Pensiones Chile

ENTERING THE COLOMBIAN PENSION FUND INDUSTRY

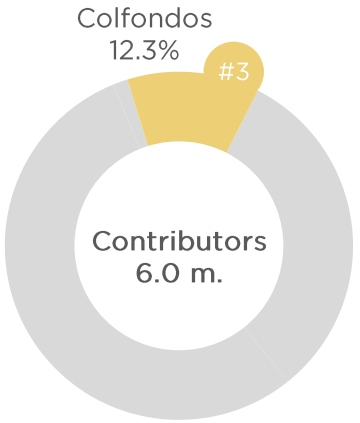
Competitors and Controlling Groups

Porvenir
AVAL

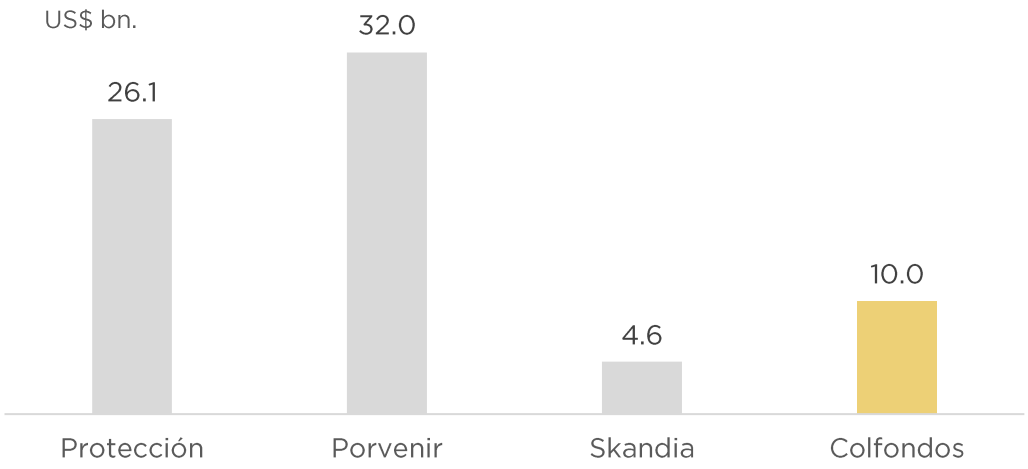
Colfondos
Habitat

Protección
Pensiones y Cesantías
Sura

skandia
Pensiones y Cesantías S.A.
CMIG



AUM



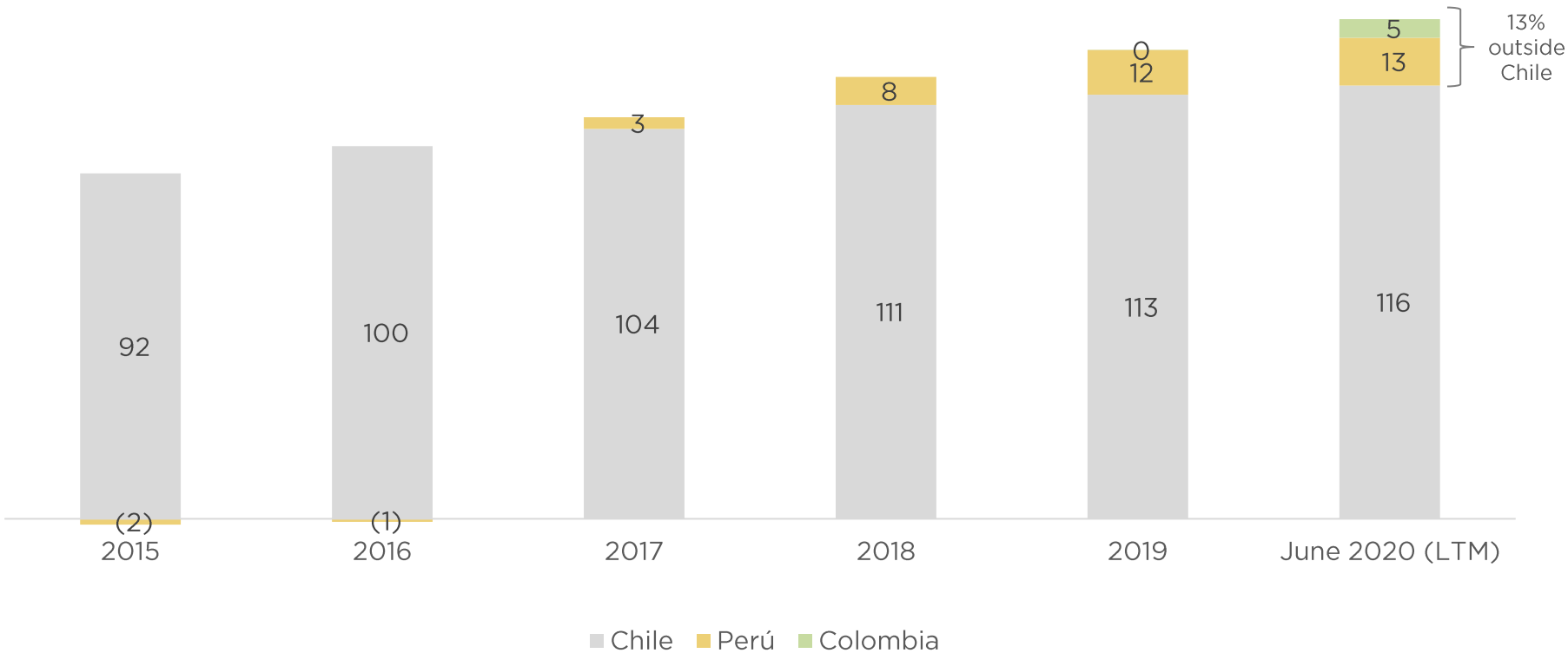
Fee over Salary:
3.0%
Service commission + disability and survival insurance premium

FX: COP$3,714.5/US$
Source: Superfinanciera Financiera de Colombia

AFP HABITAT: NET INCOME BREAKDOWN

Net Result before Taxes and *Encaje*

CLP bn.

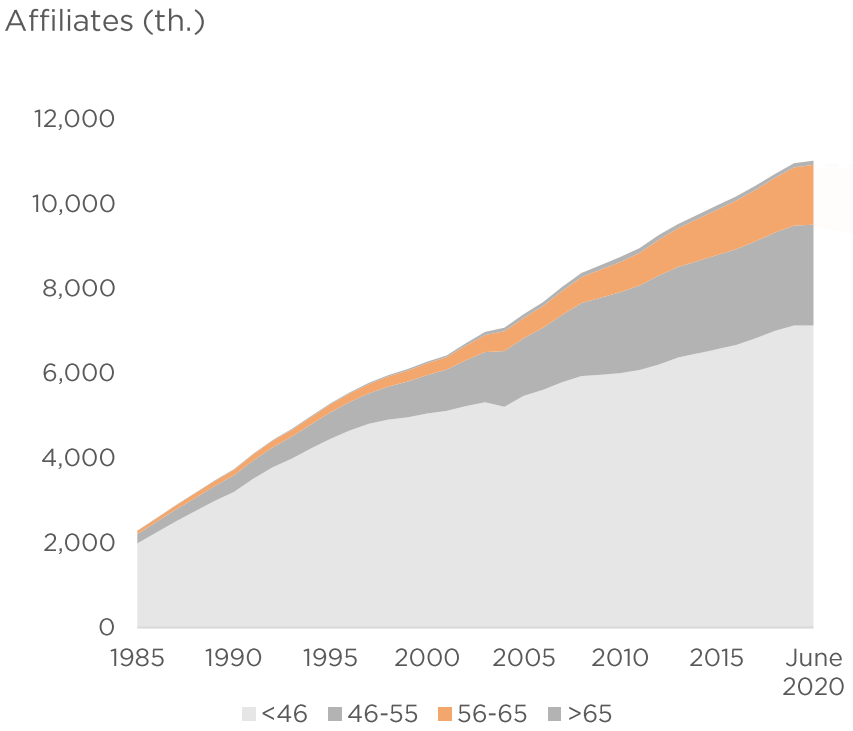


Source: CMF

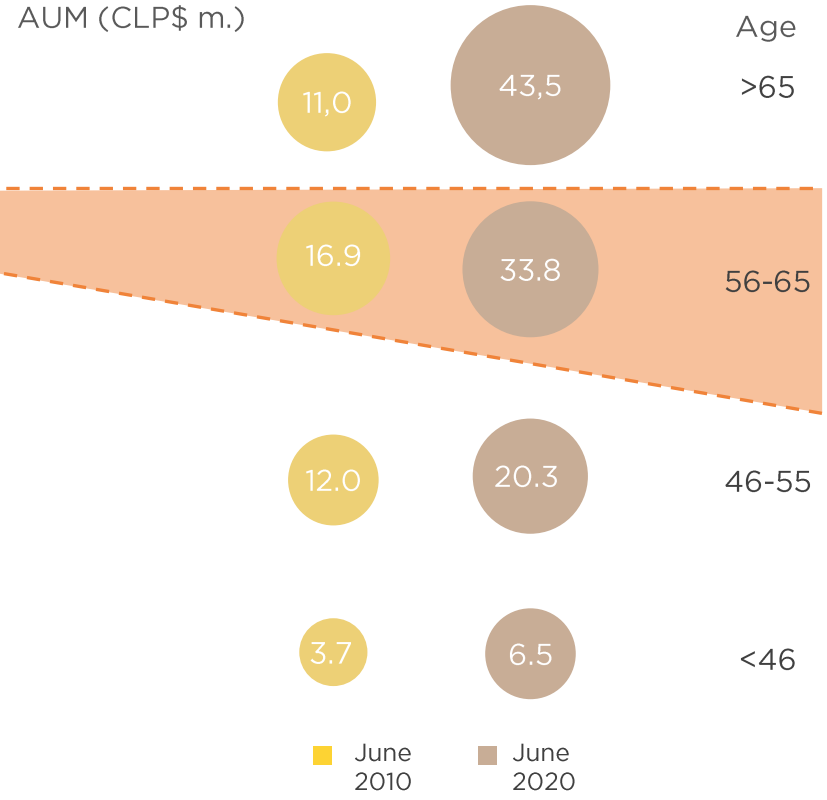
confuturo

LIFE INSURANCE INDUSTRY: DEMOGRAPHIC AND ECONOMIC POTENTIAL

Affiliates by Age Range



AUM by Age Range



Segment 56 – 65 years: last decade growth
2.1x Affiliates and 2.0x AUM per affiliate

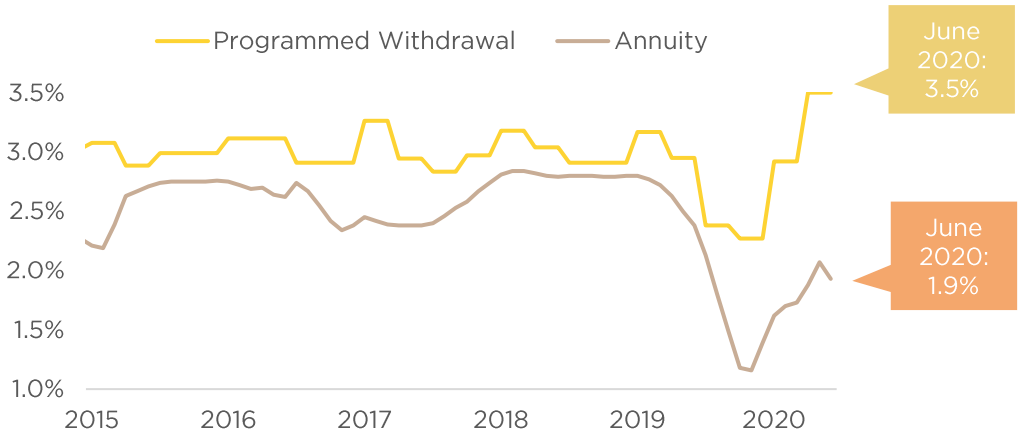
Source: CMF, Superintendencia de Pensiones

MARKET SCENARIO

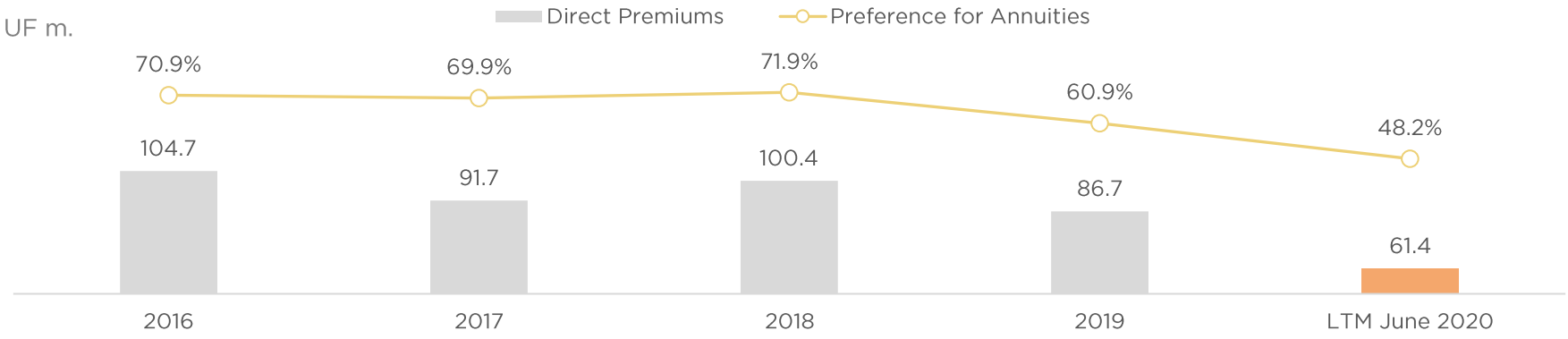
confuturo SOMOS CChC

# 1	Pensions Paid (monthly)	17.0% Market Share
# 3	AUM(1)	15.9% Market Share
# 6	Direct Premiums Annuities	7.2% Market Share

Annuity and Programmed Withdrawal Sales Rate



Chilean Annuity Industry: Direct Premiums & Preference



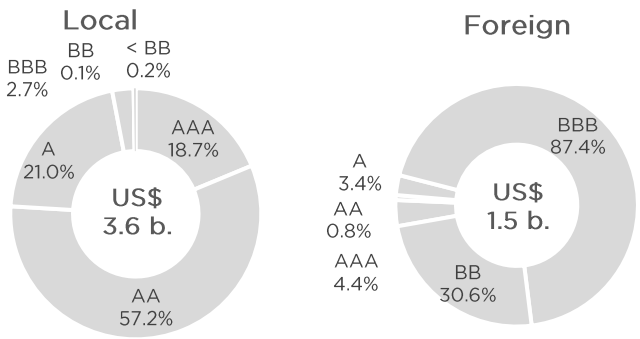
(1) Does not consider Life Insurance Savings (CUI)
FX: CLP$821.23/US$
Source: CMF, AACh, Superintendencia de Pensiones

LONG-TERM ORIENTED INVESTMENTS

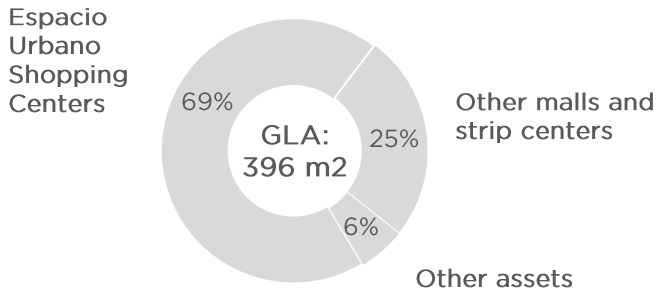
Investment Portfolio Breakdown

	2013	2014	2015	2016	2017	2018	2019	June 2020	Δ 2013 June 2020	2022E
Local Fixed Income	69%	65%	62%	55%	52%	52%	50%	50%	-19 pp	▼
Foreign Investment	13%	18%	20%	18%	19%	24%	26%	26%	+13 pp	=/▲
Real Estate & Mortgage Leasing	13%	14%	16%	23%	22%	21%	20%	19%	+6 pp	▲
Others	3%	2%	2%	4%	5%	3%	2%	1%	-2 pp	▲
Equity	2%	1%	1%	1%	1%	1%	2%	4%	+2 pp	=
Total AUM (US$ m.)	5,159	5,658	6,233	6,980	7,350	7,762	8,133	8,098	61%	▲
Δ+ Compared to 2013	-	10%	21%	35%	42%	50%	58%	60%		

Fixed Income Portfolio Distribution



Real Estate Portfolio Distribution



~50% GLA of Real Estate Portfolio corresponds to basic services (banks, supermarkets & pharmacies)

FX: CLP$821.23/US$
Source: CMF

Banco Internacional

BANCO INTERNACIONAL AT A GLANCE

Strategy
Commercial Loans

Loans
Total Loans **US$ 2.7 bn.**
98% Commercial Loans

Network
12 Branches
4 Business Centers

Market Share
1.1% in Total Loans
1.7% in Commercial Loans

Clients
~5,600 in Corporate Banking

Profit and Risk
Net Income **CLP$ 22 bn.**
13.1% ROE
AA- Rating

Network:

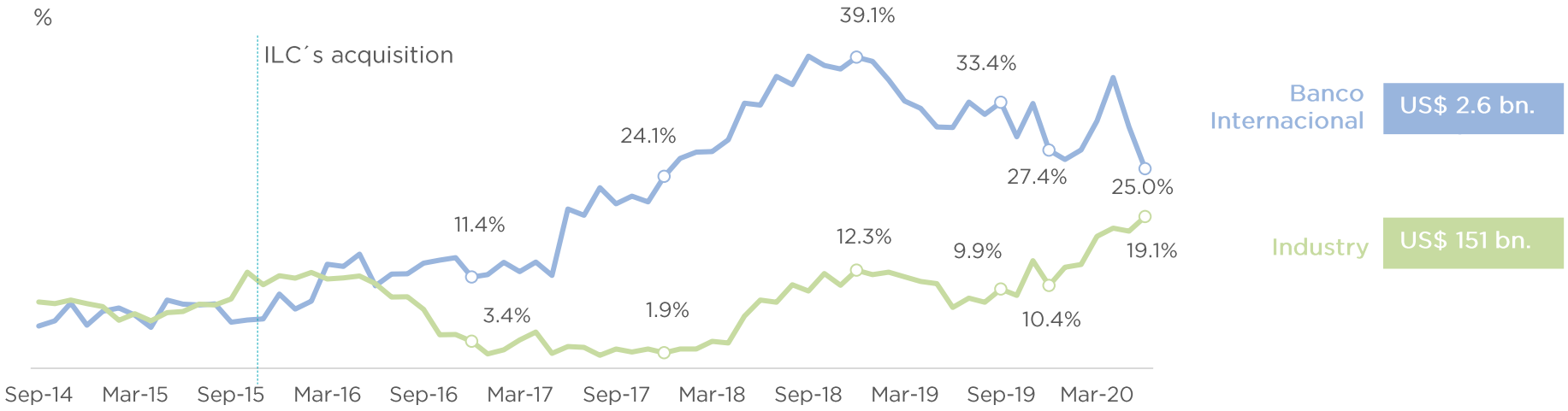
Story of Banco Internacional

- Nov. 2015: ILC acquires **50.6%** of Banco Internacional
- April 2019: ILC increases its participation by 17% → **67.2%**
- Since 2015, there has been CLP$88 bn. in capital increases

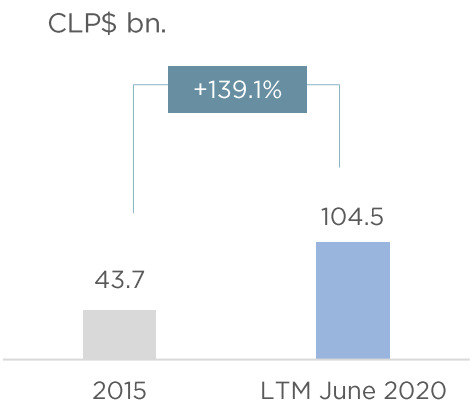
FX: CLP$821.23/US
Source: CMF, ILC, Banco Internacional

A GROWTH & TURNAROUND STORY

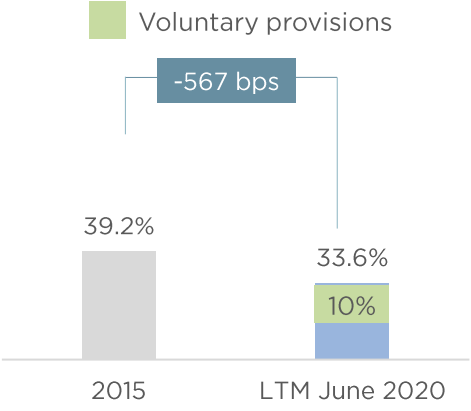
Commercial Loans Annual Growth



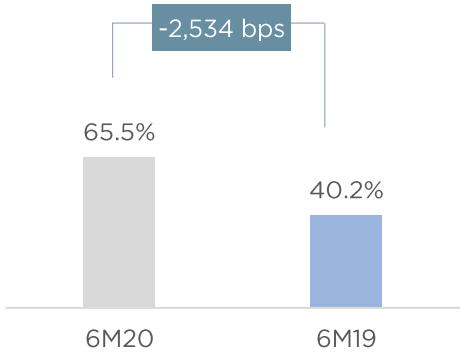
Gross Operating Result



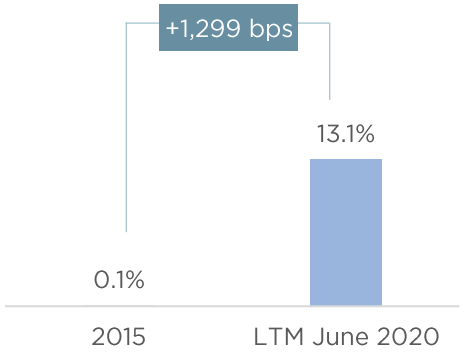
Risk Expenses / GOR (%)



Efficiency



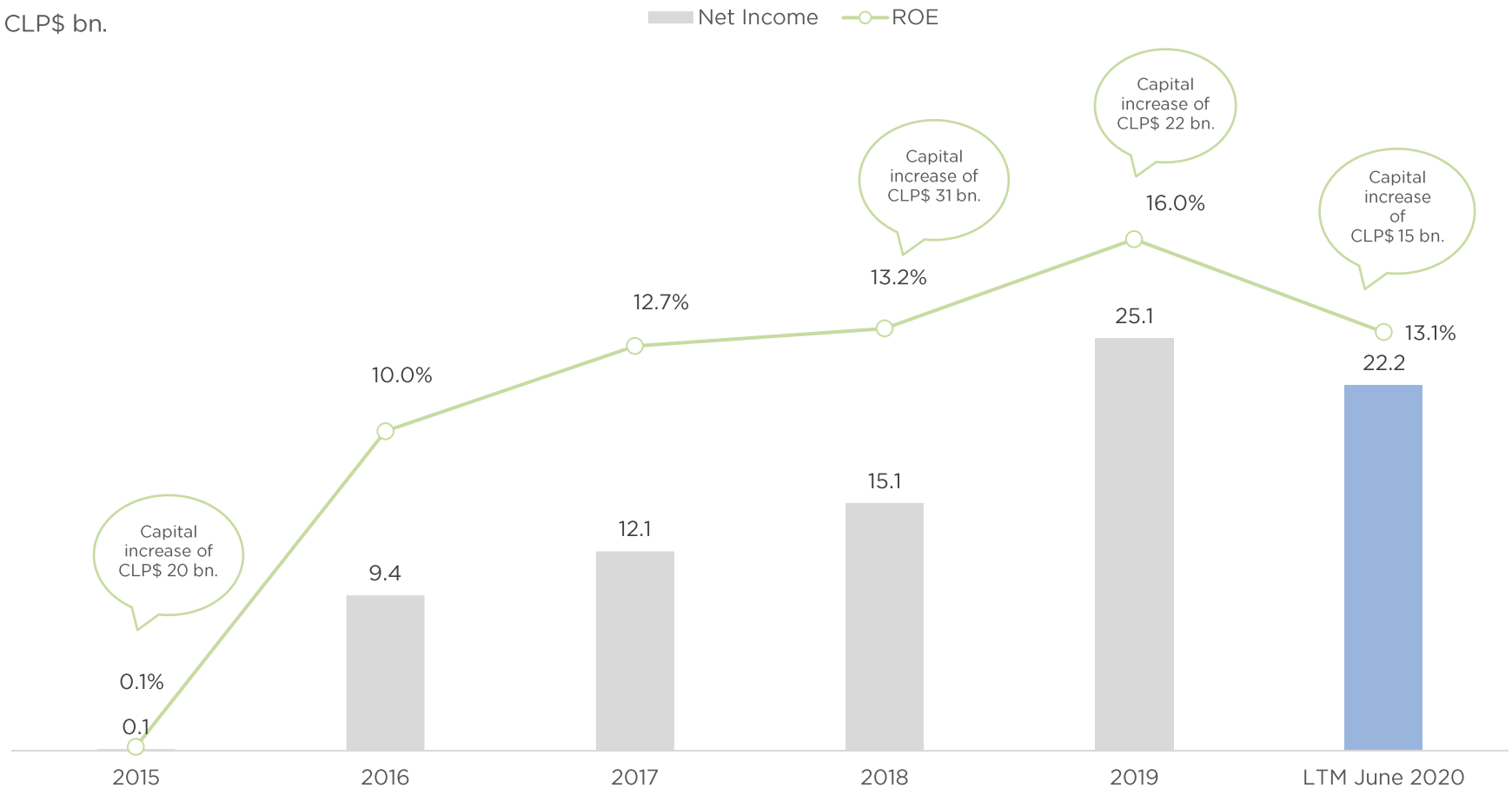
ROE



FX: CLP$821.23/US
Source: SBIF

NET INCOME & ROE EVOLUTION

Net Income and ROE of Banco Internacional



Source: CMF

STRATEGIC FOCUS

Today	2015	2019	June 2020
Solvency	14.8%	11.8%	13.2%
Liquidity (CLP mmm.)	249	707	989
Credit Risk: Additional Provisions (CLP mm)	0	3,581	8,081
Credit Risk: NPL	2.2%	2.1%	2.2%

Plan 2018 - 2022	2015	2018	June 2020	2022
Commercial Loans	US$ 1.1 bn.	US$ 2.1 bn.	US$ 2.6 bn.	~US$ 4.0 bn.
Efficiency (% GOR)	65.5%	53.9%	40.2%	<45.0%
Solvency	14.8%	11.8%	13.2%	~12.0%

FX: CLP$821.23/US$
Source: SBIF

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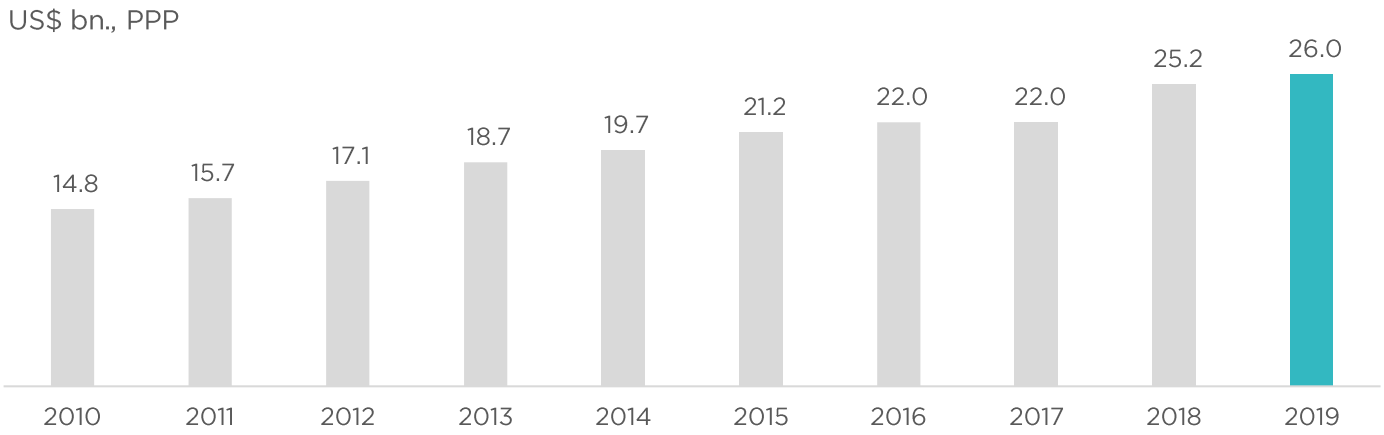
consalud
SOMOS CChC

VIDACÁMARA
SOMOS CChC

CHILEAN HEALTHCARE INDUSTRY: DEMOGRAPHIC AND ECONOMIC POTENTIAL

Chilean Health Expenditure[1]



CAGR (2010 - 2019): 6.5%

Ageing Population and Economic Development increased Demand for Health in Chile

Years	Per Capita GDP (US$, PPP)	Life Expectancy (years)	Population over 65 years (% Total)
2019	25,155	80.0	11.9%
2009	16,160	78.6	9.2%
2000	9,554	76.4	7.7%

(1) Constant 2010 US$
Source: World Bank, OECD,

ILC HEALTH SECTOR: SUPPLY + DEMAND

Supply: Healthcare Network:

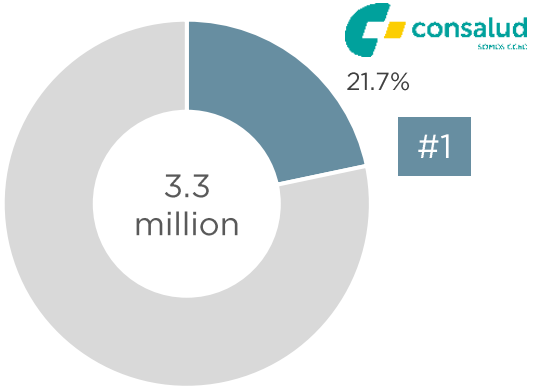
National Coverage — REDSALUD — #1

Region	Inpatient	Outpatient	Dental
Arica			●
Tarapacá	●	●	●
Antofagasta		●	●
Atacama			●
Coquimbo	●	●	●
Valparaíso	●	●	●
Metropolitana	●	●	●
O´Higgins	●	●	●
Maule			●
Ñuble		●	●
Bío Bío		●	●
Araucanía	●	●	●
Los Ríos		●	●
Los Lagos		●	●
Aysén			
Magallanes	●	●	●
Total	1,032 Beds (128 ICU)	1,126 Exam Rooms	472 Dental Chairs

Demand: Health Insurances

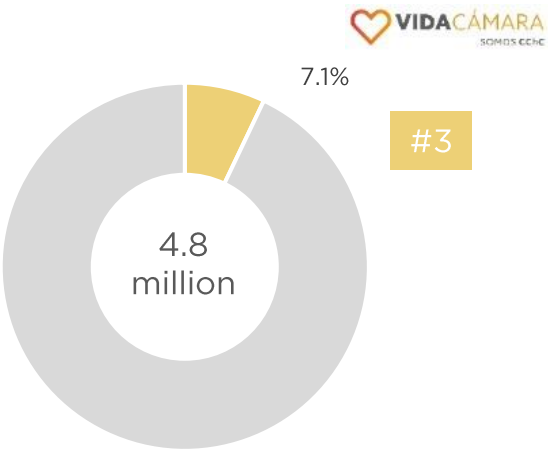
Mandatory Health Insurance

Beneficiaries June 2020:



Supplemental Health Insurance

Beneficiaries June 2020:



Source: CMF, Superintendency of Health, Red Salud

RED SALUD: LARGEST HEALTHCARE NETWORK IN CHILE

Strategy

2008-2015

Infraestructure Growth

2015-2022

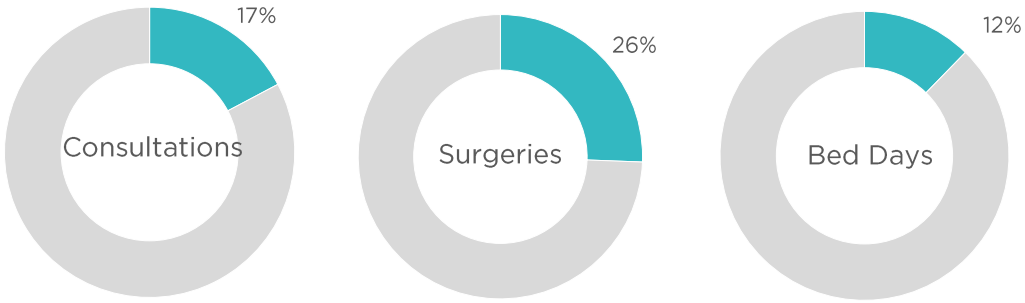
Consolidation & Operational Excellence

Inpatient

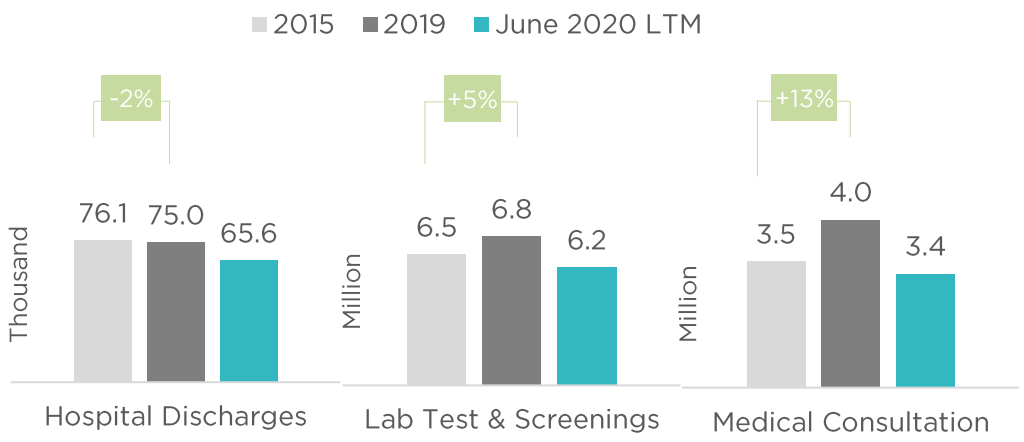
Outpatient

Dental

Activity Indicators and Market Share Private Healthcare Industry



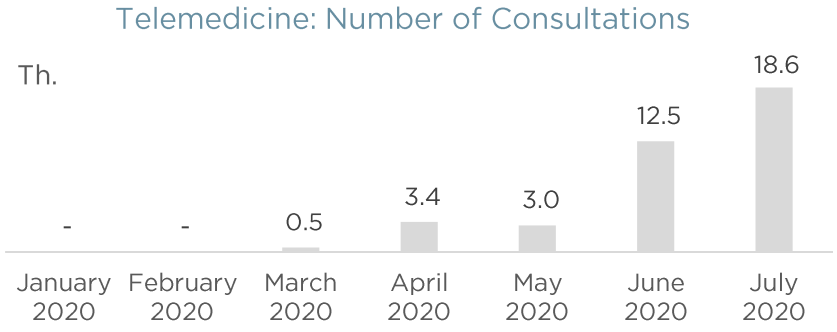
Activity Indicators Red Salud



Source: Red Salud

COVID-19: KEEP OUR FACILITIES OPERATIVE & SEARCH FOR NEW SERVICE ALTERNATIVES

Telemedicine in Red Salud



- Launched in 2020
- Total Revenues: ~CLP$65 million per week
- Occupation close to a 40-box medical center

Source: Red Salud

2015-2022: FOCUS ON CONSOLIDATION AND OPERATIONAL EXCELLENCE

Red Salud Strategic Pillars and Examples

I. Network Excellence

- **Medical traumatology supply integration:**
  RedSalud Providencia Medical Center- RedSalud Providencia Hospital

II. Operational Excellence

- **Network KPIs standardization**
- **Emergencies Management System:**

III. Commercial Dynamism

Red Salud Brand Unification

	Before	2019
Brands	10	1
Awareness	0%	15%
Agendas	10	1
Website Visits	~10,000	~600,000
Contact Numbers	19	1

IV. Infrastructure and Technology

- **Infrastructure:**
  4 Hospitals expansions
  9 New medical and dental centers

- **Unique ERP, Health Information System and Communication Platform:**

SAP HANA

G Suite

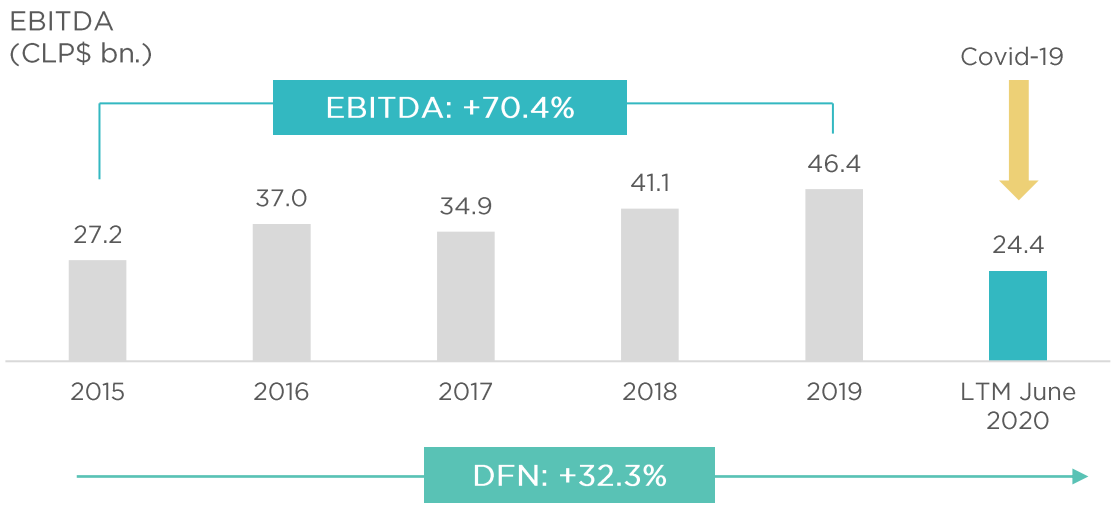
V. Culture & Employees

- **Pillars and Values:**

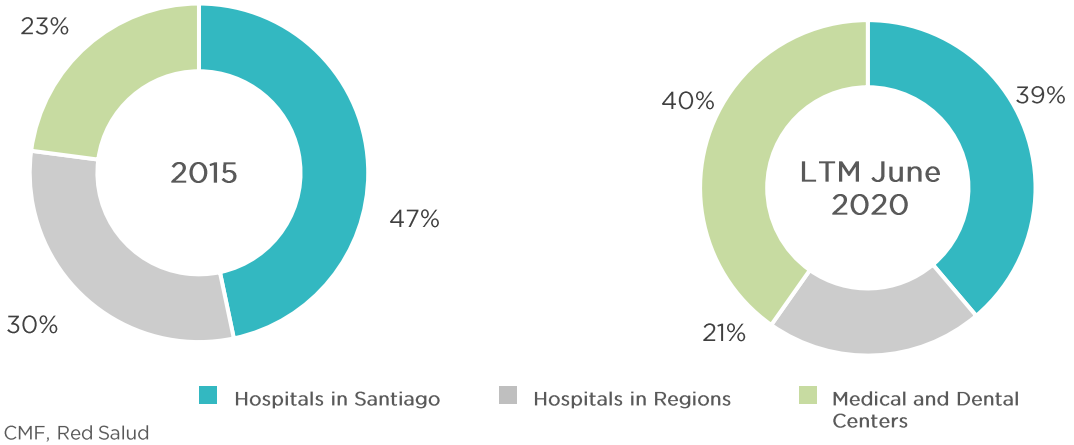
Source: Red Salud, Clínicas de Chile

FOCUS ON OUTPATIENT GROWTH AND DIVERSIFICATION

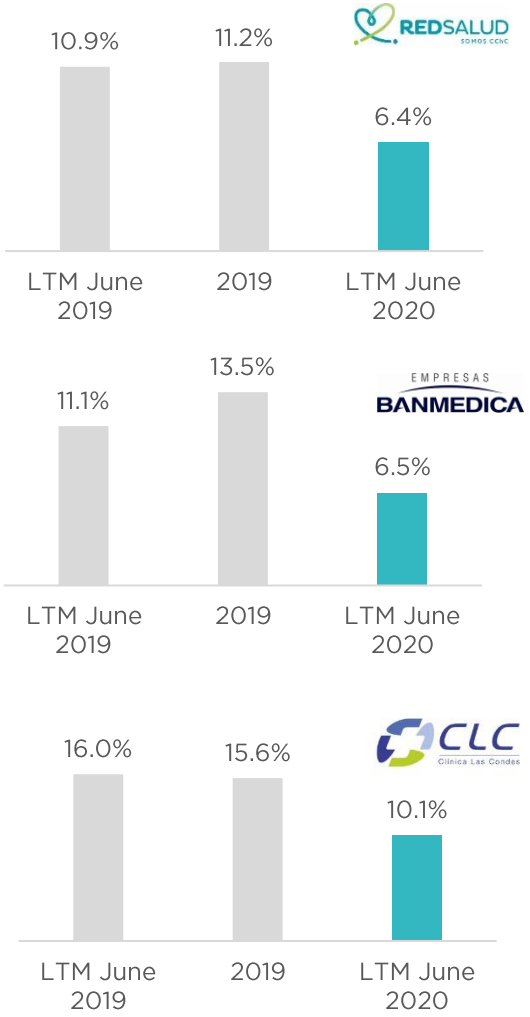
Red Salud: EBITDA Evolution



EBITDA breakdown



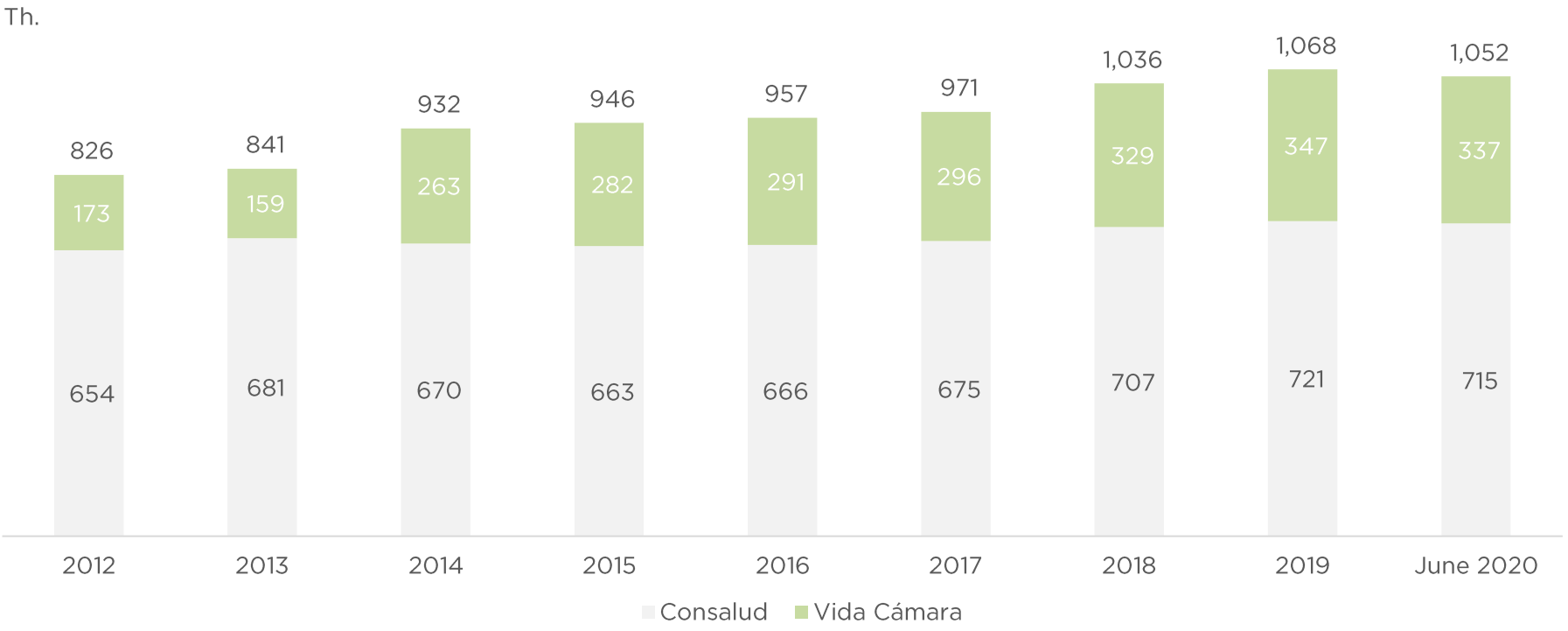
Industry snapshot: EBITDA Margin



Source: CMF, Red Salud

CONSALUD AND VIDA CÁMARA: RELEVANT PLAYERS IN THE HEALTH INSURANCE INDUSTRY

Beneficiaries Consalud & Vida Cámara

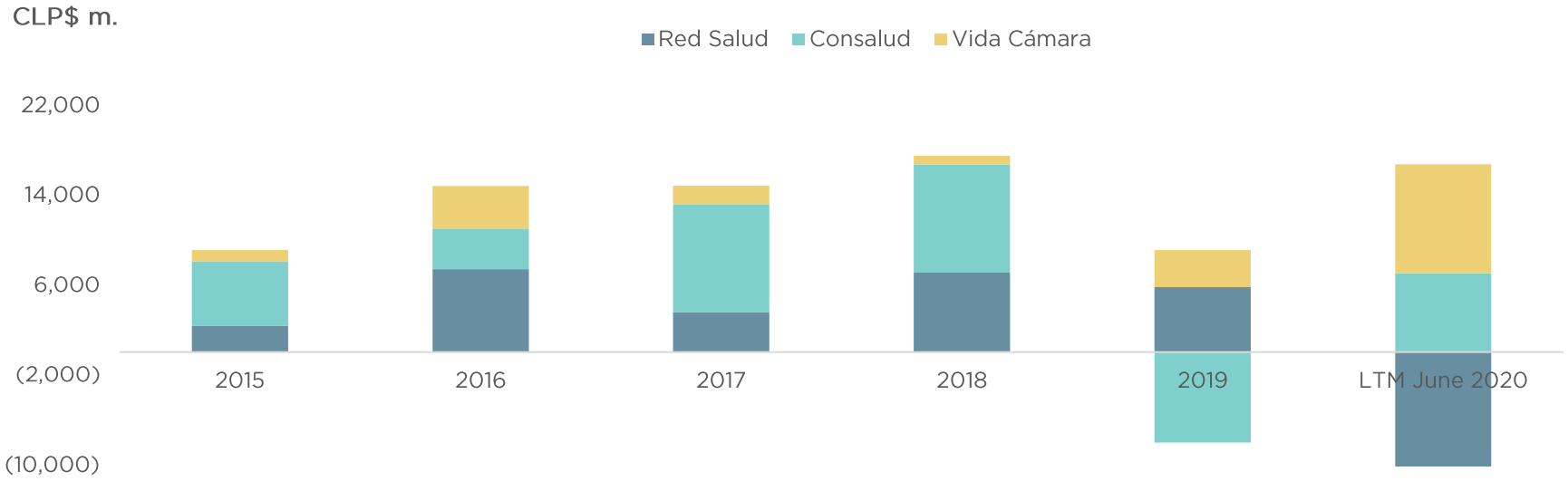


Beneficiaries (June 2020) : Consalud: #1 (Market Share: 21.7%), Vida Cámara: #3 (Market Share: 7.1%)

Source: CMF, Superintendencia de Salud Chile

HEALTHCARE AND HEALTH INSURANCE: NATURAL HEDGE

ILC Health Sector - Profit



Health Sector 2019 Figures: Red Salud, Consalud & Vida Cámara

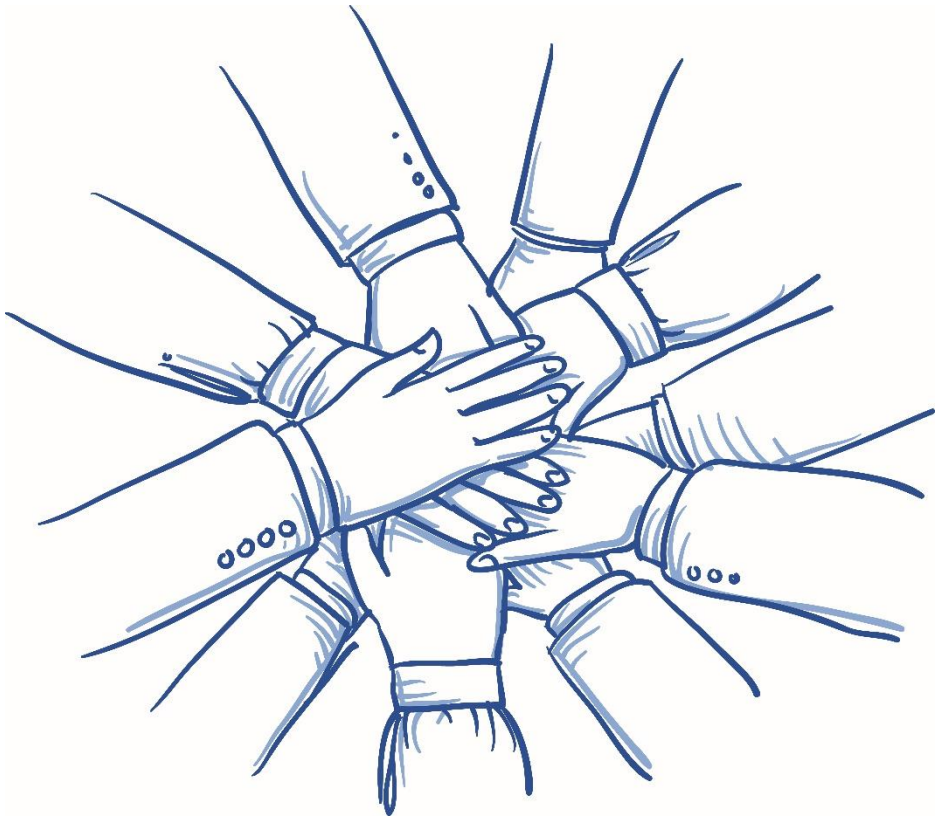
Inpatient Revenues	CLP$ 170 bn.
Outpatient Revenues	CLP$ 240 bn.
Ebitda	CLP$ 46 bn.
Ebitda Margin	11.2%
100 bps Ebitda Margin	CLP$ 4,600 m. (per year)

Inpatient Cost	CLP$ 180 bn.
Outpatient Cost	CLP$ 170 bn.
Health Loss Ratio	64.2%
100 bps Health Loss Ratio	CLP$ 5,400 m. (per year)

Health Cost	CLP$ 43 bn.
Health Loss Ratio	75.7%
100 bps Health Loss Ratio	CLP$ 560 m. (per year)

Source: CMF, Red Salud, Consalud, Vida Cámara

ILC: VALUE PROPOSITION



1.

From Consolidation to Growth & Diversification

2.

Focus on Solid Financial Structure & Sustainability

FINANCIAL STRUCTURE

Dividends

Dividend Policy by Subsidiary

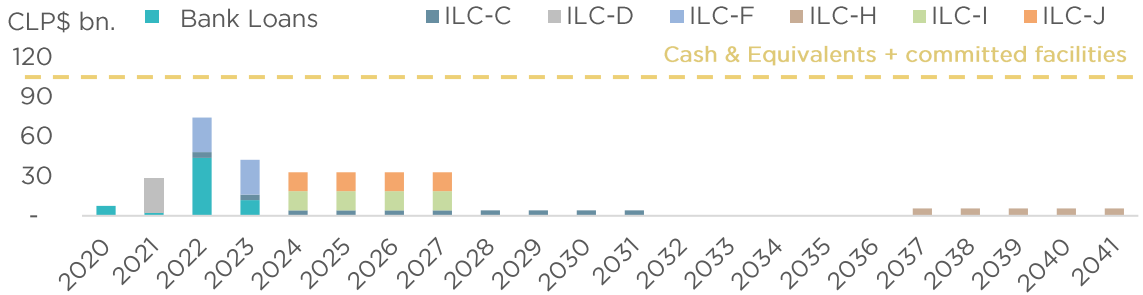
	Dividend Policy (%)	Ownership (%)
Habitat	30%-90%	40.3%
Red Salud	30%-100%	99.9%
Consalud	30%-100%	99.9%
Vida Cámara Chile	30%-100%	99.9%
Confuturo	30%-100%	99.9%
Banco Internacional	30%-100%	67.2%

ILC Payout Ratio

Distribute between 30% of net income and 70% of ILC's distributable net income (from 40% to 70% in 2019)

Financial Structure

Amortization Schedule - ILC June 2020



NFD / Equity[1] 0.29x

Cash & Cash Equivalents[1] CLP$102 bn.

Total Debt[1] CLP$336 bn.

CAPEX

- Confuturo and Banco Internacional were recently capitalized

confuturo SOMOS CChC

UF 2 m. in September 2019

Banco Internacional

CLP$ 18 b. in September 2019 + CLP$15 b. in August 2020

ILC Capex 2020: US$120 m. reduced to US$20 m.

(1) Financial data as of March 2020

FOCUS ON SUSTAINABILITY

ILC's Sustainability Strategy

Mission

Responsible Investment	Inclusiveness and Access	Contribution to Public Debate	Culture of Service and Ethics
Aspiration: To incorporate ESG factors into our investment management and our own businesses, to invest responsibly and be a responsible ESG investment for our investors.	**Aspiration:** Reduce the obstacles to financial and health services through information, tools and initiatives provided by ILC subsidiaries that afford priority groups greater knowledge and access.	**Aspiration:** That ILC and its subsidiaries are effectively perceived as active corporate citizens that contribute constructively and differentiate themselves from the rest of the industry.	**Aspiration:** To have motivated and trained teams of individuals with the highest ethical standards and a strong commitment to the social role of ILC and its subsidiaries.
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	3 GOOD HEALTH AND WELL-BEING 8 DECENT WORK AND ECONOMIC GROWTH	17 PARTNERSHIPS FOR THE GOALS	3 GOOD HEALTH AND WELL-BEING 8 DECENT WORK AND ECONOMIC GROWTH

+Goals & KPI's

Supported by World Class Organizations

SSIndex CERTIFIED

MEMBER OF Dow Jones Sustainability Indices In collaboration with SAM

UN Global Compact Pacto Global Red Chile

SUSTAINABLE DEVELOPMENT GOALS

Fuente: ILC

CONTINUE WITH OUR SOCIAL COMMITMENT AS PART OF OUR DNA

AFP Habitat, Consalud and Red Salud were established in the 80's to provide social security to construction workers and their families

ILC's Social Impact 2019

REDSALUD SOMOS CChC

1ER LUGAR PXI PRAXIS XPERIENCE INDEX

EN EXPERIENCIA DE PACIENTES PARA EL SECTOR CENTROS DE SALUD 2020

- Strong physical and digital presence through Chile

- US$ 1 billion in loans to SMEs (40% customers of Banco Internacional)

- Committed to SDG

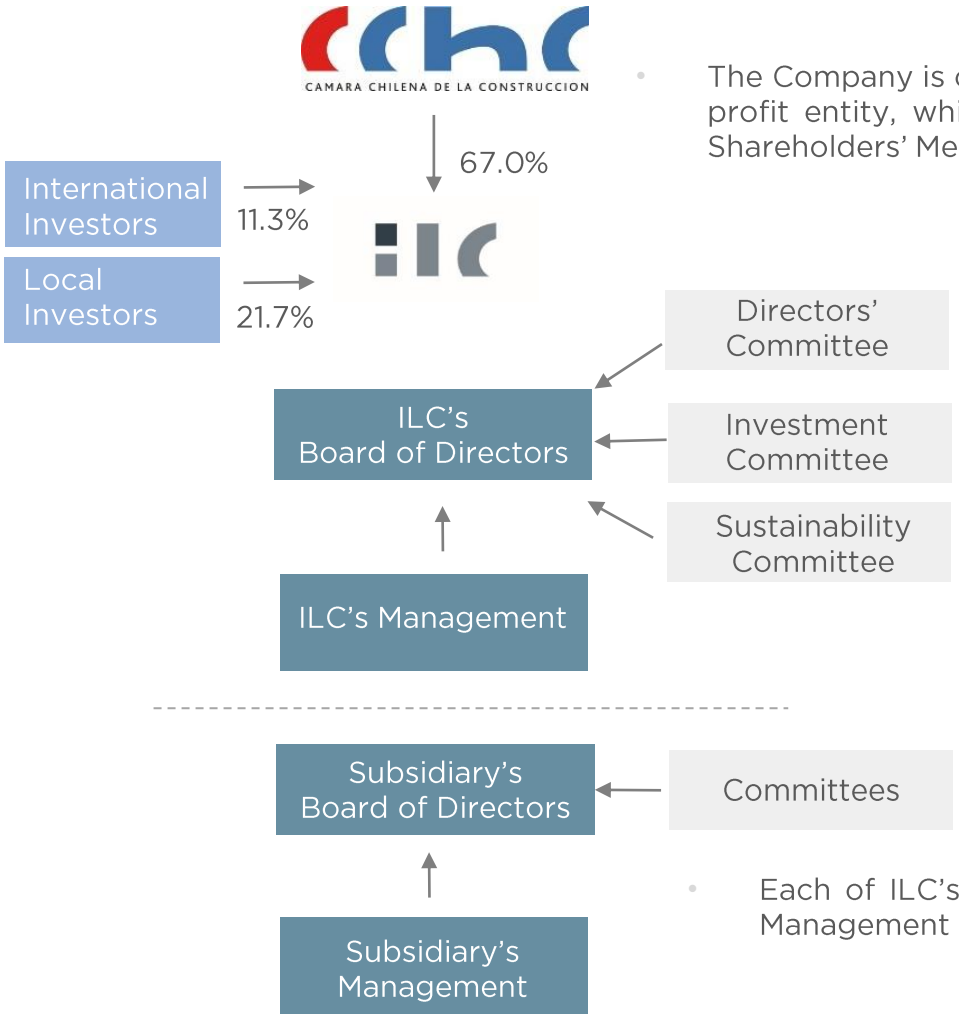
- CChC invested US$19 million in social projects for construction workers

Fonasa represented:
- 30% revenue - Red Salud
- 65% beneficiaries - Vida Cámara

- 4 m. medical consultations / 90 th. surgeries / 7 m. diagnostics / 2 m. dental procedures
- US$650 million in medical coverages and leaves through Consalud

Source: CMF, Superintendencia de Salud, ILC

STRICT CORPORATE GOVERNANCE



- The Company is controlled by the Chilean Chamber of Construction, a non-profit entity, which elects annually five of seven directors of ILC at the Shareholders' Meeting

- ILC has a Committee of Directors, responsible for reviewing financial information and auditor's reports, related parties' transactions, remuneration systems, internal auditing procedures, among others

- ILC has also an Investment Committee responsible for reviewing financial decisions undertaken by ILC and a Sustainability Committee responsible for defining and controlling ILC's Corporate Sustainability Strategy, objectives and goals

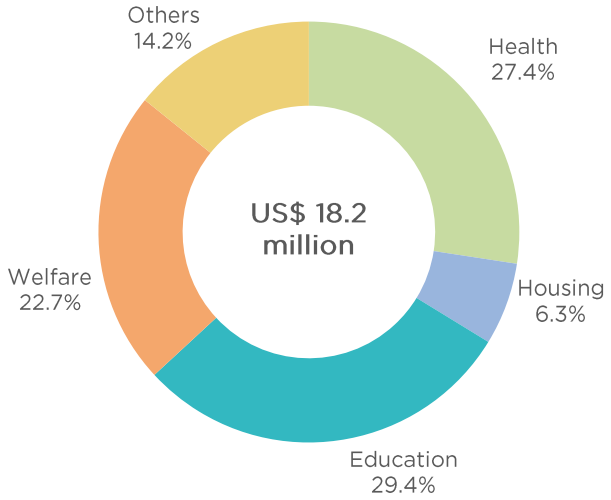
- Each of ILC's subsidiaries has an independent Board of Directors and Management

- Other initiatives to enhance ILC's Corporate Governance: Corporate Governance Manual, Ethic Code, Crime Prevention Model, Ethic Hotline, Comptroller, Management Control Department and Investor Relations among others

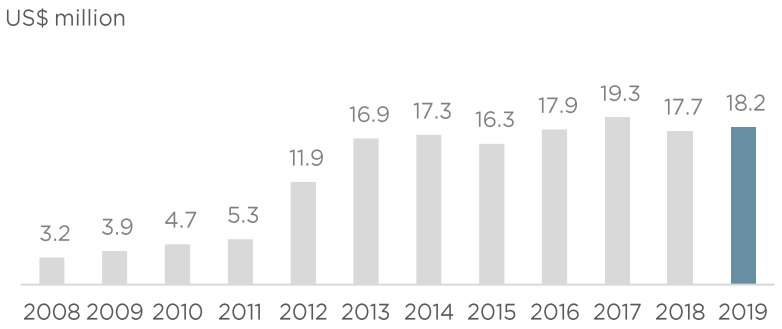
OUR CONTROLLING SHAREHOLDER: CChC

- The CChC is a private trade association founded in 1951
- Made up of 3,000 members in Chile
- Main objective: promote the development of the construction industry as a fundamental tool for national progress
- The CChC is our founder and largest shareholder. This entity owns ILC and CChC Social, a network focused on social actions mainly in the areas of education, training, health, housing, sports, culture and social welfare
- The CChC receives 67% of the dividends generated by ILC. A significant portion is invested by CChC Social in projects that benefit construction workers and their families

CChC Social Investment Breakdown by Area 2019



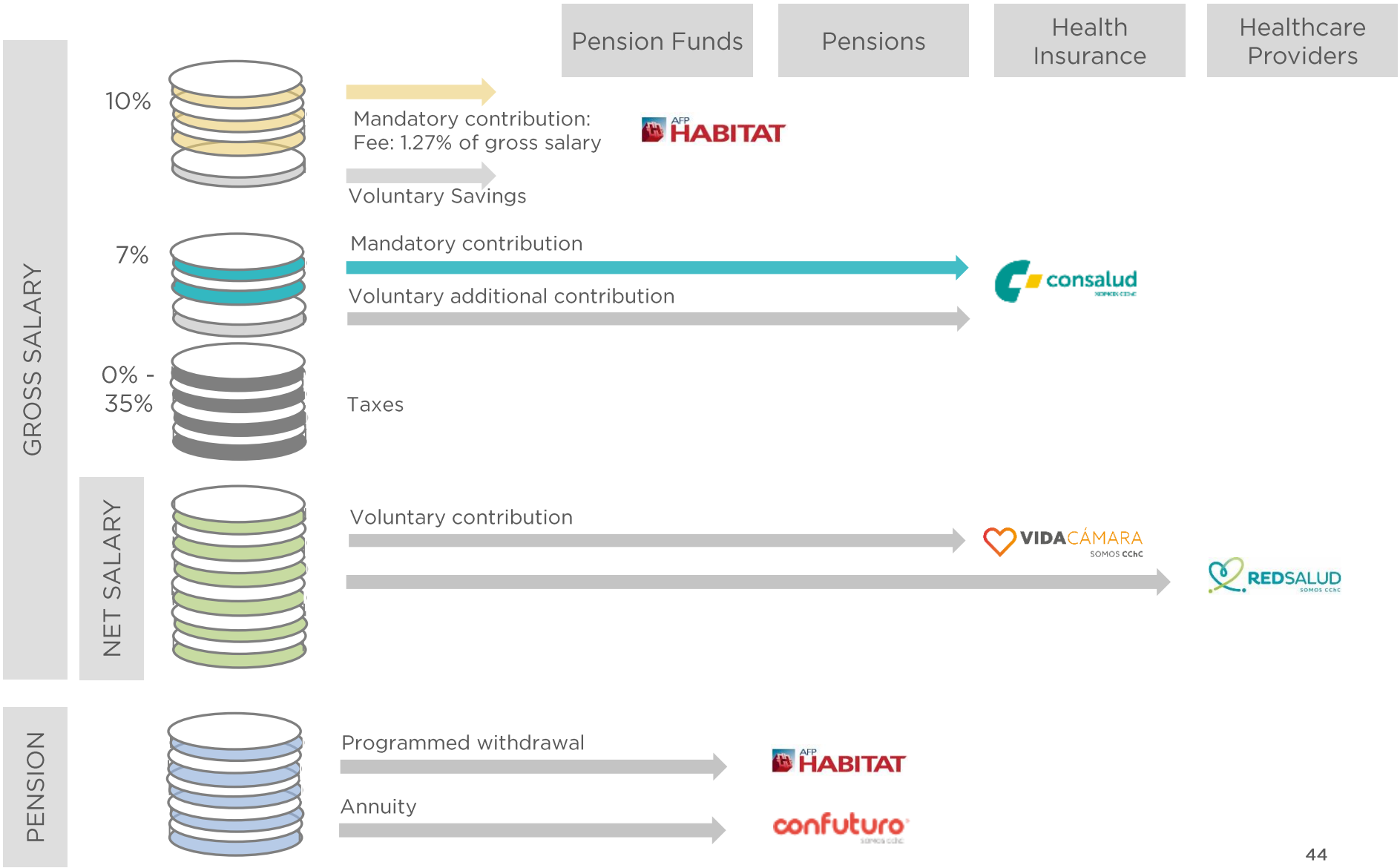
CChC Investment in Social Projects



Source: CChC Social

IV. Appendix

SOCIAL SECURITY IN CHILE
(NON INDEPENDENT WORKERS)



SUMMARIZED FINANCIAL STATEMENTS AND SUBSIDIARIES FIGURES

Balance Sheet

CLP$ m.	June 2020	Dec. 2019
NON INSURANCE ACTIVITY ASSETS	1,195,669	1,110,415
Total Current Assets	331,551	310,250
Total Non Current Assets	864,119	800,165
TOTAL INSURANCE ACTIVITY ASSETS	7,149,772	6,961,406
TOTAL BANKING ACTIVITY ASSETS	4,036,023	3,315,947
TOTAL ASSETS	12,381,465	11,387,768
NON-INSURANCE ACTIVITY LIABILITIES	1,000,013	974,285
Total Current Liabilities	307,255	360,771
Total Non Current Liabilities	692,758	613,515
INSURANCE ACTIVITY LIABILITIES	6,673,538	6,448,703
BANKING ACTIVITY LIABILITIES	3,822,584	3,110,962
TOTAL LIABILITIES	11,496,136	10,533,951
Equity Attributable to Owners of the Parent Company	799,703	771,628
Non-Controlling Interests	85,625	82,189
TOTAL EQUITY	885,329	853,817
TOTAL LIABILITIES + EQUITY	12,381,465	11,387,768

Income Statement

CLP$ m.	June 2020	June 2019
NON-INSURANCE ACTIVITY		
Operating result	612	5,298
Non operating result	3,450	17,902
Non-Insurance activity profit	5,918	20,765
INSURANCE ACTIVITY		
Operating result	7,872	40,774
Non operating result	(9,002)	(3,684)
Insurance activity profit	3,624	34,007
BANKING ACTIVITY		
Operating result	9,424	13,301
Non operating result	(86)	16
Banking activity profit	8,538	11,213
PROFIT (LOSS) FOR THE PERIOD		
Profit attributable to owners of the parent company	15,926	60,493
Profit attributable to non-controlling interest	2,154	5,492

Individual Results (June 2020 LTM, CLP$ bn.)	AFP Habitat	Confuturo	Banco Internacional	Red Salud	Consalud	Vida Cámara
Industry	Pension Funds	Life Insurance	Bank	Healthcare Provider	Mandatory health insurance	Voluntary health insurance
Revenues	241.9	500.0	109.1	379.8	575.1	63.8
EBITDA / EBITDAE	N.A.	N.A.	N.A.	24.4	N.A.	N.A.
Net Income	112.8	6.9	22.2	(10.2)	7.0	9.2
Assets	733.5	7,001.6	4,016.2	512.3	178.9	52.3
Liabilities	255.3	6,559.9	3,828.7	347.0	151.5	24.0
Equity	478.2	441.7	187.5	165.3	27.4	28.3
Net Financial Debt	63.1	(16.2)	593.5	241.4	(11.7)	(2.1)
% ownership ILC	40.3%	99.9%	67.2%	99.9%	99.9%	99.9%

Inversiones Confuturo Net Debt: CLP$150.2 bn./ ILC Net Debt: CLP$234.6 bn. / ILC's SG&As: CLP$3.6 bn. / ILC's Real Estate: CLP$22.7 bn.

Disclaimer:

"The information contained herein has been prepared to assist prospective investors in making their own analysis and evaluation of Inversiones La Construcción S.A. and its subsidiaries (the "Company") and does not purport to contain all the information that a potential investor may desire. This presentation includes forward-looking statements regarding the Company's commercial, financial and operational outlook, that could be affected for a number of different reasons, such as changes in the economy, regulation, its subsidiaries and other future conditions.

Forward-looking statements involve risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied. Therefore, they are subject to change and the Company undertakes no obligation to publicly update or revise any forward looking statements to reflect events or circumstances that may arise after the date of this presentation. Prospective investors are urged to also review the main risks as defined by the Company, which are described in Note 5 of the Company´s Financial Statements.

It is the sole and complete responsibility of the prospective investor to determine the use of the information provided and is therefore solely responsible for investment decisions or any other operation in the stock market made on the basis of it."

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