

SCOTIABANK CHILE S.A.

Interim Consolidated Financial Statements
as at March 31, 2022 and 2021 and December 31, 2021

SCOTIABANK CHILE AND SUBSIDIARIES

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MCh\$:	Amounts expressed in millions of Chilean pesos
US\$:	Amounts expressed in United States dollars
CAD\$:	Amounts expressed in Canadian dollars
COP\$:	Amounts expressed in Colombian pesos
GBP\$:	Amounts expressed in Pound Sterling
EUR\$:	Amounts expressed in Euros
CHF\$:	Amounts expressed in Swiss francs
JPY\$:	Amounts expressed in Japanese yens
CNY\$:	Amounts expressed in Chinese renminbis
ThUS\$:	Amounts expressed in thousands of United States dollars
MUS\$:	Amounts expressed in millions of United States dollars
MAUD:	Amounts expressed in millions of Australian dollars
UF:	Amounts expressed in (Chilean inflation-adjusted units)
Ch\$:	Amounts expressed in Chilean pesos

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Interim Consolidated Statements of Financial Position

As at March 31, 2022 and December 31, 2021

	Notes	03/31/2022 MCh\$	12/31/2021 MCh\$
ASSETS			
Cash and deposits in banks	7	924,106	1,459,622
Transactions pending settlement	7	450,068	443,080
Financial assets held for trading at fair value through profit or loss			
Derivative instruments	8	5,163,196	6,334,097
Financial debt securities	8	266,124	474,715
Other	8	105,406	115,889
Financial assets not held for trading mandatorily measured at fair value through profit or loss	9	-	-
Financial assets designated at fair value through profit or loss	10	-	-
Financial assets at fair value through other comprehensive income			
Financial debt securities	11	2,108,123	1,950,500
Other	11	-	-
Derivative instruments for accounting hedge	12	305,639	326,030
Financial assets at amortized cost			
Rights under resale agreements and securities lending agreements	13	125,416	120,796
Financial debt securities	13	-	-
Loans and advances to banks	13	340,334	2,996
Loans and advances to customers - Commercial loans	13	13,742,806	13,834,313
Loans and advances to customers - Mortgage loans	13	11,987,612	11,590,604
Loans and advances to customers - Consumer loans	13	3,236,480	3,087,784
Investments in companies	14	22,022	19,973
Intangible assets	15	224,562	222,409
Property and equipment	16	94,253	96,122
Right-of-use assets under lease contracts	17	174,088	181,672
Current taxes	18	5,456	5,062
Deferred tax assets	18	401,266	401,690
Other assets	19	759,429	916,351
Non-current assets and disposal groups held for sale	20	14,766	14,190
TOTAL ASSETS		40,451,152	41,597,895

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Interim Consolidated Statements of Financial Position

As at March 31, 2022 and December 31, 2021

	Notes	03/31/2022 MCh\$	12/31/2021 MCh\$
LIABILITIES			
Transactions pending settlement	7	527,276	395,878
Financial liabilities held for trading at fair value through profit or loss			
Derivative instruments	21	4,983,371	6,048,514
Other	21	-	-
Financial liabilities designated at fair value through profit or loss	10	-	-
Derivative instruments for accounting hedge	12	1,193,006	831,935
Financial liabilities at amortized cost			
Deposits and other on-demand liabilities	22	6,382,260	7,221,450
Term and on-demand deposits	22	10,142,364	9,462,566
Liabilities under repurchase agreements and securities lending	22	205,888	379,970
Bank borrowings	22	5,424,320	5,685,253
Debt securities issued	22	6,923,163	6,658,038
Other financial liabilities	22	78,458	83,610
Lease liabilities	17	157,133	163,775
Regulatory capital financial instruments issued	23	779,268	756,368
Provisions for contingencies	24	59,331	56,808
Provisions for dividends, interest payments and repricing of bonds with no fixed maturity date	25	33,982	127,315
Special allowances for credit losses	26	204,409	216,986
Current taxes	18	39,684	85,595
Deferred tax assets	18	527	588
Other liabilities	27	613,665	622,123
Liabilities included in disposal groups held for sale	20	-	-
TOTAL LIABILITIES		37,748,105	38,796,772
EQUITY			
Capital	28	1,368,421	1,368,421
Reserves	28	382,266	374,682
Accumulated other comprehensive income			
Items that will not be reclassified to profit or loss	28	2,545	2,577
Items that can be reclassified to profit or loss	28	(344,443)	(210,045)
Retained earnings from previous years	28	1,095,630	840,999
Profit for the period	28	113,274	424,385
Less: Provisions for dividends, payment of interest and repricing of bonds with no fixed maturity	28	(33,982)	(127,316)
Attributable to the owners of the Bank:	28	2,583,711	2,673,703
Non-controlling interests	28	119,336	127,420
TOTAL EQUITY		2,703,047	2,801,123
TOTAL LIABILITIES AND EQUITY		40,451,152	41,597,895

SCOTIABANK CHILE AND SUBSIDIARIES

Interim Consolidated Statements of Income
for the periods ended March 31, 2022 and 2021

	Notes	03/31/2022 MCh\$	03/31/2021 MCh\$
Interest income	30	338,288	264,721
Interest expense	30	(155,742)	(69,447)
Net interest income	30	182,546	195,274
Indexation income	31	236,144	118,940
Indexation expenses	31	(149,289)	(86,498)
Net indexation income	31	86,855	32,442
Fee and commission income	32	69,440	62,106
Fee and commission expenses	32	(21,351)	(21,546)
Net fee and commission income	32	48,089	40,560
<i>Net financial result for:</i>			
Financial assets and liabilities held for trading	33	(55,990)	20,800
Financial assets not held for trading mandatorily measured at fair value through profit or loss	33	-	-
Financial assets and liabilities designated at fair value through profit or loss	33	-	-
Gain or loss on derecognition of financial assets and liabilities at amortized cost and financial assets at fair value through other comprehensive income	33	391	8,314
Foreign currency translation differences, indexation and accounting hedge of foreign	33	51,359	2,325
Reclassifications of financial assets due to change of business model	33	-	-
Other financial result	33	1,198	789
Net financial result	33	(3,042)	32,228
Equity in net income of investees	34	2,096	(5,227)
Gain or loss from non-current assets and disposal groups not qualifying as discontinued operations	35	303	(979)
Other operating income	36	8,968	4,802
TOTAL OPERATING INCOME		325,815	299,100
Expenses for employee benefit obligations.	37	(64,373)	(65,375)
Administrative expenses	38	(53,733)	(50,634)
Depreciation and amortization	39	(14,671)	(13,840)
Impairment of non-financial assets	40	-	-
Other operating expenses	36	(8,158)	(6,297)
TOTAL OPERATING EXPENSES		(140,935)	(136,146)
OPERATING INCOME BEFORE CREDIT LOSSES		184,880	162,954

SCOTIABANK CHILE AND SUBSIDIARIES

Interim Consolidated Statements of Income
for the periods ended March 31, 2022 and 2021

	Notes	03/31/2022 MCh\$	03/31/2021 MCh\$
<i>Credit loss expenses for:</i>			
Provisions for credit losses for loans and advances to banks and loans and accounts receivable from customers	41	(62,662)	(24,716)
Special allowances for credit losses	41	(266)	(8,344)
Recovery of written-off loans	41	17,775	16,573
Impairment for credit risk on other financial assets at amortized cost and financial assets at fair value through other comprehensive income	41	13	-
Credit loss expense	41	<u>(45,140)</u>	<u>(16,487)</u>
OPERATING INCOME		<u>139,740</u>	<u>146,467</u>
Profit or loss from continuing operations before taxes		139,740	146,467
Income tax expense	18	<u>(19,946)</u>	<u>(33,238)</u>
Profit or loss from continuing operations after taxes		119,794	113,229
Profit or loss from discontinued operations before taxes	42	-	-
Taxes from discontinued operations	18	<u>-</u>	<u>-</u>
Income from discontinued operations after taxes	42	<u>-</u>	<u>-</u>
CONSOLIDATED PROFIT FOR THE PERIOD	28	<u>119,794</u>	<u>113,229</u>
Attributable to:			
Owners of the Bank	28	113,274	103,042
Non-controlling interest	28	6,520	10,187
Earnings per share attributable to equity holders:			
Basic and diluted earnings	28	\$ 9.25	\$ 8.42

SCOTIABANK CHILE AND SUBSIDIARIES

Interim Consolidated Statements of Other Comprehensive Income
for the periods ended March 31, 2022 and 2021

	Notes	03/31/2022 MCh\$	03/31/2021 MCh\$
CONSOLIDATED PROFIT FOR THE PERIOD	28	119,794	113,229
Other comprehensive income for the year from:			
ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS			
Re-measurement of the net defined benefit liability (asset) and actuarial results for other employee benefit plans	28	8	(18)
Changes in fair value of equity instruments designated at fair value through other comprehensive income	28	(38)	(91)
Changes in the fair value of financial liabilities designated at fair value through profit or loss attributable to changes in the credit risk of the financial liability	28	-	-
Other	28	-	-
COMPONENTS OF OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS BEFORE TAX	28	(30)	(109)
Income tax on other comprehensive income that will not be reclassified to profit or loss	18	(2)	-
TOTAL OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS AFTER TAX	28	(32)	(109)
ITEMS THAT CAN BE RECLASSIFIED TO PROFIT OR LOSS			
Changes in fair value of financial assets at fair value through other comprehensive income	28	(27,555)	(46,467)
Translation differences for foreign entities	28	-	-
Accounting hedges of net investments in foreign entities	28	-	-
Cash flow hedge accounting	28	(156,854)	72,439
Undesignated items of hedging accounting instruments	28	-	-
Other	28	-	-
OTHER COMPREHENSIVE INCOME THAT CAN BE RECLASSIFIED TO PROFIT OR LOSS BEFORE TAXES	28	(184,409)	25,972
Income tax on other comprehensive income that can be reclassified to profit or loss	18	50,009	(7,130)
TOTAL OTHER COMPREHENSIVE INCOME THAT CAN BE RECLASSIFIED TO PROFIT OR LOSS AFTER TAXES	28	(134,400)	18,842
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	28	(134,432)	18,733
CONSOLIDATED COMPREHENSIVE INCOME FOR THE PERIOD	28	(14,638)	131,962
Attributable to:			
Owners of the Bank	28	(21,156)	121,786
Non-controlling interest	28	6,518	10,176

SCOTIABANK CHILE AND SUBSIDIARIES

Interim Consolidated Statements of Cash Flows
for the periods ended March 31, 2022 and 2021

	Notes	03/31/2022 MCh\$	03/31/2021 MCh\$
A) CASH FLOWS FROM OPERATING ACTIVITIES:			
CONSOLIDATED INCOME BEFORE INCOME TAXES FOR THE PERIOD		139,740	146,467
Debit (credit) to profit or loss not representing movements in cash flows:			
Income tax expense	18	(15,638)	(27,340)
Changes in deferred tax assets and liabilities	18	(4,308)	(5,898)
Depreciation and amortization	39	14,671	13,840
Impairment of assets	41	(13)	-
Allowances for credit losses	41	62,928	33,060
Net income from assets received in lieu of payment or awarded	35	(410)	1,071
Net gain (loss) from non-current assets held for sale	35	8	(175)
Net gain (loss) from disposal groups held for sale	35	-	-
Net interest income	30	(182,546)	(195,274)
Net indexation income	31	(86,855)	(32,441)
Net fee and commission income	32	(48,088)	(40,558)
Equity share of profit (loss) from investments in related companies	34	(2,096)	5,227
Effect of fair value adjustment on derivative instruments		318,741	48,865
Other debits (credits) to profit or loss not representing movements in cash flows:		31,174	(29,741)
Increase (decrease) in assets and liabilities not affecting cash flows from operating activities:			
Increase (decrease) in financial debt securities		194,157	191,363
(Increase) decrease in loans and advances to banks		(336,788)	350,191
(Increase) decrease under resale agreements and securities lending agreements		(1,289)	5,104
(Increase) decrease in loans and advances to customers		55,268	(412,097)
Increase (decrease) in other assets		156,794	(39,981)
Increase (decrease) in non-current assets and disposal groups held for sale		(574)	1,496
Net change in financial derivative contracts and financial derivative contracts for hedge		168,480	536
(Decrease) increase in deposits and other on-demand liabilities		(808,824)	162,232
(Decrease) increase in liabilities under repurchase agreements and securities lending		(174,115)	(118,215)
(Decrease) increase in term and other on-demand deposits		594,079	228,710
(Decrease) increase in other liabilities		4,832	(47,634)
Interest received		352,366	399,117
Interest paid		(141,166)	(109,864)
Indexation received		(40,134)	35,079
Indexation paid		(16,850)	(59,209)
Fees and commissions received	32	69,439	62,105
Fees and commissions paid	32	(21,351)	(21,547)
Taxes and fines paid	38	(18)	(13)
Collection of remaining balance of taxes from previous years		-	-
Total net cash flows generated from (used in) operating activities		281,614	544,476

SCOTIABANK CHILE AND SUBSIDIARIES

Interim Consolidated Statements of Cash Flows
for the periods ended March 31, 2022 and 2021

	Notes	03/31/2022 MCh\$	03/31/2021 MCh\$
B) CASH FLOWS FROM INVESTING ACTIVITIES:			
Acquisitions of investments in companies	14	-	-
Disposals of investments in companies	14	3	-
Dividends received from investments in other companies	34	5	2
Acquisition of property and equipment	16	(1,720)	(1,584)
Disposals of property and equipment		690	1,740
Acquisition of intangible assets	15	(9,832)	(9,735)
Disposal of intangible assets		-	-
Disposal of assets received in lieu of payment or awarded		2,550	5,012
Net change in investment securities		130,317	(72,143)
Total net cash flows generated from (used in) investing activities		122,013	(76,708)
C) CASH FLOWS FROM FINANCING ACTIVITIES:			
Attributable to the interest of the owners:			
Proceeds from issuance of letters of credit		-	-
Redemption and payment of interest / principal on letters of credit		-	-
Issuance of current bonds		263,950	44,630
Redemption and payment of interest / principal on current bonds		(158,002)	(96,338)
Issuance of mortgage bonds		-	-
Redemption and payment of interest / principal on mortgage bonds		-	-
Payment of interest / Principal on lease contracts	17	(3,688)	(3,669)
Subordinated bond issuance		-	-
Payment of interest and principal on subordinated bonds		(2,288)	(2,127)
Issuance of bonds with no fixed maturity date		-	-
Redemption and interest payments on bonds with no fixed maturity date		-	-
Issuance of preference shares		-	-
Redemption of preference shares and payment of preference share dividends		-	-
Increase in paid-in capital by issuance of ordinary shares		-	-
Payment of ordinary share dividends	28	(169,754)	(110,168)
Net change in bank borrowings		(107,589)	158,114
Net change in financial debt securities issued		(540,910)	61,746
Net change in regulatory capital financial instruments issued		23,738	6,384
Net change in other financial liabilities		(5,412)	4,576
Attributable to non-controlling interest:			
Payment of dividends and/or withdrawals of paid-in capital made with respect to subsidiaries related to non-controlling interest		(16,640)	(5,512)
Total net cash flows generated from (used in) financing activities		(716,595)	57,636
D) INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS FOR THE YEAR		(312,968)	525,404
EFFECT OF EXCHANGE RATE FLUCTUATIONS ON CASH HELD		(47,713)	4,849
CASH AND CASH EQUIVALENTS AS OF JANUARY 1		2,057,629	2,155,403
CASH AND CASH EQUIVALENTS AS OF DECEMBER 31		1,696,948	2,685,656

The Interim Consolidated Statements of Cash Flows as at March 31, 2022 and 2021 were prepared under the indirect method, determining the variation between the balances as at such dates.

SCOTIABANK CHILE AND SUBSIDIARIES

Interim Consolidated Statements of Changes in Equity
for the periods ended March 31, 2022 and 2021

Sources of changes in equity (MCh\$)	Equity attributable to owners							
	Capital	Reserves	Accumulate d other comprehen sive income	Retained earnings from previous years and profit for the period	Total	Non- controlling interest	Total equity	
Closing balances as at December 31, 2021 before restatement to January 1, 2022	Notes	1,246,706	496,397	(207,499)	1,138,099	2,673,703	127,420	2,801,123
Impact of correction of errors		-	-	-	-	-	-	-
Reclassifications due to application of new accounting codes		121,715	(121,715)	31	(31)	-	-	-
Effects of changes in accounting policies (First Time Application)		-	7,584	-	-	7,584	2,038	9,622
Opening balance as at January 1, 2022		1,368,421	382,266	(207,468)	1,138,068	2,681,287	129,458	2,810,745
Subscribed and fully-paid ordinary shares		-	-	-	-	-	-	-
Payment of ordinary share dividends		-	-	-	(169,754)	(169,754)	(16,640)	(186,394)
Provision for payment of ordinary share dividends		-	-	-	93,334	93,334	-	93,334
Subtotal Transactions with the owners in the period		1,368,421	382,266	(207,468)	1,061,648	2,604,867	112,818	2,717,685
Profit for the period		-	-	-	113,274	113,274	6,520	119,794
Other comprehensive income (loss) for the period		-	-	(134,430)	-	(134,430)	(2)	(134,432)
Subtotal comprehensive income (loss) for the period		-	-	(134,430)	113,274	(21,156)	6,518	(14,638)
Closing balances as at March 31, 2022		1,368,421	382,266	(341,898)	1,174,922	2,583,711	119,336	2,703,047
Opening balance as at January 1, 2021		1,246,706	496,397	(213,228)	868,482	2,398,357	107,189	2,505,546
Subscribed and fully-paid ordinary shares		-	-	-	-	-	-	-
Payment of ordinary share dividends		-	-	-	(110,168)	(110,168)	(5,512)	(115,680)
Provision for payment of ordinary share dividends		-	-	-	51,713	51,713	-	51,713
Subtotal Transactions with the owners in the period		1,246,706	496,397	(213,228)	810,027	2,339,902	101,677	2,441,579
Profit for the period		-	-	-	103,042	103,042	10,187	113,229
Other comprehensive income (loss) for the period		-	-	18,744	-	18,744	(11)	18,733
Subtotal comprehensive income (loss) for the period		-	-	18,744	103,042	121,786	10,176	131,962
Closing balances as at March 31, 2021		1,246,706	496,397	(194,484)	913,069	2,461,688	111,853	2,573,541

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at March 31, 2022 and 2021 and December 31, 2021

Note 1 General information

Scotiabank Chile S.A. (hereinafter the "Bank") is the Parent of a group of entities, constituted in Chile as a closely-held shareholders' corporation. The Bank's original incorporation was authorized via Supreme Decree issued by the Ministry of Finance No.1.389 dated March 29, 1944. The Bank is primarily involved in the brokerage of money and financial instrument such as personal property, commercial paper or any other credit instrument. As consolidated group, the Bank has subsidiaries supplementing its line of business (Note 2(b)), in accordance with General Banking Law and subject to the oversight of the Financial Market Commission (hereinafter the "CMF").

At the Extraordinary Shareholders' Meeting of Scotiabank Sud Americano and Banco del Desarrollo, held on July 29, 2009, the new bylaws were established, which were approved by the CMF (formerly Chilean Superintendence of Banks and Financial Institutions) through Resolution No.196 dated September 2, 2009. The name of the merged entity changed to Scotiabank Chile S.A. and may also use the names Scotiabank Sud Americano and Scotiabank. The merger between both Banks became effective on November 1, 2009.

At the Extraordinary Shareholders' Meeting of Scotiabank Chile and Banco Bilbao Vizcaya Argentaria, Chile held on August 2, 2018, the new bylaws were established, which were approved by the CMF (formerly - Chilean Superintendence of Banks and Financial Institutions) through Resolution No.390 dated August 20, 2018. The merger between both Banks became effective on September 1, 2018.

The current ownership structure is composed of Nova Scotia Inversiones Limitada (83.03%) and non-controlling interests (16.97%). Nova Scotia Inversiones Limitada is the Bank's exclusive controlling shareholder.

The Bank's registered address is located at Avenida Costanera Sur No. 2710, Torre A, Las Condes, Santiago and its website is www.scotiabank.cl.

Note 2 Significant accounting policies**(a) Basis of preparation**

The Consolidated Financial Statements as at March 31, 2022, which comprise the Interim Consolidated Statements of Financial Position, Interim Consolidated Statements of Income, Interim Consolidated Statements of Other Comprehensive Income, Interim Consolidated Statements of Changes in Equity and Interim Consolidated Statements of Cash Flows of the Bank and its subsidiaries, have been prepared in accordance with accounting criteria issued by the CMF, and in relation to all issues not addressed in them and as long as they are not opposed to its instructions, and must apply the accounting principles issued by the Colegio de Contadores de Chile A.G., which agree with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Should any discrepancy exist between accounting principles generally accepted in Chile and the accounting standards issued by the CMF, the latter shall prevail.

In accordance with the second paragraph of Article 16 of the General Banking Law, financial institutions must publish interim statements of financial position as at March 31, June 30 and September 30 of each year.

The Interim Consolidated Financial Statements as at March 31, 2022 and their explanatory notes were prepared in accordance with the provisions of Chapter C-2 of the Compendium of Accounting Standards for Banks (CNC) issued by the CMF.

Accordingly, the Bank prepared the Interim Consolidated Financial Statements presenting comparative information only for the cumulative periods as at March 31, 2022 and December 31, 2021 for the Interim Consolidated Statements of Financial Position, and in addition, the periods as at March 31, 2022 and 2021 for the Interim Consolidated Statements of Income, Interim Consolidated Statements of Other Comprehensive Income, Interim Consolidated Statements of Changes in Equity and Interim Consolidated Statements of Cash Flows.

These Interim Consolidated Financial Statements have been prepared with the intention of updating the last Annual Financial Statements issued. Accordingly, emphasis is placed on new activities, facts and circumstances and, accordingly, information previously prepared is not duplicated. The user of the interim financial information should have available the most recent Annual Financial Statements for a better interpretation of the information.

(b) Basis of consolidation

The financial statements of Scotiabank Chile S.A. have been consolidated with those of its subsidiaries in accordance with IFRS10 "Consolidated Financial Statements." These comprise the preparation of the separate financial statements of the Bank and the companies included in the consolidation, and include the adjustments and reclassifications required for the consistent application of the accounting policies and measurement criteria applied by the Bank.

The Interim Consolidated Financial Statements have been prepared using consistent accounting policies for similar transactions and other events in equivalent circumstances. Significant intercompany transactions and balances (assets and liabilities, equity, revenue, expenses and cash flows) generated from operations performed between the Bank and its subsidiaries and between such subsidiaries have been eliminated on consolidation, in addition to recognize non-controlling interest related to third party

ownership percentage in the subsidiaries of which the Bank is not the owners wither directly or indirectly and is shown separately in the Bank's equity and profit or loss.

i) Subsidiaries

“Subsidiaries” are considered to be entities over which the Bank has the ability to exercise control. This ability is generally, but not only, reflected by owning directly or indirectly at least 50% of the voting shares of associates, or even if this percentage is lower or null, if the Bank has been granted such control by an agreement with the shareholders of the subsidiaries. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Thus, an investor controls an investee if and only if the investor has all the following:

- Power over the investee when it has interest that provide it with the ability to direct the subsidiary’s significant activities;
- Exposure, or rights, to variable returns from its involvement with the subsidiary; and
- The ability to use its power over the investee to affect the amount of the investor’s returns.

The subsidiaries over which the Bank has the ability to exercise control and, accordingly, are included in the consolidation of these Interim Consolidated Financial Statements are detailed as follows:

Company	Direct March 2022 %	Indirect March 2022 %	Direct December 2021 %	Indirect December 2021 %
Scotia Administradora General de Fondos Chile S.A.	99.33	0.67	99.33	0.67
Scotia Corredora de Seguros Chile Limitada	99.90	0.10	99.90	0.10
Centro de Recuperación y Cobranza Limitada	99.90	0.10	99.90	0.10
Bandesarrollo Sociedad de Leasing Inmobiliario S.A.	99.91	-	99.91	-
CAT Administradora de Tarjetas S.A.	51.00	-	51.00	-
CAT Corredores de Seguros y Servicios S.A.	51.00	-	51.00	-
Servicios Integrales S.A.	51.00	-	51.00	-
Administradora y Procesos S.A.	51.00	-	51.00	-
Scotia Corredora de Bolsa Chile Limitada.	99.19	0.80	99.19	0.80
Scotia Asesorías Financieras Limitada	98.74	-	98.74	-
Scotia Azul Sociedad de Leasing Inmobiliario S.A.	97.49	-	97.49	-

ii) Fund management

Through the subsidiary Scotia Administradora General de Fondos Chile S.A., the Bank manages and administers assets held in shares of mutual funds.

iii) Non-controlling interests

Non-controlling interest represents the portion of losses and gains and of net assets which the Bank does not control directly or indirectly. It is presented separately in the Interim Consolidated Statements of Income, the Interim Consolidated Statements of Other Comprehensive Income, the Interim Consolidated Statements of Changes in Equity and the Interim Consolidated Statements of Financial Position within Equity.

iv) Loss of control

When the Bank loses control of a subsidiary, it derecognizes the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity. Any resulting gain or loss is recognized in profit or loss. If the Bank retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost.

(c) Basis of measurement

The Interim Consolidated Financial Statements have been prepared on the historical cost basis, except for the following:

- Financial assets held for trading at fair value through profit or loss
- Financial assets not held for trading mandatorily measured at fair value through profit or loss.
- Financial assets designated at fair value through profit or loss
- Financial assets at fair value through other comprehensive income
- Financial Derivative Contracts and Financial Derivative Contracts for Accounting Hedge

(d) Functional and presentation currency

The Bank has defined the Chilean peso as its functional currency, as its deposit, placement and investment transactions are mainly expressed in such currency. These Interim Consolidated Financial Statements are presented in Chilean pesos. All the information presented in Chilean pesos has been rounded to the nearest million.

(e) Foreign currency transactions

Transactions in currencies other than the functional currency are considered transactions in foreign currencies and are initially translated into the respective exchange rate of such currency at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate as at the date of the Consolidated Statements of Financial Position. Differences arising from fluctuations in the exchange rate between the registration and the next closing date are recorded with debit or credit to profit or loss.

Assets and liabilities in foreign currency US dollar are recognized at their equivalent amount in Chilean pesos, calculated at the exchange rate of Ch\$784.30 per US\$1 as at March 31, 2022 (Ch\$852.63 as at December 31, 2021).

The balance of MCh\$51,359 as at March 31, 2022, related to "Financial gain or loss from foreign currency translation, indexation and accounting hedges" (MCh\$14,426 as at March 30, 2021), shown in the Interim Consolidated Statements of Income, includes the recognition of the effects of exchange rate

fluctuations on assets and liabilities denominated in foreign currency or adjusted for foreign exchange rates, and the gain or loss from exchange transactions of the Bank and its subsidiaries.

(f) Business segments

The Bank provides segment financial information to identify and disclose in the notes to the Interim Consolidated Financial Statements the nature and financial effects arising from its business activities and the economic environments in which it operates, in accordance with IFRS8 "Operating Segments." Such Standard requires that the Bank provides information on the diverse types of business activities in which it is involved and assists the users of Financial Statements to obtain:

- Better understanding of return.
- Better assessment of future cash flow projections.
- Better judgment on the company as a whole.

The Bank's operating segments are determined based on identifiable components providing products or services related to the business. These business segments deliver products and services subject to risks and yields different from those of other segments and their operating results are reviewed by Management for operating administration and decision-making purposes. Management has decided that there are five reportable segments: "Retail", "Wholesale", "CAT", "Treasury" and "Others", the details of which are included in Note 6.

(g) Transactions with Related Parties

Disclosures on the most significant related parties are detailed in Note 43, indicating the relationship with each related party involved, as well as the transaction description and related balances. All of this is performed for an adequate understanding of the potential effects of such relation on the Interim Consolidated Financial Statements.

Intragroup balances and transactions between related parties, are eliminated in the process of preparing the Group's interim consolidated financial statements.

(h) Interim Consolidated Statements of Changes in Equity

The Statements of Changes in Equity included in these Interim Consolidated Financial Statements includes movements in Equity occurred between January 1 and March 31, 2022 and 2021.

The Statement of changes in equity includes all movements in net equity, including those arising from changes in the accounting policies.

(i) Interim Consolidated Statements of Other Comprehensive Income

This section includes changes in equity by disclosing income and expenses of the Bank and its subsidiaries resulting from the performance of its activities during the year, distinguishing those recorded as profit in the profit and loss account for the year and other income and expenses directly recorded in net equity.

Accordingly, this statement includes:

- i) The consolidated profit or loss for the period.
- ii) Items that will not be reclassified to profit or loss.
- iii) Income tax on other comprehensive income that will not be reclassified to profit or loss.
- iv) Items that can be reclassified to profit or loss.
- v) Income tax on other comprehensive income that can be reclassified to profit or loss.

(j) Financial assets and liabilities

1. Recognition

Initially, the Bank recognizes loans and advances to customers, financial assets held for trading at fair value through profit or loss, financial assets at fair value through other comprehensive income, financial liabilities at amortized cost on the date they were originated. Regular purchases and sales of financial assets are recognized on the trade date; i.e., the date at which the Bank commits to purchase or sell the asset.

A financial asset or financial liability which is not recognized at fair value through profit or loss is initially measured at fair value plus transactions costs that are directly attributable to its acquisition or issue. Items measured at fair value through profit or loss, are initially measured at fair value, recognizing in profit or loss the associated transaction costs.

2. Classification

Accounting policies associated with each classification are addressed in letters:

- **(l)** Financial assets held for trading at fair value through profit or loss
- **(m)** Financial assets at fair value through other comprehensive income
- **(n)** Financial Derivative Contracts and Financial Derivative Contracts for Accounting Hedge
- **(o)** Financial assets at amortized cost
- **(aa)** Allowances for credit losses

At initial recognition, the bank classifies its financial assets as subsequently measured at amortized cost, fair value through in other comprehensive income or fair value through profit or loss.

- (i) The entity's business model to manage financial assets.
- (ii) The characteristics of the contractual cash flows from the financial asset.

A financial asset is measured at amortized cost if it meets both of the following conditions:

- (a) It is held within a business model whose objective is to hold financial assets to collect contractual cash flows.
- (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at fair value through other comprehensive income if it meets both of the following conditions:

- (a) the financial asset is held within a business model whose objective is achieved by collecting contractual cash flows and selling financial assets
- (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset should be measured at fair value through profit or loss unless the financial asset is measured at amortized cost or at fair value through other comprehensive income. However, the Bank may make an irrevocable election at initial recognition to present subsequent changes in fair value in other comprehensive income for specific investments in equity instruments that would otherwise be measured at fair value through profit or loss.

The Bank classifies financial liabilities as subsequently measured at amortized cost except for financial liabilities at fair value through profit or loss. These liabilities, including derivatives that are liabilities, are subsequently measured at fair value.

3. Derecognition

The Bank derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial asset that is created or retained by the Bank is recognized as a separate asset or liability. On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset transferred) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain and loss that had been recognized in other comprehensive income is recognized in profit and loss.

The Bank derecognizes from the Consolidated Statement of Financial Position a financial liability, or a portion of it, when its contractual obligations are discharged or canceled or expire.

4. Offsetting

Financial assets and liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Bank has a legal right to set off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted by the accounting standards, or for gains and losses arising from a group of similar transactions such as in the Bank's trading activity.

5. Measurement at amortized cost

Amortized cost is understood as the acquisition cost in which the financial asset or liability was initially measured, minus the capital repayments that may be made, more or minus, as the accumulated amortization is applicable, using the effective interest method, of the difference between the initial amount and the repayment amount at maturity. For financial assets, minus any value reduction of the impairment amount which had been recognized, either directly or as an increase in the asset amount or through a complementary account of its amount.

6. Fair value measurement

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

When available, the Bank measures the fair value of an instrument using quoted prices in an active market for that instrument. A market is regarded as active if quoted prices are easily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis.

If the market for a financial instrument is not active, the Bank establishes fair value using a valuation technique. Valuation techniques include using recent arm's length transactions between knowledgeable, willing parties (if available), reference to the current fair value of other instruments that are substantially similar, discounted cash flow analyses and option pricing models.

The chosen valuation technique makes a maximum use of market inputs, relies as little as possible on estimates specific to the Bank, incorporates all factors that market participants would consider in setting a price, and is consistent with accepted economic methodologies for pricing financial instruments. Inputs to valuation techniques reasonably represent market expectations and measures of the risk-return factors inherent in the financial instrument.

Periodically, the Bank calibrates valuation techniques and tests them for validity using prices from observable recent market transactions of the same instrument or based on other available observable market data.

The Bank establishes a fair value hierarchy that segregates inputs and/or estimates used in measuring the fair value of financial instruments.

7. Identification and measurement of impairment

The Bank assesses at each closing date of the Consolidated Statements of Financial Position, whether there is objective evidence that financial assets are not carried at fair value through profit or loss are impaired. These financial assets are impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset, and that the loss event has an impact on the future cash flows of the asset that can be estimated reliably.

Objective evidence that financial assets are impaired includes default or delinquency by a debtor, indications that a debtor or issuer will enter bankruptcy, the disappearance of an active market for a security, or other observable data relating to a group of assets such as adverse changes in the payment status of borrowers or issuers in the Bank, or economic conditions that correlate with defaults in the Bank's and its subsidiaries' assets. In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is also objective evidence of impairment.

For financial assets other than "Loans and advances to banks" and "Loans and advances to customers", impairment is applied based on the following:

- Phase 1: Impairment of financial assets without a significant increase in credit risk from initial recognition.
- Phase 2: Impairment of financial assets with a significant increase in credit risk from initial recognition, but without credit impairment.
- Phase 3: Credit-impaired financial assets.

Credit impairment losses are recognized in "Impairment due to credit risk of other financial assets not measured at fair value through profit or loss" in the Statement of Income.

(k) Cash and deposits in banks

For purposes of the Interim Consolidated Statements of Cash Flows, the Bank considers the sum of cash in banks and on hand, net debit and credit balances of operations pending settlement as well as those investments in fixed-income mutual funds, securities held for trading, available-for-sale investment securities and investments sold under repurchase agreements with high liquidity are readily convertible to known amounts of cash from the initial investment date and have low risk of change in value, with maturities of three months or less from the acquisition date to be cash and cash equivalents.

The Bank uses the indirect method for the preparation of the Interim Consolidated Statements of Cash Flows, which starting from the Bank's profit or loss for the period includes non-cash transactions, as well as income and expenses associated with cash flows from operating, financing and investing activities.

For the preparation of the Interim Consolidated Statements of Cash Flows, the Bank considers the following concepts:

i) Cash flow

Cash and cash equivalents inflows and outflows; i.e., highly-liquid short-term investments with low risk of changes in value, such as: deposits with Banco Central de Chile, deposits in domestic banks and deposits in foreign banks.

ii) Operating activities

Operating activities are the principal revenue-producing activities of the Bank and other activities that are not investing or financing activities.

iii) Investing activities

Investing activities are the acquisition and disposal of long-term assets and other investments not included in cash and cash equivalents.

iv) Financing activities

Financing activities are activities that result in changes in the amount and composition of the contributed equity and of liabilities that are not part of operating or investing activities.

(l) Financial Assets Held for Trading at Fair Value through Profit or Loss

Financial assets held for trading at fair value through profit or loss relate to financial assets acquired for the purpose of generating profits from price fluctuations at short-term or through margins from their brokerage or at amounts that are included in a portfolio for short-term gain taking.

These securities are measured at their fair value in accordance with market prices at the reporting date. Gains or losses resulting from their adjustment to fair value, as well as gains and losses from trading activities are included within the caption "Net Financial Gains (losses)" in the Consolidated Statements of Income.

(m) Financial assets at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if it meets both of the following conditions:

- (a) the financial asset is held within a business model the purpose of which is achieved by obtaining contractual cash flows and disposing of financial assets; and
- (b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest and indexation on Financial Assets at Fair Value through Other Comprehensive Income are included in "Interest and indexation income" in the Interim Consolidated Statements of Income for the period.

(n) Financial Derivative Contracts and Financial Derivative Contracts for Accounting Hedge

Financial derivatives that include foreign currency, UF, interest rate forwards, currency and interest rate swaps, currency and interest rate options and other derivatives are initially recognized in the Interim Consolidated Statement of Financial Position at their trading value (cost) and subsequently measured at fair value. Fair value is obtained from market quotes, discounted cash flow models and measurement models for options, as appropriate. Financial derivatives are stated as an asset when their fair value is positive and as a liability when it is negative, within the caption "Derivative instruments."

Certain derivatives embedded in other financial instruments are treated as separate derivatives when their characteristics and risk are not closely related to those of the host contract and not measured at fair value with the related unrealized gains or losses included in profit or loss. As at March 31, 2022 and December 31, 2021, the Bank records no separable embedded derivatives.

Financial derivative contracts are classified as derivative instruments for trading and are disclosed under the caption "Financial assets held for trading at fair value through profit or loss."

Changes in the fair value of derivative instruments designated as held for trading are recognized in the caption "Net gain from financial operations" in the Interim Consolidated Statements of Income.

In this regard, hedge accounting derivatives, are designated as fair value hedges for existing assets or liabilities and firm commitments, or for cash flow hedges for future assets, liabilities or highly probable forecasted transactions, under compliance of each of the following conditions:

- At the inception of the transaction, the hedging relationship is formally documented, indicating the risk management objectives and strategies intended with such transaction;
- The hedge is expected to be highly effective;
- The effectiveness of the hedge can be measured reliably; and
- The hedge is highly effective in regard to the risk being hedged continuously throughout the hedging relationship.

Certain derivative transactions that do not qualify for being accounted for as hedging derivatives are treated and reported as trading derivatives, even though they provide effective hedge for the management of risk positions.

When a derivative hedges the exposure to changes in the fair value of an existing asset or liability, such asset or liability is recorded at its fair value with respect to the specific risk hedged. Gains or losses from measuring the fair value of both the hedged item and the hedging derivative are recognized with an effect on profit or loss for the year. The fair value measurement adjustment of the hedged item is presented in the Interim Consolidated Statement of Financial Position of the same caption including such item.

If the hedged item in a fair value hedge is a firm commitment, the changes in the fair value of the firm commitment attributable to the hedged risk are recognized as an asset or liability with an effect on profit or loss for the year. Gains or losses from the changes in the fair value of the hedging derivative are recognized in profit or loss for the year. When an asset is acquired or a liability assumed as a result of the commitment, the initial recognition of the asset acquired or liability assumed is adjusted to include the accumulated effect of the measurement at fair value of the firm commitment that was recognized in the Interim Consolidated Statements of Financial Position.

When a derivative hedges the exposure to changes in cash flows of existing assets or liabilities, or highly probable forecasted transactions, the effective portion of changes in the fair value with respect to the risk hedged is recognized in Equity. Any ineffective portion is directly recognized in profit or loss for the year.

Amounts recognized directly in Equity are subsequently recorded in profit or loss in the same periods in which the hedged assets or liabilities affect profit or loss.

For a fair value hedge of interest rates in a portfolio, and the hedged item is an amount of money rather than separately identified assets or liabilities, gains or losses from measuring the fair value of both the hedged portfolio and the hedging derivative, are recognized through profit or loss for the year. However, the gain or loss from measuring the fair value the hedged portfolio is recorded in the Interim

Consolidated Statements of Financial Position under the caption "Other assets" or "Other liabilities", depending on the position of the hedged portfolio at a given date.

Financial derivative contracts are subject to offsetting, i.e., they are presented in the Interim Consolidated Financial Statements at their net value only when subsidiaries have both, the legally enforceable right to offset the amounts recognized in such instruments, and the intention to settle the net amount, or realize the asset and pay the liability simultaneously.

(o) Financial assets at amortized cost

These captions are composed of non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and that the Bank does not intent to sell immediately or in the near term.

Operations included in this category are initially measured at fair value, including the related incremental transaction costs, and subsequently measured at amortized cost using the effective interest method, except when the Bank defines certain loans as hedged items, which are measured at fair value through profit or loss as described in letter (n) Financial Derivative Contracts and Financial Derivative Contracts for Accounting Hedge.

i) Rights under resale agreements and securities lending agreements

Transactions under agreements to resell are performed as investments. Financial instruments are acquired under these agreements, which are included as assets that are measured in accordance with the interest rate in the agreement.

ii) Loans and advances to banks

This caption comprises deposits made in the Central Bank of Chile other than on-demand deposits, investments in non-transferable securities and other debts in loans that may originate against the Central Bank of Chile, as well as loans, chequing account overdrafts, non-transferable deposits and other debts for credits granted to other domestic and foreign banks.

iii) Loans and advances to customers

This caption comprises balances related to transactions with individuals other than domestic and foreign banks, corresponding to credits, loans and other financing, financing lease agreements, financing operations and accounts receivable resulting from operations inherent to the banking business.

Factoring transactions

Factoring transactions are measured considering amounts disbursed by the Bank when receiving invoices or other commercial instruments representing the credit that the assignor provides to the Bank. The price difference between the disbursed amounts and the actual face value of credits is recorded in the Interim Consolidated Statements of Income as interest income through the effective interest method, during the financing period. When the transfer of these instruments is performed with no recourse by the assignor, the Bank assumes the insolvency risks of those obliged to pay.

Lease operations

Finance lease operations correspond to leases that transfer substantially all risks and rewards to the lessee of the owner's leased asset.

When the Bank and its subsidiaries act as the lessor of an asset, the aggregate present values of the lease payments they will receive from the lessee plus the guaranteed residual value, usually, the price of the exercise of the lessee's purchase option at the expiration of the contract, are recognized as third party financing, and accordingly, included in the caption "Loans and advances to customers" in the Interim Consolidated Statements of Financial Position.

For finance leases when the Bank acts as a lessee, it recognizes the cost of leased assets in the Interim Consolidated Statements of Financial Position, according to the nature of the leased asset, and simultaneously, the sum of the present value of minimum lease payments it will make plus the purchase option, are recorded as a financial liability. Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liabilities. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of liabilities. Assets are amortized using similar criteria to that applied to property and equipment for own use.

iv) Write-off of loans and advances

Impaired loans are written-off when deemed to be uncollectible or when reasonable time has passed without obtaining recovery. For this purpose, the outstanding balance of the loan recorded within assets is written-off as a debit to the accrued provisions for credit risk. Subsequent payments of written-off loans are credited to the caption "Allowances for credit risk" in the Consolidated Statements of Income for the year (see Note 11b).

Write-offs of loans and accounts receivable, other than leasing operations, must be performed if the following circumstances, depending on which occurs first:

- a) The bank, based on all available information, concludes that it will not obtain any outflow from the loans recorded in the asset.
- b) When a debt owed to the bank without an enforcement order reaches 90 days past due.
- c) Upon expiration of the statute of limitations for actions to demand collection through an executive judgment or at the time of rejection or abandonment of the execution of the title by enforceable judicial resolution.
- d) When the time of delay of an operation reaches the term to punish that is has below:

Type of loans	Term
Secured or unsecured consumer loans	6 months
Other unsecured transactions	24 months
Secured commercial loans	36 months
Mortgage loans	48 months

The term corresponds to the time elapsed from the date on which the payment of all or part of the obligation that is in arrears became due.

(p) Investments in companies

i) Companies in which the Bank has significant influence

Associates are those entities over which the Bank has significant influence, but not control or joint control. In general, this ability relates to interest equal or higher than 20% of voting rights and is measured using the equity method of accounting, unless the Bank may clearly demonstrate there is no such influence. Other elements to determine a significant influence on an entity are the Bank's representation in the entity's Board of Directors and existence of material transactions. These investments are measured through the equity method of accounting.

In accordance with the equity method, investments are initially recorded at cost, and then increased or decreased in order to reflect the Bank's proportional equity in the profit or loss of the investee and other changes recognized in its equity. Goodwill arising from the acquisition of a company is included in the carrying amount of the investment netted against any accumulated impairment loss.

ii) Joint ventures

"Joint ventures" are those businesses which are jointly controlled by two or more unrelated entities. This is evidenced by contractual agreements where two or more entities ("venturers") have an interest in entities ("multi-group") or perform transactions or hold assets so that any strategic financial or operating decision affecting them requires the unanimous consent by all the venturers. At the date of these Interim Consolidated Financial Statements, the Bank assessed and determined it is not involved in any joint venture.

iii) Shares or interests in other companies

Entities which are not significantly controlled or influenced by the Bank are recorded in this line item. It includes the minority permanent investments in domestic companies, recorded at their acquisition cost and recording the related impairment adjustments, where applicable.

(q) Intangible assets

Intangible assets are identified as non-monetary assets (separate from other assets) with no physical substance arising as a result of a legal transaction or developed internally by the consolidated entities. These are assets whose cost can be measured reliably and for which the consolidated entities believe it is probable that future economic benefits will be recognized.

Intangible assets are recognized initially at its acquisition or production cost and subsequently measured at cost less accumulated amortization and the accumulated amount of impairment losses.

i) Software or computer software

IT software acquired by the Bank and its subsidiaries are accounted at cost less accumulated amortization of impairment value loss.

The subsequent expense in program assets is capitalized solely when the economic benefits in the specific asset to which they relate increase. All other expenses are recorded as expenditures as incurred. Amortization is recognized in profit or loss on the basis of an amortization according to the straight-line method considering the useful life of computer programs from the date in which

they are available for use. In general, estimated useful lives of IT software have been established between 5 or 10 years.

ii) Other identifiable intangible assets

Corresponds to intangible assets identified in which the asset cost can be measured reliably and it is likely to generate future economic benefits. The estimated useful life of these intangible assets is up to 3 years.

iii) Intangible assets from business combinations

Relates to intangible assets (other than goodwill) arising from business combinations, which are initially recorded at their fair value. Upon initial recognition, these intangible assets are measured at their cost less accumulated amortization and accumulated impairment losses.

Amortization is recognized in profit or loss on a straight-line basis considering the estimated useful lives of intangible assets (other than goodwill) arising from business combinations. The estimated useful life of these intangible assets does not exceed 20 years.

(r) Property and equipment

Items of property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that have been directly attributed to the acquisition of the asset and any other costs directly attributable to the process of bringing the asset to a usable condition.

Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of the assets, including the related debits to profit or loss within the caption 'Depreciation and amortization' in the Interim Consolidated Statements of Income.

Maintenance and repair costs are debited to profit or loss. The cost of improvements is capitalized when the useful life of assets or their capacity increases significantly.

The estimated useful life of the Bank's items of property and equipment are the following:

Asset group	Useful life
Buildings	80 years
Furniture, machinery, vehicles, other property and equipment	2 to 10 years
Computer equipment	3 to 10 years
Facilities, own property improvements	3 to 10 years

The useful life assigned to leasehold improvements directly depends on the term of the property's lease contract.

(s) Right-of-use lease assets and lease contract liabilities

i) *Right-of-use assets under lease contracts*

The Bank and its subsidiaries have lease agreements related to certain assets to meet the normal performance of its operating activities. When in such contract, it acts as lessee, the Bank should recognize in its Consolidated Financial Statements a right-of-use asset, representing the right to use the underlying asset specified in the lease agreement.

The Bank and its subsidiaries may elect not to recognize a right-of-use asset and a lease liability in the following two cases:

- i) short-term leases (less than 12 months); and
- ii) leases for which the underlying asset is of low value.

If the Bank or its subsidiaries elect not to recognize a right-of-use asset or lease liabilities, they shall recognize the lease payments associated with those leases as an expense in the Consolidated Statement of Income for the period on a straight-line basis over the lease term or another systematic basis (another systematic basis will be applied if that basis is more representative of the pattern of the lessee's benefit.)

At the commencement date, the Bank shall measure the right-of-use asset at cost, which includes:

- (a) the amount of the liability's initial measurement of the lease liability (as described in ii) below);
- (b) lease payments made at or before the commencement date, less any lease incentives received;
- (c) any initial direct costs incurred by the lessee; and
- (d) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The lessee may incur the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period.

A lessee shall recognize the costs described in letter (d) as part of the cost of the right-of-use asset when it incurs an obligation for those costs.

After the date of initial recognition, the Bank measures the right-of-use asset applying a cost model less accumulated depreciation/amortization and accumulated impairment; adjusted for any remeasurement of the lease liability.

The Bank and its subsidiaries apply the straight-line method to depreciate the right-of-use asset from the commencement date to the earlier of the end of the lease term Management has estimated for its use.

ii) *Lease liabilities*

In connection with the recognition of a right-of-use asset in the financial statements, the Bank shall recognize as a counterpart a lease liability related to the financial obligation assumed of paying the underlying lease asset.

At the commencement date, the Bank and its subsidiaries measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease if that rate can be readily determined. If that rate cannot be readily determined, the Bank uses its incremental borrowing rate.

A lease liability is remeasured when there is a change in future lease payments resulting from a change in an index or a rate.

iii) Sales with subsequent lease

A sales transaction with subsequent lease implies the sale of an asset and the subsequent lease of the same asset. In this case, the Bank measures the right-of-use asset arising from the sale and leaseback transaction commensurate to the previous carrying amount of the asset, which relates to the right-of-use maintained recognizing a gain or a loss related to the rights transferred to the lessee.

(t) Current tax and deferred taxes

The determination of income tax expense is performed in accordance with IAS12 "Income Taxes" and the Income Tax Law. Income tax expense comprises current tax and deferred taxes.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the date of the Interim Consolidated Statements of Financial Position, and any adjustment to income tax payable in respect of previous years.

The Bank and its subsidiaries recognize, where appropriate, deferred tax assets and liabilities resulting from temporary differences between the financial statement carrying value and tax basis of assets and liabilities (temporary differences). Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences related to the year in which they reverse, based on the laws that have been enacted or substantively enacted at the date of the Interim Consolidated Statements of Financial Position.

Deferred tax expense is recognized except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

A deferred tax asset is recognized only to the extent that is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each date of the Interim Consolidated Statements of Financial Position and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Income tax expense, for an interim period, is based on an estimated average annual effective tax rate, consistent with the assessment of the annual tax burden.

(u) Non-Current Assets and Disposal Groups Held for Sale.

Non-current assets expected to be recovered principally from sale rather than continuing use are classified as held for sale.

Subsequent to being classified as held for sale, these assets are measured at the lower of their carrying value and fair value less costs to sell.

In order to classify as "Non-current assets held for sale and discontinued operations", in accordance with IFRS5, the Bank should ensure compliance with the requirements established for which:

- It must be available in its current conditions for immediate sale and its sale must be highly probable.
- For the sale to be highly probable, an appropriate management level must be committed with a plan to sell an asset (or a disposal group), and a program to find a buyer must have started and operate actively.
- Likewise, the sale must be expected to meet the conditions for recognition as a sale completed within one year from the date of classification.

Impairment losses in the initial classification as non-current assets held for sale and subsequent losses are recognized in profit or loss.

Assets received in lieu of payment

Assets received in lieu of payment and trade receivables are recorded, in the case of assets received in lieu of payment at the price agreed by the parties, or for those cases where there is no agreement between the parties, at the amount for which the Bank is awarded such assets in a court-ordered public auction.

Subsequently, such assets are measured at the lower of the initial carrying amount or net realizable value, which corresponds to its fair value (liquidity value determined through an independent appraisal) less the related costs to sell. Differences between both amounts are recognized as "Other operating expenses" in the Interim Consolidated Statement of Income. Assets received in lieu of payment are recorded as "Other assets" net of provisions.

In general, the Bank believes assets received in lieu of payment will be sold within one year from their date of award. Assets not sold during such term are written-off as per the instructions issued by the CMF. This is subject to possible transitional provisions issued by the regulator that establish new terms on this matter.

(v) Financial liabilities held for trading at fair value through profit or loss

This item mainly comprises financial derivative contracts with negative valuation and which are not part of a specific accounting hedging relationship. They are measured at fair value and the gains or losses are recorded in "Gain from financial assets and liabilities held for trading" in the Consolidated Income Statement.

(w) Financial liabilities at amortized cost

Financial liabilities are initially measured at fair value plus directly attributable transaction costs, and subsequently measured at their amortized cost using the effective interest method. The main captions considered in this classification are as follows:

- Deposits and other on-demand liabilities
- Term and on-demand deposits
- Liabilities under repurchase agreements and securities lending (*)
- Bank borrowings
- Debt securities issued
- Other financial liabilities

(*) Agreements to repurchase operations are performed as a mean for financing purposes. Investment repurchase obligation is classified within liabilities, which is measured in accordance with the interest rate in the agreement.

(x) Regulatory capital financial instruments issued

These instruments are another source of financing for the Bank. This category includes subordinated bonds, bonds with no fixed maturity and preference shares.

On initial recognition, these instruments are recorded at fair value less transaction costs directly attributable to their issuance. They subsequently measured at amortized cost using the effective interest method.

(y) Provisions for contingencies

Provisions are liabilities of uncertain timing or amount. A provision is recognized in the Interim Consolidated Statements of Financial Position when the following requirements are copulatively complied with:

- i) as a result of a past event, the Bank has a present legal or constructive obligation;
- ii) it is probable that at the interim reporting date an outflow of economic benefits will be required from the Bank or its subsidiaries to settle the obligation; and
- iii) the amount of such resources can be estimated reliably.

A contingent asset or liability is a possible obligation or asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank.

Provisions (that are calculated considering the best information available on the consequences of the event that gave rise to them are re-estimated on each closing date) are used to comply with specific obligations for which they were originally recognized. These are reversed when such obligations decrease or cease to exist.

Provisions are classified according to the following obligations covered:

- Provisions for contingencies (includes employee benefit obligations, restructuring plans, lawsuits and litigation, loyalty programs, operational risk and other contingencies).
- Provisions for minimum dividends, interest payments and repricing of regulatory capital financial instruments issued.
- Special provisions for credit losses (including contingent loans, country risk, additional allowances for loans and others).

(z) Provisions for dividends

In Article No.79 in Chile's Law of Public Companies it is established that, unless different from the adopted in the meeting and by the issued shares unanimously, public companies will have to distribute annually as dividend in cash to its shareholders, proportionally of its shares or the proportion established by the by-laws at least the 30% of liquid gains of each year, except when accumulated losses coming from previous year are to be absorbed.

Minimum dividends are accounted for net of the portion of the provisional dividends that has been approved during the course of the year and are registered in the caption "Provisions" with a debit to the account "Provisions for minimum dividends" In Equity.

(aa) Allowances for credit losses

The Bank has established allowances for potential credit losses from loans and advances to customers, in accordance with the instructions issued by the CMF and its credit risk rating and evaluation models approved by the Board of Directors.

In order to determine its provision for credit risk, the Bank uses models or methodologies based on the individual and collective analyses of debtors to make provisions for loans and receivables from customers, which are defined below.

Provisions for loans by individual assessment: The individual analysis of debtors is applied to customers, natural persons or legal entities which, due to their size, complexity or exposure level, must be known comprehensively, requiring the assignment of a credit rating for each debtor.

All the customers of the Corporate, Real Estate, Large Companies or Wholesale segments will be considered to be business portfolio assessed individually. It will also consider the debtors of the different segments mentioned above recording annual sales higher than or equal to MCh\$1,000 or business debt obligations higher than or equal to MCh\$500. In addition, all customers who are part of a business group, record commercial loans and whose total indebtedness, excluding mortgage loans, reaches an amount equal to or higher than UF 20,000, will be included as individual customers. Finally, all the debtors that have recorded in their loans cross-border transactions will be included as individual customers.

To make the allowances, the Bank classifies its debtors and transactions related to loans and contingent loans in the related categories, with the prior allocation to one of the following three portfolio categories: Normal, substandard and in default as established in the Compendium of Accounting Standards for Banks (CNC) issued by the CMF. Based on the debtor rating, the Bank assigns probability of default and loss on default percentages, which result in the expected loss percentage:

Type of portfolio	Debtor category	Probability of default (%)	Loss given default (%)	Expected loss (%)
Normal Portfolio	A1	0.04	90.0	0.03600
	A2	0.10	82.5	0.08250
	A3	0.25	87.5	0.21875
	A4	2.00	87.5	1.75000
	A5	4.75	90.0	4.27500
	A6	10.00	90.0	9.00000
Substandard Portfolio	B1	15.00	92.5	13.87500
	B2	22.00	92.5	20.35000
	B3	33.00	97.5	32.17500
	B4	45.00	97.5	43.87500

Type of portfolio	Risk grade	Range of expected loss	Provision (%)
In default	C1	More than 0 and up to 3%	2
	C2	Between 3% and 20%	10
	C3	Between 20% and 30%	25
	C4	Between 30% and 50%	40
	C5	Between 50% and 80%	65
	C6	Over 80%	90

Provisions for loans associated with collective assessment: The collective assessment is used for residential mortgage and consumer loan exposures, in addition to commercial exposures related to student loans and exposures to borrowers that simultaneously meet the following conditions: i) The bank has an aggregate exposure (gross amount of provisions) to a single counterparty of less than UF 20,000 (excluding mortgage loans). For off-balance sheet items, the gross amount is calculated by applying the credit conversion factors. In addition, "to the same counterparty" denotes one or more entities that may be considered as a single beneficiary. For the determination of the aggregate exposure, the Bank must consider the exposure of the corporate group and ii) each aggregate exposure to the same counterparty does not exceed 0.2% of the total associated portfolio. To avoid circular computation, the criterion will be checked only once, for the remaining commercial credit exposures the models based on the individual analysis of the debtors must be applied.

The Bank uses a model for commercial exposures under MCh\$500 to determine an allowance based on the concept of expected loss of a loan.

The Bank has internal models for its collective portfolios, as well as standard methods for collective business portfolios and mortgage loans.

Additional provisions for loans: In conformity with the standards issued by the CMF, the Bank has made additional provisions on its loan portfolio to hedge against the risk of unpredictable adverse economic fluctuations that may affect the macroeconomic environment or the situation in a specific economic sector.

Allowances for contingent loans: Contingent loans are all those operations or commitments in which the Bank assumes credit losses by having an obligation with a third party upon occurrence of a future event, to make a payment or disbursement that shall be recovered from its customers, as in the case of readily available revolving credit facilities, readily available revolving credit facilities with immediate payment, contingent loans linked to CAE, letters of credit for goods movement transactions, commitments to purchase debt in local currency abroad, transactions related to contingent events, guarantees and sureties, other credit commitments and other contingent loans.

Contingent loans are not recorded as assets. However, in order to hedge the credit risk, a provision for potential losses is accrued and recorded within 'Expense in special allowances for credit losses' in the Interim Consolidated Statements of Income.

To estimate allowances for contingent loans as indicated in Chapter B-1 and Chapter B-3 of the Compendium of Accounting Standards for Banks issued by the CMF, the amount of the exposure to be considered will be equivalent to the following percentages of contingent loans:

Type of contingent exposure	FCC
Unrestricted revolving credit facilities with immediate payment	10%
Contingent loans linked to CAE	15%
Letters of credit for goods movement transactions	20%
Other readily available revolving credit facilities	40%
Local currency debt purchase commitments abroad	50%
Transactions related to contingent events	50%
Co-debtors and guarantees	100%
Other loan commitments:	100%
Other contingent loans	100%

However, when operations are conducted with customers with loans in default, as stated in chapter B-1 of the Compendium of Accounting Standards for Banks issued by the CMF, the exposure will always be equivalent to 100% of their contingent loans.

(ab) Financial guarantees

Financial guarantees are contracts that require the issuer to make specific payments to repay the holder for the loss incurred on specific obligor default according to the conditions of a debt instrument.

Liabilities related to financial guarantees are initially recognized at fair value, and initial fair value is amortized through the life of the financial guarantee. The guaranteed liability is recorded at the higher of the amortized amount or the present value of any expected payment (when a payment under the guarantee becomes probable). Financial guarantees are included in other liabilities.

(ac) Use of judgments and estimates

The preparation of the Interim Consolidated Financial Statements requires Management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, revenue and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis by the Bank's Senior Management in order to quantify some assets, liabilities, revenues, expenses and uncertainties. Adjustments to accounting estimates are recognized in the period in which the estimate is revised and any future periods affected.

Particularly, the information about the most significant areas of estimation of uncertainty and critical judgments in the applying accounting policies that have most significant effect on amounts recognized in the Interim Consolidated Financial Statements, are described in the following notes:

- Notes 8, 11, and 12 : Measurement of financial instruments.
- Notes 13, 26, and 31 : Allowances for credit losses.
- Notes 15, 16, and 17 : Useful life and impairment of intangible assets, property and equipment and right-of-use assets.
- Note 18 : Deferred taxes
- Notes 24, 25, and 26 : Provisions, contingencies and commitments.

(ad) Interest and indexation income and expenses

Interest income and expenses are recognized in the Interim Consolidated Statements of Income for the period using the effective interest method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, in a shorter period) to the net carrying amount of the financial asset or liability. When calculating the effective interest rate, the Bank estimates future cash flows considering all contractual terms of the financial instrument, but not future credit losses.

The calculation of the effective interest rate includes transaction costs, premiums, discounts, as well as all fees and commissions and other concepts paid or received that are directly attributable to the acquisition or issue of a financial asset or liability.

Adjustments mainly relate to the indexation associated with changes in the value of Unidad de Fomento (UF), which was Ch\$31,727.74 as at March 31, 2022 (Ch\$29,394.77 as at December 31, 2021).

The Bank suspends the recognition of interest and indexation income on an accrual basis for loans when the loan or one of its installments is 90 days overdue. This implies that, from the date on which it is due to be suspended and until these loans are no longer impaired, the related assets will not be increased with interest and indexation in the interim consolidated statement of financial position and no income for these items will be recognized in the interim consolidated statement of income, unless they are effectively received.

(ae) Fee and commission income and expenses

Financial fees and commissions and transaction costs directly associated with the generation of certain financial assets and liabilities, are a part of the initial valuation of such financial assets and liabilities for the determination of the effective interest rate.

Fee and commission income and expenses not related to the generation of financial assets and liabilities are recognized on an accrual basis.

In general, unearned income and prepayments related to commissions for future services to be provided or received are transferred on a straight-line basis to profit or loss over the period that contractually covers those payments and collections.

Fee and commission income and expenses are recognized as the related services are provided.

(af) Expenses for employee benefit obligations. Employee benefits and accrued vacation cost

Short-term benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

In addition, the obligations for long-term employee benefits and employment contract termination benefits agreed in the several collective bargaining agreements in force between Scotiabank Chile and its employees through the labor unions, incorporate clauses for the payment of incentives related to seniority bonuses, severance indemnity payments for voluntary retirement and caps other than those established in the Labor Code, established ad-hoc in the several agreements. In order to receive such benefits the employee must meet a set of clearly-established requirements.

Employee benefit expenses and the related benefit obligation are calculated using actuarial methods and assumptions, which are based on Management's best estimate and reviewed and approved annually. They include variables such as personnel turnover rate, expected salary growth, mortality rate, disability, retirement age, beginning of working age, average age of beneficiary personnel and the probability of using this benefit, discounted at the current rate for long-term operations (the rate of in UF at 20 years of Bonds issued by the Central Bank of Chile is used).

Gains and losses arising from changes in actuarial variables for employment contract termination benefits are recognized in Other comprehensive income.

The effect of the provisions for such benefits are recognized in the caption "Provisions for contingencies" in the Interim Consolidated statement of financial position.

(ag) Impairment of non-financial assets

The carrying amounts of the Bank's non-financial assets, excluding deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognized if the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognized in the Interim Consolidated Statements of Income for the year.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, had no impairment loss been recognized.

(ah) Basic and diluted earnings per share

Basic earnings per share are calculated by dividing the net profit or loss attributable to the Bank by the number of ordinary shares outstanding during the period.

The calculation of diluted earnings per share has been based on the profit attributable to the Bank divided by the weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares.

At the date of these Interim Consolidated Financial Statements, the Bank and its subsidiaries do not have any instruments that generate dilutive effects on Equity.

(ai) Reclassifications

There have been no significant reclassifications at the end of the 2022 period.

Note 3 New accounting pronouncements issued and adopted, or issued but not yet adopted

i) Adoption of new standards and amendments introduced by the CMF

Circular No.2305 of February 16, 2022, Compendium of Accounting Standards for Banks. It amends Chapter 1.

Table No.2 of Annex No.6 Compendium of Accounting Standards for Banks is amended. This table is part of the solvency indicators for regulatory compliance.

For the interim financial statements for March, June and September 2022, Table 2 as amended in this Circular should be reported without the prior period comparative.

Additionally, for the interim financial statements of March, June and September 2022, banks must disclose information on capital requirements according to the format of Appendix No.5 effective through 2021.

ii) New pronouncements introduced by the IASB

Current accounting pronouncements

The following amended accounting pronouncements are mandatory for periods beginning on January 1, 2022:

Amendments to IFRS	Mandatory application date
Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS37)	Annual periods beginning on or after January 1, 2022 for contracts existing at the application date. Early adoption is permitted.
Annual Improvements to IFRS Standards 2018-2020	Annual periods beginning on or after January 1, 2022. Early adoption is permitted.
Property, Plant and Equipment - Proceeds before Intended Use (Amendments to IAS16)	Annual periods beginning on or after January 1, 2022. Early adoption is permitted.
Amendments to the References to the Conceptual Framework in IFRS Standards (Amendments to IFRS3)	Annual periods beginning on or after January 1, 2022. Early adoption is permitted.
Covid-19-Related Rent Concessions beyond June 30, 2021 (Amendments to IFRS16)	Annual periods beginning on or after April 1, 2021. Early adoption is permitted.

Onerous Contracts - Cost of Fulfilling a Contract (Amendments to IAS37)

In order to clarify the types of costs a company includes as fulfillment costs when assessing whether a contract is onerous, the IASB issued the amendment to IAS37 "Provisions, Contingent Liabilities and Contingent Assets" in May 2020. As a result of this amendment, entities that currently apply the "incremental cost" approach will be required to recognize larger provisions and an increased number of onerous contracts.

The amendment clarifies that cost of fulfilling a contract includes:

- the incremental costs, e.g. direct labor and materials; and
- allocations of other direct costs, e.g. the allocation of a depreciation expense of an item of property and equipment used in fulfilling the contract.

At the date of initial application, the accumulated effect of performing this amendment to the standard is recognized in the opening balances as an adjustment to retained earnings or any other item in equity, as appropriate.

The Bank's Management assessed the impact of the adoption of this Standard and determined that it will have no significant effect on its Interim Consolidated Financial Statements.

Annual Improvements to IFRS Standards 2018-2020

As part of the process of making non-urgent but necessary changes to IFRS Standards, the IASB issued Annual Improvements to IFRS Standards 2018-2020, whose changes clarify wording or correct minor consequences, omissions or conflicts between the requirements of the Standards.

The Bank's Management assessed the impact of the adoption of this Standard and determined that it will have no significant effect on its Interim Consolidated Financial Statements.

Property, Plant and Equipment - Proceeds before Intended Use (Amendments to IAS16)

In order to provide guidance on the accounting for sales and costs that entities can generate in the process of making an item of property and equipment available for use, the IASB issued in May 2020 the amendment to IAS16.

In accordance with these amendments, proceeds from the sale of the assets obtained in the process in which an item of Property and Equipment is available for use, should be recognized in the statement of income together with the costs of producing such assets. IAS2 Inventories should be applied in identifying and measuring these items.

Entities will have the need to make the difference between:

- costs associated with producing and selling items before the item of Property and equipment is available for use; and
- costs associated with making the item of Property and equipment available for its intended use.

The Bank's Management assessed the impact of the adoption of this Standard and determined that it will have no significant effect on its Interim Consolidated Financial Statements.

Amendments to the References to the Conceptual Framework in IFRS Standards (Amendments to IFRS3)

In May 2020, the IASB issued the Reference to Conceptual Framework, which amends IFRS3 Business Combinations. The amendment replaces the reference made to a previous version of the Conceptual Framework for Financial Reporting containing a reference to the last version issued in March 2018. In addition, the IASB included an exception to its requirement to the entity to make reference to the Conceptual Framework to determine what is an asset or a liability. This exception establishes that, for certain types of contingent assets and contingent liabilities, the entity that applies IFRS3 must refer to IAS37, "Provisions, Contingent Liabilities and Contingent Assets."

The Bank's Management assessed the impact of the amendment of this Standard and determined that it will have no significant effect on its Consolidated Financial Statements.

COVID-19 Related Rent Concessions beyond June 30, 2021 (Amendments to IFRS16)

The IASB issued COVID-19-Related Rent Concessions, which amended IFRS16 Leases, in May 2020. This amendment includes an optional practical expedient, which simplifies the accounting for rent reductions that are the direct result of COVID-19.

Among other conditions, the 2020 amendment permitted lessees to apply the practical expedient only to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2021. In this regard, the Board has extended the application of the practical expedient by 12 months, allowing lessees to apply it to rental concessions where the reduction in lease payments relates to payments originally due on or before June 30, 2022.

The Bank's Management assessed the impact of the adoption of this Standard and determined that it will have no significant effect on its Consolidated Financial Statements.

Accounting pronouncements issued but not yet effective

The following accounting pronouncements have been issued and are not yet effective.

New IFRS	Mandatory application date
IFRS 17 - Insurance Contracts	Annual periods beginning on or after January 1, 2023. This date includes the exemption for insurance companies regarding the application of IFRS 9 to allow them to implement IFRS 9 and IFRS 17 simultaneously. Early adoption is permitted for entities applying IFRS 9 and IFRS 15 on or before such date.
Amendments to IFRS	Mandatory application date
Classification of Liabilities as Current or Non-current (Amendments to IAS 1)	Annual periods beginning on or after January 1, 2023. Early adoption is permitted.
Sales or Contributions of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Mandatory date deferred indefinitely
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements)	Annual periods beginning on or after January 1, 2023. Early adoption is permitted.
Definition of Accounting Estimates (Amendments to IAS 8)	Annual periods beginning on or after January 1, 2023. Early adoption is permitted and will be applied prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the Company applies the amendments.
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)	Annual periods beginning on or after January 1, 2023. Early adoption is permitted.
Initial Application of IFRS 17 and IFRS 9 - Comparative Information (Amendments to IFRS 17)	This amendment is applicable beginning on the application of IFRS 17 Insurance Contracts.

IFRS17 Insurance Contracts

Issued on May 18, 2017, this Standard requires that insurance obligations are measured at current compliance values and provides a more consistent approach for presenting and measuring all insurance contracts. Such requirements are designed to provide a consistent principle-based accounting treatment.

In March 2020, the IASB decided to defer the effective date of IFRS17 to January 1, 2023. Early adoption is permitted if IFRS9 and IFRS15 have been adopted. The Board also decided to extend the temporary exemption to IFRS9 granted to insurers who meet specified criteria, through January 1, 2023.

The Bank's Management is assessing the impact of adopting this new standard.

Amendments to IFRS

Classification of Liabilities as Current or Non-current (Amendments to IAS1)

The IASB amended IAS1 Presentation of Financial Statements to foster consistent application and clarify the requirements to determine whether a liability is current or non-current. As a result of such amendment, entities are required to review their loan contracts to determine whether their classification will change.

The amendments include the following:

- Right to defer settlement must have substance: under existing IAS1 requirements, companies classify a liability as current when they do not have an unconditional right to defer settlement of the liability for, at least, twelve months after the end of the reporting period. As part of its amendments, the IASB has removed the requirement for a right to be unconditional and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period.
- Classification of revolving credit facilities may change: entities classify a liability as non-current if they have a right to defer its settlement for at least twelve months after the end of the reporting period. The IASB has now clarified that a right to defer exists only if the company complies with conditions specified in the loan agreement at the end of the reporting period, even if the lender does not test compliance until a later date.
- Liabilities with equity cancellation features: the amendments state that the cancellation of a liability includes the transfer of the entity's own equity instruments to the other party. The amendment clarifies the way in which entities classify a liability that includes a conversion option of the other party, which could be recognized as equity or as a liability separately from the liability component provided for in IAS32 Financial Instruments: Presentation.

The amendment is effective retrospectively for annual periods beginning on or after January 1, 2023. Early adoption is permitted. However, companies will consider including disclosures in conformity with IAS8 Accounting Policies, Changes in Accounting Estimates and Errors in their next annual financial statements.

The Bank's Management is assessing the impact of adopting these amendments.

Sale or Contribution of Assets Between and Investor and its Associate or Joint Venture (Amendments to IFRS10 and IAS28).

On September 11, 2014, the IASB issued this amendment that requires that when transferring subsidiaries to an associate or joint venture, the total gain should be recognized when assets transferred meet the definition of “business” under IFRS3, Business Combinations. This amendment establishes intense pressure on the definition of a “business” for recognition in profit or loss. Also, it introduces new and unforeseen recognition for transactions that partially consider maintenance in assets that are not businesses.

The effective application of this amendment has been deferred indefinitely.

Disclosure of Accounting Policies (Amendments to IAS1 and IFRS Practice Statement 2 Making Materiality Judgements)

In October 2018, the Board refined the definition of materiality so that it is easier to understand and apply. Such definition is aligned with the entire IFRS framework including the Conceptual framework. Changes to the definition of materiality complement the non-binding Statement of Practice 2 Making Materiality Judgments issued by the Board in 2017, which outlines a four-step procedure that can be used to assist in making materiality judgments in the preparation of financial statements.

In February 2021, the Board issued amendments to IAS1 Presentation of Financial Statements and an update to Statement of Practice 2.

The amendments include the following:

- Require companies to disclose their material accounting policies rather than significant accounting policies;
- Clarify that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and therefore need not be disclosed;
- Clarify that not all accounting policies that relate to material transactions, other events or conditions are themselves material to the Company's financial statements.

Amendments to Practical Statement 2 include two additional examples of the application of materiality in accounting policy disclosures.

The Bank's Management is assessing the impact of adopting these amendments.

Definition of Accounting Estimates (Amendments to IAS8)

In February 2021, the Board issued amendments to IAS8 Accounting Policies, Changes in Accounting Estimates and Errors, to clarify how companies should distinguish between changes in accounting policies and changes in accounting estimates, with the main focus on the definition and clarification of accounting estimates.

Amendments clarify the relationship between accounting policies and accounting estimates, specifying that a company develops an accounting estimate to achieve the objective defined previously in an accounting policy.

The Bank's Management is assessing the impact of adopting these amendments.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS12)

In May 2021, the Board issued amendments to IAS12 Deferred tax related to Assets and Liabilities arising from a Single Transaction, to clarify how companies should account for deferred tax in certain types of transactions where an asset and a liability are recognized, such as leases and decommissioning obligations.

Amendments reduce the scope of the exemption on initial recognition so that it does not apply to transactions that give rise to equal and offsetting temporary differences. As a result, companies will need

to recognize a deferred tax asset and a deferred tax liability for temporary differences arising on initial recognition of a lease and a decommissioning obligation.

The Bank's Management is assessing the impact of adopting these amendments.

Initial Application of IFRS17 and IFRS9 - Comparative Information (Amendments to IFRS17)

In December 2021, the Board issued amendments to IFRS17 Initial Application of IFRS17 and IFRS9 – Comparative Information, in order to provide relief for operating complexities between the accounting for insurance contract liabilities and related financial assets on initial application of IFRS17.

The amendments allow the presentation of comparative information on financial assets related to insurance contracts to be presented in a manner consistent with IFRS9 Financial Instruments.

The Bank's Management is assessing the impact of adopting these amendments.

Note 4 Changes in accounting policies

1) Quantitative information regarding the first application of the New Compendium of Accounting Standards

The impacts recorded in January 2022 due to the application of the regulatory changes effective beginning in this period are presented below.

SCOTIABANK CHILE AND SUBSIDIARIES

Consolidated Statements of Financial Position (Proforma)

As at December 31, 2021

	CNCB old 12/31/2021 MCh\$	Adjustments from Implementation MCh\$	CNCB new 12/31/2021 MCh\$	Explanation Note
ASSETS				
Cash and deposits in banks	1,459,622	-	1,459,622	
Transactions pending settlement	443,080	-	443,080	
Financial assets held for trading at fair value through profit or loss	-	-	-	
Derivative instruments	6,334,097	-	6,334,097	
Financial debt securities	474,715	-	474,715	
Other	115,889	-	115,889	
Financial assets not held for trading mandatorily measured at fair value through profit or loss	-	-	-	
Financial assets designated at fair value through profit or loss	-	-	-	
Financial assets at fair value through other comprehensive income	-	-	-	
Financial debt securities	1,950,500	(11)	1,950,489	(a)
Other	-	-	-	
Derivative instruments for accounting hedge	326,030	-	326,030	
Financial assets at amortized cost	-	-	-	
Rights under resale agreements and securities lending agreements	120,796	(5)	120,791	(a)
Financial debt securities	-	-	-	
Loans and advances to banks	2,996	-	2,996	
Loans and advances to customers - Commercial loans	13,834,313	(2,873)	13,831,440	(b), (c)
Loans and advances to customers - Mortgage loans	11,590,604	2,102	11,592,706	(b), (c)
Loans and advances to customers - Consumer loans	3,087,784	1,702	3,089,486	(b), (c)
Investments in companies	19,973	-	19,973	
Intangible assets	222,409	-	222,409	
Intangible assets	96,122	-	96,122	
Right-of-use assets under lease contracts	181,672	-	181,672	
Current taxes	5,062	-	5,062	
Deferred tax assets	401,690	491	402,181	(e)
Other assets	916,351	-	916,351	
Non-current assets and disposal groups held for sale	14,190	-	14,190	
TOTAL ASSETS	41,597,895	1,406	41,599,301	

Consolidated Statements of Financial Position (Proforma)
As at December 31, 2021

	Old Compendium 12/31/2021 MCh\$	Adjustments from Implementation MCh\$	Current Compendium 12/31/2021 MCh\$	Explanation Note
LIABILITIES				
Transactions pending settlement	395,878	-	395,878	
Financial liabilities held for trading at fair value through profit or loss	-	-	-	
Derivative instruments	6,048,514	-	6,048,514	
Other	-	-	-	
Financial liabilities designated at fair value through profit or loss	-	-	-	
Derivative instruments for accounting hedge	831,935	-	831,935	
Financial liabilities at amortized cost	-	-	-	
Deposits and other on-demand liabilities	7,221,450	-	7,221,450	
Term and on-demand deposits	9,462,566	-	9,462,566	
Liabilities under repurchase agreements and securities lending	379,970	-	379,970	
Bank borrowings	5,685,253	-	5,685,253	
Debt securities issued	6,658,038	-	6,658,038	
Other financial liabilities	83,610	-	83,610	
Lease liabilities	163,775	-	163,775	
Regulatory capital financial instruments issued	756,368	-	756,368	
Provisions for contingencies	56,808	-	56,808	
Provisions for dividends, interest payments and repricing of bonds with no fixed maturity date	127,315	-	127,315	
Special allowances for credit losses	216,986	(12,306)	204,680	(d)
Current taxes	85,595	-	85,595	
Deferred tax assets	588	4,090	4,678	(e)
Other liabilities	622,123	-	622,123	
Liabilities included in disposal groups held for sale	-	-	-	
TOTAL LIABILITIES	38,796,772	(8,216)	38,788,556	
EQUITY				
Capital	1,368,421	-	1,368,421	
Reserves	374,682	7,584	382,266	(g)
Accumulated other comprehensive income	-	-	-	
Items that will not be reclassified to profit or loss	2,577	-	2,577	
Items that can be reclassified to profit or loss	(210,045)	-	(210,045)	
Retained earnings from previous years	840,999	-	840,999	
Profit for the period	424,385	-	424,385	
Less: Provisions for dividends, payment of interest and repricing of bonds with no fixed	(127,316)	-	(127,316)	
Attributable to the owners of the Bank:	2,673,703	7,584	2,681,287	
Non-controlling interests	127,420	2,038	129,458	(f)
TOTAL EQUITY	2,801,123	9,622	2,810,745	
TOTAL LIABILITIES AND EQUITY	41,597,895	1,406	41,599,301	

Description of impacts:

The following is a description of the adjustments made, which are recorded in the equity item "Non-earnings reserves."

a) Impairment and write-off of financial assets.

Corresponds to the application of impairment of financial assets, according to the following detail:

- Impairment of Financial Debt Instruments MCh\$11.
- Impairment of right of resale agreements and securities lending MCh\$5.

b) Suspension of revenue recognition on an accrual basis

This corresponds to the application of chapter B-2 of the new Compendium of Accounting Standards, which defines that banks must cease to recognize revenue on an accrual basis for loans in the Statement of Income when the loan or one of its installments is 90 days past due.

The suspension of revenue recognition on an accrual basis implies that, from the date on which it is due to be suspended and until these loans are no longer impaired, the related assets will not be increased with interest and indexation or commissions in the Statement of financial position and no income for these items will be recognized in the Statement of income, unless they are effectively received.

The Bank recognized a net credit in loans of MCh\$3,082 as follows:

Concept - First application Adjustment	Loans MCh\$	Provision MCh\$	Net effect MCh\$
Commercial loans	(2,428)	(1,297)	(3,725)
Consumer loans	(549)	239	(310)
Mortgage loans	824	129	953
Total	(2,153)	(929)	(3,082)

c) Renegotiations of transactions written-off

The latest version of the Compendium of Accounting Standards establishes that renegotiated loans that are no longer impaired must be returned to assets: "Consequently, the renegotiated loan will be re-entered as an asset if it ceases to be impaired, also recognizing the income from the activation as recovery of loans written-off."

The impact of this amendment is as follows:

Concept - First application Adjustment	Loans MCh\$	Provision MCh\$	Net effect MCh\$
Commercial loans	1,019	167	852
Consumer loans	2,035	23	2,012
Mortgage loans	1,152	3	1,149
Total	4,206	193	4,013

d) Allowances for credit losses

Corresponds to the update of chapter B-3 of the new Compendium of Accounting Standards, which incorporates the concept of "unrestricted revolving credit facilities with immediate payment", which has a credit risk exposure of 10%. This amendment implied a release of provisions of MCh\$12,306 in the Revolving Credit Facilities and Credit Cards.

e) Deferred tax assets

Considering the first-time applications described above, the following effects were generated in the determination of deferred taxes:

The debit for deferred tax assets consists of:

Concept - First application Adjustment	Amount MCh\$
Deferred tax asset - suspension of accruals	435
Deferred tax asset - impairment of financial investments	4
Deferred tax asset - special allowances for credit losses	52
Total deferred tax assets	491

The credit for deferred tax liabilities consists of:

Concept - First application Adjustment	Amount MCh\$
Deferred tax liability - special allowances for credit losses	1,414
Deferred tax liability - renegotiations of transactions written-off	1,136
Deferred tax liability - suspension of accruals	1,540
Total deferred tax liabilities	4,090

f) Minority interest

As a result of the application of the New Compendium of Accounting Standards to the Financial Statement Consolidation process, the following adjustments were made to the caption "Minority Interest:

Concept - First application Adjustment	Amount MCh\$
Minority interest - CAT Administradora de Tarjetas S. A.	2,041
Minority interest - Scotia Azul Sociedad de Leasing Inmobiliario S.A.	(3)
Net effect of minority interest	2,038

g) Reconciliation of net effect on non-earnings reserves (equity)

The following is a summary of the effects on the equity account "Other Non-earnings Reserves":

Concept - First application Adjustment	Amount MCh\$	Reference Adjustment
Impairment of financial investments	(16)	(a)
Commercial loans - suspension of accruals	(3,725)	(b)
Consumer loans - suspension of accruals	(310)	(b)
Mortgage loans - suspension of accruals	953	(b)
Commercial loans - renegotiations of transactions written-off	852	(c)
Consumer loans - renegotiations of transactions written-off	2,012	(c)
Mortgage loans - renegotiations of transactions written-off	1,149	(c)
Special allowances for credit losses	12,306	(d)
Deferred tax asset	491	(e)
Deferred tax liability	(4,090)	(e)
Minority interest - CAT Administradora de Tarjetas S. A.	(2,041)	(f)
Minority interest - Scotia Azul Sociedad de Leasing Inmobiliario S.A.	3	(f)
Net effect not from earnings (Equity)	7,584	

2) Proforma Balance Sheets as at December 31, 2021

The following is a reconciliation between the financial statements as at December 31, 2021 under the previous Compendium of Accounting Standards and a reconciliation to the same period under the new Compendium of Accounting Standards.

SCOTIABANK CHILE AND SUBSIDIARIES

Consolidated Statements of Financial Position (Proforma)

As at December 31, 2021

	CNCB old 12/31/2021 MCh\$	Adjustments from Implementation MCh\$	CNCB new 12/31/2021 MCh\$	Explanation Note
ASSETS				
Cash and deposits in banks	1,459,622	-	1,459,622	
Transactions pending settlement	443,080	-	443,080	
Financial assets held for trading at fair value through profit or loss	-	-	-	
Derivative instruments	6,660,127	(326,030)	6,334,097	a
Financial debt securities	590,604	(115,889)	474,715	b
Other	-	115,889	115,889	b
Financial assets not held for trading mandatorily measured at fair value through profit or loss	-	-	-	
Financial assets designated at fair value through profit or loss	-	-	-	
Financial assets at fair value through other comprehensive income	-	-	-	
Financial debt securities	1,953,979	(3,479)	1,950,500	c
Other	-	-	-	
Derivative instruments for accounting hedge	-	326,030	326,030	a
Financial assets at amortized cost	-	-	-	
Rights under resale agreements and securities lending agreements	120,796	-	120,796	
Financial debt securities	-	-	-	
Loans and advances to banks	2,996	-	2,996	
Loans and advances to customers - Commercial loans	13,834,313	-	13,834,313	
Loans and advances to customers - Mortgage loans	11,590,604	-	11,590,604	
Loans and advances to customers - Consumer loans	3,087,784	-	3,087,784	
Investments in companies	16,494	3,479	19,973	c
Intangible assets	222,409	-	222,409	
Property and equipment	96,122	-	96,122	
Right-of-use assets under lease contracts	181,672	-	181,672	
Current taxes	5,062	-	5,062	
Deferred tax assets	401,690	-	401,690	
Other assets	930,541	(14,190)	916,351	d
Non-current assets and disposal groups held for sale	-	14,190	14,190	d
TOTAL ASSETS	41,597,895	-	41,597,895	

- a) Corresponds to the reclassification of derivative contracts for the opening of the caption accounting hedges.
- b) Corresponds to the reclassification of mutual funds.
- c) Corresponds to the reclassification of investments of equity instruments recognized in investments in companies.
- d) Corresponds to the reclassification of assets for disposal for the opening of the caption non-current assets and disposal groups held for sale.

Consolidated Statements of Financial Position (Proforma)
As at December 31, 2021

	CNCB old 12/31/2021 MCh\$	Adjustments from Implementation MCh\$	CNCB new 12/31/2021 MCh\$	Explanation Note
LIABILITIES				
Transactions pending settlement	395,878	-	395,878	
Financial liabilities held for trading at fair value through profit or loss		-	-	
Derivative instruments	6,880,449	(831,935)	6,048,514	e
Other	-	-	-	
Financial liabilities designated at fair value through profit or loss	-	-	-	
Derivative instruments for accounting hedge	-	831,935	831,935	e
Financial liabilities at amortized cost		-	-	
Deposits and other on-demand liabilities	7,222,206	(756)	7,221,450	f
Term and on-demand deposits	9,462,566	-	9,462,566	
Liabilities under repurchase agreements and securities lending	379,970	-	379,970	
Bank borrowings	5,685,253	-	5,685,253	
Debt securities issued	7,414,406	(756,368)	6,658,038	g
Other financial liabilities	87,986	(4,376)	83,610	f
Lease liabilities	163,775	-	163,775	
Regulatory capital financial instruments issued	-	756,368	756,368	g
Provisions for contingencies	56,808	-	56,808	
Provisions for dividends, interest payments and repricing of bonds with no fixed maturity date	127,315	-	127,315	
Special allowances for credit losses	216,986	-	216,986	
Current taxes	85,595	-	85,595	
Deferred tax assets	588	-	588	
Other liabilities	616,991	5,132	622,123	f
Liabilities included in disposal groups held for sale	-	-	-	
TOTAL LIABILITIES	38,796,772	-	38,796,772	
EQUITY				
Capital	1,246,706	121,715	1,368,421	h
Reserves	496,397	(121,715)	374,682	h
Accumulated other comprehensive income		-	-	
Items that will not be reclassified to profit or loss	2,546	31	2,577	i
Items that can be reclassified to profit or loss	(210,045)	-	(210,045)	
Retained earnings from previous years	841,030	(31)	840,999	i
Profit for the period	424,385	-	424,385	
Less: Provisions for dividends, payment of interest and repricing of bonds with no fixed maturity	(127,316)	-	(127,316)	
Attributable to the owners of the Bank:	2,673,703	-	2,673,703	
Non-controlling interests	127,420	-	127,420	
TOTAL EQUITY	2,801,123	-	2,801,123	
TOTAL LIABILITIES AND EQUITY	41,597,895	-	41,597,895	

- e) Corresponds to the reclassification of derivative contracts for the opening of the caption accounting hedges.
- f) Corresponds to the reclassification of financial liabilities for the securitized portfolio for MCh\$4,376 and other liabilities for MCh\$756.
- g) Corresponds to the reclassification of subordinated bonds for the opening of the caption regulatory capital financial instruments issued.
- h) Corresponds to the reclassification of the surplus paid for shares.
- i) Corresponds to the reclassification of actuarial gains or losses from employee benefit plans.

SCOTIABANK CHILE AND SUBSIDIARIES

Consolidated Proforma Statements of Income
for the year ended December 31, 2021

	CNCB old 12/31/2021 MCh\$	Adjustments from Implementation MCh\$	CNCB new 12/31/2021 MCh\$	Explanation Note
Interest income	1,098,355	(5,649)	1,092,706	j
Interest expense	(310,404)		(310,404)	
Net interest income	787,951	(5,649)	782,302	
Indexation income	651,581		651,581	
Indexation expenses	(462,289)		(462,289)	
Net indexation income	189,292	-	189,292	
Fee and commission income	256,570	5,649	262,219	j
Fee and commission expenses	(64,672)	(22,833)	(87,505)	k
Net fee and commission income	191,898	(17,184)	174,714	
<i>Net financial result for:</i>				
Financial assets and liabilities held for trading	74,864		74,864	
Financial assets not held for trading mandatorily measured at fair value through profit or loss	-		-	
Financial assets and liabilities designated at fair value through profit or loss	-		-	
Gain (loss) on derecognition of financial assets and liabilities at amortized cost and financial assets at fair value through other comprehensive income	31,086		31,086	
Foreign currency translation differences, indexation and accounting hedge of foreign currencies	49,854		49,854	
Reclassifications of financial assets due to change of business model	-		-	
Other financial result	7,082		7,082	
Other financial result	162,886	-	162,886	
Equity in net income of investees	(6,895)		(6,895)	
Gain or loss from non-current assets and disposal groups not qualifying as discontinued operations	1,787		1,787	
Other operating income	29,040		29,040	
TOTAL OPERATING INCOME	1,355,959	(22,833)	1,333,126	
Expenses for employee benefit obligations.	(284,722)		(284,722)	
Administrative expenses	(226,207)	22,833	(203,374)	k
Depreciation and amortization	(56,425)		(56,425)	
Impairment of non-financial assets	(143)		(143)	
Other operating expenses	(35,621)		(35,621)	
TOTAL OPERATING EXPENSES	(603,118)	22,833	(580,285)	
OPERATING INCOME BEFORE CREDIT LOSSES	752,841	-	752,841	
Credit loss expense for:				
Provisions for credit losses for loans and advances to banks and loans and accounts receivable from customers	(177,137)		(177,137)	
Special allowances for credit losses	(102,478)		(102,478)	
Recovery of written-off loans	71,785		71,785	
Impairment due to credit risk of other financial assets at amortized cost and financial assets at fair value through other comprehensive income	-		-	
Credit loss expense	(207,830)	-	(207,830)	
OPERATING INCOME	545,011	-	545,011	
Profit or loss from continuing operations before taxes	545,011	-	545,011	
Income tax expense	(94,849)		(94,849)	
Profit or loss from continuing operations after taxes	450,162	-	450,162	
Profit or loss from discontinued operations before taxes	-		-	
Taxes from discontinued operations	-		-	
Income from discontinued operations after taxes	-	-	-	
CONSOLIDATED PROFIT FOR THE PERIOD	450,162	-	450,162	
Attributable to:				
Owners of the Bank	424,385		424,385	
Non-controlling interest	25,777		25,777	

j) Corresponds to the reclassification of prepaid commissions.

k) Corresponds to the reclassification of credit card license expenses.

3) Opening balance as at January 1, 2021.

The beginning balances for the comparative period 2021 expressed under the new definitions of the Compendium of Accounting Standards are detailed below.

SCOTIABANK CHILE AND SUBSIDIARIES

Consolidated Statements of Financial Position (Proforma)

	Current Compendium 01/01/2021 MCh\$
ASSETS	
Cash and deposits in banks	1,252,255
Transactions pending settlement	344,282
Financial assets held for trading at fair value through profit or loss	-
Derivative instruments	5,209,556
Financial debt securities	511,424
Other	239,845
Financial assets not held for trading mandatorily measured at fair value through profit or loss	-
Financial assets designated at fair value through profit or loss	-
Financial assets at fair value through other comprehensive income	-
Financial debt securities	2,117,200
Other	-
Derivative instruments for accounting hedge	84,236
Financial assets at amortized cost	-
Rights under resale agreements and securities lending agreements	74,483
Financial debt securities	-
Loans and advances to banks	354,374
Loans and advances to customers - Commercial loans	12,062,245
Loans and advances to customers - Mortgage loans	10,029,195
Loans and advances to customers - Consumer loans	2,778,631
	-
Investments in companies	19,961
Intangible assets	204,804
Property and equipment	104,933
Right-of-use assets under lease contracts	190,708
Current taxes	17,021
Deferred tax assets	343,328
Other assets	834,369
Non-current assets and disposal groups held for sale	23,111
TOTAL ASSETS	36,795,961

Consolidated Statements of Financial Position (Proforma)

	Current Compendium 01/01/2021 MCh\$
LIABILITIES	
Transactions pending settlement	299,014
Financial liabilities held for trading at fair value through profit or loss	
Derivative instruments	5,127,721
Other	-
Financial liabilities designated at fair value through profit or loss	-
Derivative instruments for accounting hedge	605,614
Financial liabilities at amortized cost	
Deposits and other on-demand liabilities	6,801,578
Term and on-demand deposits	8,840,138
Liabilities under repurchase agreements and securities lending	456,319
Bank borrowings	4,386,782
Debt securities issued	6,035,106
Other financial liabilities	47,860
Lease liabilities	168,763
Regulatory capital financial instruments issued	730,285
Provisions for contingencies	53,449
Provisions for dividends, interest payments and repricing of bonds with no fixed maturity date	82,626
Special allowances for credit losses	114,508
Current taxes	2,355
Deferred tax assets	522
Other liabilities	537,775
Liabilities included in disposal groups held for sale	-
TOTAL LIABILITIES	34,290,415
EQUITY	
Capital	1,124,991
Reserves	618,112
Accumulated other comprehensive income	-
Items that will not be reclassified to profit or loss	(3,415)
Items that can be reclassified to profit or loss	(209,753)
Retained earnings from previous years	675,629
Profit for the period	275,419
Less: Provisions for dividends, payment of interest and repricing of bonds with no fixed maturity	(82,626)
Attributable to the owners of the Bank:	2,398,357
Non-controlling interests	107,189
TOTAL EQUITY	2,505,546
TOTAL LIABILITIES AND EQUITY	36,795,961

SCOTIABANK CHILE AND SUBSIDIARIES

Consolidated Proforma Statements of Income

	Current Compendium 01/01/2021 MCh\$
Interest income	1,206,232
Interest expense	(433,346)
Net interest income	772,886
Indexation income	307,152
Indexation expenses	(177,065)
Net indexation income	130,087
Fee and commission income	249,316
Fee and commission expenses	(84,739)
Net fee and commission income	164,577
<i>Net financial result for:</i>	
Financial assets and liabilities held for trading	118,398
Financial assets not held for trading mandatorily measured at fair value through profit or loss.	-
Financial assets and liabilities designated at fair value through profit or loss	-
Gain (loss) on derecognition of financial assets and liabilities at amortized cost and financial assets at fair value through other comprehensive income	-
Foreign currency translation differences, indexation and accounting hedge of foreign currencies	22,523
Reclassifications of financial assets due to change of business model	1,089
Other financial result	-
Net financial result	(1,805)
Equity in net income of investees	1,619
Gain or loss from non-current assets and disposal groups not qualifying as discontinued operations	(302)
Other operating income	30,617
TOTAL OPERATING INCOME	1,239,689
Expenses for employee benefit obligations.	(257,835)
Administrative expenses	(204,253)
Depreciation and amortization	(58,779)
Impairment of non-financial assets	(72)
Other operating expenses	(33,055)
TOTAL OPERATING EXPENSES	(553,994)
OPERATING INCOME BEFORE CREDIT LOSSES	685,695

SCOTIABANK CHILE AND SUBSIDIARIES

Consolidated Proforma Statements of Income

	Current Compendium 01/01/2021 MCh\$
Credit loss expense for:	
Provisions for credit losses for loans and advances to banks and loans and accounts receivable from customers	(322,410)
Special allowances for credit losses	(73,169)
Recovery of written-off loans	66,845
Impairment due to credit risk of other financial assets at amortized cost and financial assets at fair value through other comprehensive income	-
Credit loss expense	(328,734)
OPERATING INCOME	356,961
Profit or loss from continuing operations before taxes	356,961
Income tax expense	(70,592)
Profit or loss from continuing operations after taxes	286,369
Profit or loss from discontinued operations before taxes	-
Taxes from discontinued operations	-
Income from discontinued operations after taxes	-
CONSOLIDATED PROFIT FOR THE PERIOD	286,369
Attributable to:	
Owners of the Bank	275,419
Non-controlling interest	10,950

4) Other changes in accounting policies

During the three-month period ended March 31, 2022 and due to amendments introduced in the compendium of accounting standards issued by the CMF, changes in accounting policies have occurred that could affect the interpretation of these Interim Consolidated Financial Statements.

- a) Change in the credit equivalent of the readily available revolving credit facilities with immediate payment at 10% and Other readily available revolving credit facilities at 40%. Previously, both were merged into readily available revolving credit facilities at 35%. (Chapter B3).
- b) Change in the definition of individual and collective portfolio applying the new concept of aggregate exposure for customers belonging to a corporate group whose total debt is equal to or greater than UF 20,000. This was presented at the March risk committee for approval. (Chapter B1).

Note 5 Significant events

On February 28, 2022, in accordance with the provisions of Article 14 of the General Banking Law, Articles 9 and 10 of Law No.18045 of the Securities Market Law and Chapter No. 18-10 of the Updated Compilation of Standards issued by the CMF, the following is communicated as essential information of Scotiabank Chile:

Communicates that an agreement has been entered into between The Bank of Nova Scotia and the Said Group. On February 27, 2022, The Bank of Nova Scotia ("BNS") reached an agreement with Inversiones Caburga Limitada, Inversiones del Pacífico S.A., Inversiones Santa Virginia Limitada, Inversiones Corinto SpA, Inversiones Valparaíso SpA and Inversiones SH Seis Limitada, hereinafter the "Said Group", to acquire their entire shareholding in Scotiabank Chile equivalent to 16.76% of the subscribed and paid shares of Scotiabank Chile, through an exchange for common shares in BNS. Thus, at the closing of the transaction, BNS will increase its interest in Scotiabank Chile from 83% to 99.8%.

The transaction has been measured at approximately CAD\$1.3 billion. At closing, BNS will pay MCAD\$650 in cash and deliver to the Said Group 7 million treasury shares.

Subsequent to closing the transaction, the Said Group will become a significant shareholder of BNS and will maintain its seats and Chairmanship on the Board of Directors of Scotiabank Chile.

The closing of the transaction is subject to the usual conditions for this type of transaction, including the approval to be granted by the CMF and the Canadian regulator. In addition, the Said Group will sell its interest in the other BNS Group companies in Chile and will receive the dividend related to fiscal year 2021 from Scotiabank Chile. It is the intention of BNS, after the closing of the transaction with the Said Group, to transfer the shares acquired to Nova Scotia Inversiones Limitada, the company through which it maintains its interest in Scotiabank Chile.

On March 31, 2022, in accordance with the provisions of Articles 9 and 10 of Law No.18045 of the Securities Market Law and Chapter No. 18-10 of the Updated Compilation of Standards issued by the CMF, the Bank communicates as essential event that on the same date the shareholders at the Ordinary Shareholders' Meeting of Scotiabank Chile adopted, among others, the following agreements:

1. To distribute 40% of the profits obtained during the 2021; i.e., the amount of MCh\$169,754, equivalent to a dividend of Ch\$13.86326 per share, and to allocate the remaining balance to the retained earnings reserve fund for undistributed profit.
2. Elect the following individuals as the Bank's directors:
 - a) Regular Directors: Salvador Said Somavía, Ignacio Deschamps González, Jaime Said Handal, Manuel José Vial, Gonzalo Said Handal, Ernesto Mario Viola, Sergio Concha Munilla, Fernanda Vicente Mendoza, Karen Ergas Segal, Emilio Deik Morrison and Arturo Tagle Quiroz.
 - b) Alternate Directors: Juan Antonio Guzmán Molinari, as first alternate director and Guillermo Mackenna Rueda as second alternate director.

Subsequently, at the Board of Directors' Meeting held on the same date, Mr. Salvador Said Somavía was appointed as the Chairman of the Board and Mr. Manuel José Vial Vial was appointed as the Vice-Chairman taking office from such same date.

Note 6 Business Segments

Scotiabank Chile is a universal bank offering a wide variety of products and financial services to various kinds of customers, ranging from major corporations and financial institutions to low/medium income individuals, which are classified in different segments referred to their business characteristics.

Scotiabank creates value in a sustainable manner, giving customers the opportunity to choose their world through a range of financial products and services for our diverse segments.

In conformity with IFRS8 Operating Segments, the Bank has added the operating segments with similar economic characteristics considering the aggregation criteria indicated in such standard. The Bank performs its business activities by lines of business, which have been defined based on the target customers. Scotiabank Chile targets the following market segments which are defined as Retail Banking (Personal and SMEs), Wholesale Banking, CAT, Treasury and Others. A business segment comprises customers to whom a differentiated product offering is directed according to their commercial characteristics, measured on a similar basis in terms of performance.

Information included in this note is not necessarily comparable to that of other financial institutions as it is based on the internal system of management information according to the segments set up independently by the Bank. Each business segment reflects its gross operating income, supporting expenses and net provisions for risk along with their related assets and liabilities. Taxes are managed at the corporate level and are not allocated by business segment.

As the Bank's business is based in Chile, it is not relevant to present information for Geographical Segments.

The following are the business segments established by the Bank:

1. Retail

Personal Banking: This segment addresses individual customers whose income is over US\$200 (monthly). The main products offered by the Bank in this segment include consumer loans, overdraft credit line, credit cards, and mortgage loans. In addition, the Bank has liability products for this tranche, and offers chequing accounts and diverse saving products such as term deposits, agreements, mutual funds and short-term investments. In addition, the Bank provides this segment of customers with a variety of financial services such as foreign currency exchange, shares sales, insurance products, and self-service in branch offices where customers can directly perform a series of transactions in their own account.

SME banking: As Corporate Banking, we have focused our efforts on attracting and linking corporate clients and individuals with business activities, belonging to different economic sectors such as services, commerce, transportation and agriculture, and where annual sales do not exceed MUS\$4. Our value proposition is based on providing financial services of excellence through asset and liability products, such as commercial loans, lease contracts, factoring transactions, current account plans, insurance, investment products, foreign trade and cash management.

2. Wholesale banking

This business segment includes enterprise customers with annual sales over MUS\$4 and corporate customers with annual sales over MUS\$150. The main products offered by the Bank to this segment include working capital financing, foreign trade loans, lease operations, factoring transactions and structured finance (syndicated loans, Project finance, etc.). These customers also use liability products such as domestic and foreign currency chequing accounts, term deposits and mutual funds.

Additionally, the Bank provides a wide range of non-credit services such as collection, bill payment, insurance products, salary payment administration, quotation and procurement, electronic invoicing and a wide range of treasury products such as foreign currency exchange, derivative products, foreign currency or interest rate risk hedging and short-term investments.

3. CAT

This segment groups credit cards and consumer loans offered within the framework of the binding partnership agreement entered into with Cencosud S.A., by way of which the bank acquired 51% of the shares of CAT Administradora de Tarjetas de Crédito S.A. ("CAT") and of CAT Corredores de Seguros y Servicios S.A., with the purpose of the joint and exclusive performance of the financial retail business of Cencosud in Chile.

4. Treasury

This segment performs the global functions of interest rate risk management, structural exchange rate position, inflation position and liquidity risk management. The latter, through the performance of issues and uses. In addition to the management of the available-for-sale investment portfolio. Likewise, the Bank's own resources, the capital endowment made to each unit and the cost of financing the investments made are also managed.

5. Other

This segment includes all items that bear no connection with customer segments and other minor income and expenses not related to any of the above-mentioned lines of business.

The following table shows the consolidated income of Scotiabank Chile, for each of the above-mentioned segments:

	As at March 31, 2022					
	Retail MCh\$	Wholesale MCh\$	CAT MCh\$	Treasury MCh\$	Other MCh\$	Total MCh\$
Net interest income	108,359	54,740	46,235	(28,515)	1,727	182,546
Other income	35,500	16,813	21,157	68,291	(588)	141,173
Equity in net income of investees	-	-	-	-	2,096	2,096
Total operating income	143,859	71,553	67,392	39,776	3,235	325,815
Operating expenses	(68,162)	(26,371)	(26,576)	(1,956)	(3,199)	(126,264)
Depreciation and amortization	(7,888)	(2,201)	(2,671)	(134)	(1,777)	(14,671)
Provisions	(23,649)	1,992	(22,934)	-	(549)	(45,140)
Segment operating profit (loss)	44,160	44,973	15,211	37,686	(2,290)	139,740
Income tax expense						(19,946)
Profit (loss) for the year						119,794
Spot volumes						
Assets (loans)	16,865,148	11,063,504	1,338,098	-	156,864	29,423,614
Liabilities (Core and Term deposits)	5,960,723	4,731,475	-	4,688,344	1,144,082	16,524,624

	As at March 31, 2021					
	Retail MCh\$	Wholesale MCh\$	CAT MCh\$	Treasury MCh\$	Other MCh\$	Total MCh\$
Net interest income	101,844	50,935	42,988	(1,355)	862	195,274
Other income	31,334	30,201	12,550	36,118	(1,150)	109,053
Equity in net income of investees	-	-	-	-	(5,227)	(5,227)
Total operating income	133,178	81,136	55,538	34,763	(5,515)	299,100
Operating expenses	(71,020)	(25,631)	(24,602)	(1,668)	615	(122,306)
Depreciation and amortization	(7,905)	(1,881)	(2,228)	(91)	(1,735)	(13,840)
Provisions	183	(3,810)	(1,611)	-	(11,249)	(16,487)
Segment operating profit (loss)	54,436	49,814	27,097	33,004	(17,884)	146,467
Income tax expense						(33,238)
Profit (loss) for the year						113,229
Spot volumes						
Assets (loans)	14,861,691	9,650,390	1,055,740	-	192,214	25,760,035
Liabilities (Core and Term deposits)	5,214,033	5,119,743	-	5,285,379	413,683	16,032,838

Note 7 Cash and cash equivalents

The detail of cash and cash equivalents is as follows:

	03/31/2022	12/31/2021
	MCh\$	MCh\$
Cash and deposits in banks		
Cash	358,707	167,422
Deposits in Banco Central de Chile (i)	91,813	793,387
Deposits in foreign central banks	-	-
Deposits in domestic banks	43,027	28,047
Deposits in foreign banks	430,559	470,766
Subtotal - Cash and deposits in banks	924,106	1,459,622
Net trading operations pending settlement (ii)	(77,208)	47,202
Other cash equivalents (iii)	850,050	550,805
Total cash and cash equivalents	1,696,948	2,057,629

- (i) The level of funds in cash and in Banco Central de Chile corresponds to reserve regulations that the Bank has to keep as an average in monthly periods.
- (ii) Trading operations pending settlement correspond to transactions that have been traded but yet are pending settlement which will increase or decrease the funds maintained in the Central Bank of Chile or in banks in foreign countries, normally within a period ranging between 12 and 24 working hours, and are detailed as follows:

	03/31/2022	12/31/2021
	MCh\$	MCh\$
Assets		
Notes due from banks (Interbank)	26,606	34,121
Transfer of funds pending receipt	423,462	408,959
Subtotal assets	450,068	443,080
Liabilities		
Transfer of funds pending delivery	(527,276)	(395,878)
Subtotal liabilities	(527,276)	(395,878)
Net trading operations pending settlement	(77,208)	47,202

- (iii) Refers to financial instruments that meet the criteria to be considered as "cash equivalents" as defined by IAS7, i.e., to qualify as "cash equivalents" investments in financial debt instruments must be short-term with an original maturity of 90 days or less from the date of acquisition, be highly-liquid, readily convertible to known amounts of cash from the date of initial investment, and that the financial instruments are exposed to an insignificant risk of changes in value.

Note 8 Financial assets held for trading at fair value through profit or loss

a) The detail of financial assets held for trading at fair value through profit or loss is as follows:

	03/31/2022 MCh\$	12/31/2021 MCh\$
Derivative instruments	5,163,196	6,334,097
Financial debt securities	266,124	474,715
Other financial instruments	105,406	115,889
Total	5,534,726	6,924,701

b) The detail of financial derivative instruments is as follows:

As at March 31, 2022		Notional amount of contracts with final maturity (1)							Fair value
Product	Risk	On-demand	Up to 1 month	1 to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	Over 5 years	Assets
		MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Forward									
Future arbitration	Currency	12,779	344,149	586,593	706,906	364,584	119,298	-	41,858
Paper forward	Rate	-	-	-	-	-	-	-	-
Exchange insurance	Currency	1,935,388	10,277,020	7,666,744	9,592,405	2,099,091	569,520	365,629	705,971
Inflation insurance	Rate	635	1,290,027	1,386,508	5,308,512	2,937,610	1,711,462	3,766,744	187,160
Forward subtotal		1,948,802	11,911,196	9,639,845	15,607,823	5,401,285	2,400,280	4,132,373	934,989
Options									
Call Option	Currency	-	-	-	-	-	-	-	-
Put option	Currency	-	-	-	-	-	-	-	-
Call Option	Currency	-	-	-	-	-	-	-	-
Put option	Currency	-	-	-	-	-	-	-	-
Subtotal options		-	-	-	-	-	-	-	-
Swap									
Cross currency swap	Rate and currency	-	133,785	507,162	3,103,576	6,041,923	3,384,612	6,009,036	1,058,212
Rate swap	Rate	40,800	2,102,852	3,573,118	14,756,077	26,307,544	18,582,791	26,022,566	3,169,995
Subtotal Swap		40,800	2,236,637	4,080,280	17,859,653	32,349,467	21,967,403	32,031,602	4,228,207
Total		1,989,602	14,147,833	13,720,125	33,467,476	37,750,752	24,367,683	36,163,975	5,163,196

As at December 31, 2021		Notional amount of contracts with final maturity (1)							Fair value
Product	Risk	On-demand	Up to 1 month	1 to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	Over 5 years	Assets
		MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Forward									
Future arbitration	Currency	25,027	389,402	448,590	362,278	571,860	148,885	-	31,184
Paper forward	Rate	-	29,497	-	-	-	-	-	106
Exchange insurance	Currency	605,352	8,628,269	2,215,402	9,152,771	11,837,768	619,342	259,682	1,510,918
Inflation insurance	Rate	89,611	962,078	2,602,716	1,385,432	3,791,487	1,439,016	3,370,174	108,224
Forward subtotal		719,990	10,009,246	5,266,708	10,900,481	16,201,115	2,207,243	3,629,856	1,650,432
Options									
Call Option	Currency	-	-	-	-	-	-	-	-
Put option	Currency	-	-	-	-	-	-	-	-
Call Option	Currency	-	-	-	-	-	-	-	-
Put option	Currency	-	-	-	-	-	-	-	-
Subtotal options		-	-	-	-	-	-	-	-
Swap									
Cross Currency Swap	Rate and currency	20,907	266,318	5,965,464	804,680	2,731,630	3,906,791	6,216,463	1,789,428
Rate swap	Rate	72,291	1,822,105	28,794,798	5,430,875	13,402,927	19,107,757	29,245,003	2,894,237
Subtotal Swap		93,198	2,088,423	34,760,262	6,235,555	16,134,557	23,014,548	35,461,466	4,683,665
Total		813,188	12,097,669	40,026,970	17,136,036	32,335,672	25,221,791	39,091,322	6,334,097

(1) The tranches of the remaining maturities were determined based on the notional amounts of the financial instruments

c) The detail of financial debt instruments and other financial instruments is as follows:

As at March 31, 2022		With final maturity (1)						Fair value
		On-demand	Up to 1 month	1 to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	Over 5 years
		MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Financial debt securities								
Financial debt securities issued by Banco Central de Chile		-	-	-	338	-	-	-
Bonds and promissory notes issued by the Treasury		-	-	9,861	965	3,867	8,393	12,274
Other Treasury financial debt securities		-	-	-	829	-	-	-
Government and Banco Central de Chile:		-	-	9,861	2,132	3,867	8,393	12,274
Financial debt securities issued by other domestic banks		-	9,913	87,958	85,532	23,690	8,132	741
Domestic corporate bonds and commercial paper		2,600	-	-	-	-	2,781	8,453
Other financial debt securities issued in Chile		-	-	-	-	-	-	-
Other financial debt securities issued in Chile		2,600	9,913	87,958	85,532	23,690	10,913	9,194
Financial debt securities issued by foreign central banks		5,124	-	-	-	-	-	-
Other financial debt securities issued abroad		-	-	-	-	-	-	-
Financial debt securities issued abroad		5,124	-	-	-	-	-	-
Other financial instruments								
Funds managed by related parties		100,511	1,857	-	-	-	-	-
Mutual funds managed by third-parties		-	-	-	-	-	-	-
Investments in mutual funds		100,511	1,857	-	-	-	-	-
Total		108,235	11,770	97,819	87,664	27,557	19,306	21,468

As at December 31, 2021	With final maturity (1)							Fair value
	On-demand	Up to 1 month	1 to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	Over 5 years	
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Financial debt securities								
Financial debt securities issued by Banco Central de Chile	-	-	9,912	139	395	-	-	10,578
Bonds and promissory notes issued by the Treasury	3,258	-	-	-	10,901	90,501	22,358	124,808
Other Treasury financial debt securities	-	-	-	-	-	-	-	-
Government and Banco Central de Chile:	3,258	-	9,912	139	11,296	90,501	22,358	135,386
Financial debt securities issued by other domestic banks	-	31	200,395	101,723	17,470	-	2,742	321,054
Domestic corporate bonds and commercial paper	-	-	50	9,716	-	-	3,502	12,731
Other financial debt securities issued in Chile	-	-	-	-	-	-	-	-
Other financial debt securities issued in Chile	-	31	200,445	111,439	17,470	-	6,244	333,785
Financial debt securities issued by foreign central banks	-	-	-	5,441	-	-	-	5,544
Other financial debt securities issued abroad	-	-	-	-	-	-	-	-
Financial debt securities issued abroad	-	-	-	5,441	-	-	-	5,544
Other financial instruments								
Funds managed by related parties	113,380	1,693	826	-	-	-	-	115,889
Mutual funds managed by third-parties	-	-	-	-	-	-	-	-
Investments in mutual funds	113,380	1,693	826	-	-	-	-	115,889
Total	116,638	1,724	211,183	117,019	28,766	90,501	28,602	590,604

(1) The tranches of the remaining maturities were determined based on the nominal amounts of the financial instruments

As at March 31, 2022 and December 31, 2021, the caption "Financial debt instruments of Government and Central Bank of Chile" includes no transactions of securities sold under repurchase agreement to financial institutions or customers.

As at March 31, 2022, under the caption "Other financial debt instruments issued in Chile", there are no instruments sold under repurchase agreements to customers and financial institutions (MCh\$ 212,827 with an average maturity of 7 days as at December 31, 2021).

Note 9 Financial assets not held for trading mandatorily measured at fair value through profit or loss

As at March 31, 2022 and December 31, 2021, the Bank has no such operations.

Note 10 Financial assets and financial liabilities designated at fair value through profit or loss

As at March 31, 2022 and December 31, 2021, the Bank has no such operations.

Note 11 Financial assets at fair value through other comprehensive income

a) The detail of financial assets at fair value through other comprehensive income is as follows:

	03/31/2022	12/31/2021
	MCh\$	MCh\$
Financial debt securities	2,108,123	1,950,500
Other	-	-
Total	2,108,123	1,950,500

b) Debt financial instruments and other instruments details as follows:

As at March 31, 2022	Nominal amounts							Fair value
	On-demand	Up to month	1 one to three months	three months to one year	one to three years	three to five years	over five years	
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Financial debt securities								
Financial debt securities issued by Banco Central de Chile	-	696,000	-	52,275	-	-	-	747,836
Bonds and promissory notes issued by the Treasury	-	-	-	148,109	543,116	574,734	-	1,348,349
Other Treasury financial debt securities	10,984	-	-	5	9	14	183	11,938
Government and Banco Central de Chile	10,984	696,000	-	200,389	543,125	574,748	183	2,108,123
Financial debt securities issued by other domestic banks	-	-	-	-	-	-	-	-
Domestic corporate bonds and commercial paper	-	-	-	-	-	-	-	-
Other financial debt securities issued in Chile	-	-	-	-	-	-	-	-
Other financial debt securities issued in Chile	-	-	-	-	-	-	-	-
Financial debt securities issued by foreign central banks	-	-	-	-	-	-	-	-
Financial debt securities of foreign governments and fiscal entities abroad	-	-	-	-	-	-	-	-
Financial debt securities issued by other foreign banks	-	-	-	-	-	-	-	-
Foreign corporate bonds and commercial paper	-	-	-	-	-	-	-	-
Other financial debt securities issued abroad	-	-	-	-	-	-	-	-
Financial debt securities issued abroad	-	-	-	-	-	-	-	-
Other financial instruments	-	-	-	-	-	-	-	-
Total	10,984	696,000	-	200,389	543,125	574,748	183	2,108,123

As at December 31, 2021	Nominal amounts							Fair value
	On-demand	Up to 1 month	one to three months	three months to one year	one to three years	three to five years	over five years	
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	Total MCh\$
Financial debt securities								
Financial debt securities issued by Banco Central de Chile	-	263,000	196,793	46,884	4,581	-	-	511,828
Bonds and promissory notes issued by the Treasury	-	100	-	-	207,514	683,423	578,748	1,402,542
Other Treasury financial debt securities	11,086	-	-	1	15	15	183	11,300
Government and Banco Central de Chile:	11,086	263,100	196,793	46,885	212,110	683,438	578,931	1,925,670
Financial debt securities issued by other domestic banks	-	24,400	500	-	-	-	-	24,830
Domestic corporate bonds and commercial paper	-	-	-	-	-	-	-	-
Other financial debt securities issued in Chile	-	-	-	-	-	-	-	-
Other financial debt securities issued in Chile	-	24,400	500	-	-	-	-	24,830
Financial debt securities issued by foreign central banks	-	-	-	-	-	-	-	-
Financial debt securities of foreign governments and fiscal entities	-	-	-	-	-	-	-	-
Financial debt securities issued by other foreign banks	-	-	-	-	-	-	-	-
Foreign corporate bonds and commercial paper	-	-	-	-	-	-	-	-
Other financial debt securities issued abroad	-	-	-	-	-	-	-	-
Financial debt securities issued abroad	-	-	-	-	-	-	-	-
Other financial instruments	-	-	-	-	-	-	-	-
Total	11,086	287,500	197,293	46,885	212,110	683,438	578,931	1,950,500

As at March 31, 2022, under "Financial debt instruments of the State and Central Bank of Chile", instruments sold with repurchase agreements to customers and financial institutions are included amounting to MCh\$113,273, with an average maturity of 180 days (MCh\$149,010, with an average maturity of 3 days as at December 31, 2021).

As at March 31, 2022, under "Financial debt instruments of the State and the Central Bank of Chile", there are no instruments purchased with a repurchase agreement from customers and financial institutions, (MCh\$120,303, with an average maturity of 180 days as at December 31, 2021).

As at March 31, 2022, the portfolio of financial assets at fair value with changes in other comprehensive income includes an unrealized net loss of MCh\$155,571 (MCh\$133,235 as at December 31, 2021) recorded in equity as valuation adjustments and a net realized profit amounting to MCh\$375 (MCh\$8,882 as at March 31, 2021) recorded under "Results for derecognizing financial assets and liabilities at amortized cost and financial assets at fair value with changes in other comprehensive income".

c) A reconciliation of changes in fair value and the corresponding provision for PCE by phase for debt financial instruments measured at fair value with changes in other comprehensive income is as follows:

As at March 31, 2022	Phase 1		Phase 2		Phase 3		TOTAL	
	Fair value	ECL (1)	Fair value	ECL (1)	Fair value	ECL (1)	Fair value	ECL (1)
	MCh\$	MCh\$	MMS	MMS	MMS	MMS	MCh\$	MCh\$
As at January 1, 2022	1,950,500						1,950,500	
New assets generated or acquired	143,519	-	-	-	-	-	143,519	-
Payments and derecognized assets	(10,577)	-	-	-	-	-	(10,577)	-
Transfers to Phase 1	-	-	-	-	-	-	-	-
Transfers to Phase 2	-	-	-	-	-	-	-	-
Transfers to Phase 3	-	-	-	-	-	-	-	-
Impact of transfers on ECL	-	-	-	-	-	-	-	-
Reductions in discounts	-	-	-	-	-	-	-	-
Remeasurements of ECL at year-end	-	-	-	-	-	-	-	-
Changes in assumptions	-	-	-	-	-	-	-	-
Accrued interest	7,589	-	-	-	-	-	7,589	-
Exchange rate adjustments	17,092	-	-	-	-	-	17,092	-
Balance as at March 31, 2022	2,108,123	-	-	-	-	-	2,108,123	-

As at December 31, 2021	Phase 1		Phase 2		Phase 3		TOTAL	
	Fair value	ECL (1)	Fair value	ECL (1)	Fair value	ECL (1)	Fair value	ECL (1)
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
As at January 1, 2021	2,121,614						2,121,614	
New assets generated or acquired	49,676	-	-	-	-	-	49,676	-
Payments and derecognized assets	(247,646)	-	-	-	-	-	(247,646)	-
Transfers to Phase 1	-	-	-	-	-	-	-	-
Transfers to Phase 2	-	-	-	-	-	-	-	-
Transfers to Phase 3	-	-	-	-	-	-	-	-
Impact of transfers on ECL	-	-	-	-	-	-	-	-
Reductions in discounts	-	-	-	-	-	-	-	-
Remeasurements of ECL at year-end	-	-	-	-	-	-	-	-
Changes in assumptions	-	-	-	-	-	-	-	-
Accrued interest	11,052	-	-	-	-	-	11,052	-
Exchange rate adjustments	15,804	-	-	-	-	-	15,804	-
Balance as at December 31, 2021	1,950,500	-	-	-	-	-	1,950,500	-

d) The chart below presents the fair values of debt financial instruments with details of unrealized results

Movements in financial debt securities	Fair value	Unrealized gains / (losses), gross
As at March 31, 2022	MCh\$	MCh\$
Government and Banco Central de Chile		
Financial debt securities issued by Banco Central de Chile	747,836	160,952
Bonds and promissory notes issued by the Treasury	1,348,349	(5,098)
Other Treasury financial debt securities	11,938	(283)
Other financial debt securities issued in Chile		
Financial debt securities issued by other domestic banks	-	-
Domestic corporate bonds and commercial paper	-	-
Other financial debt securities issued in Chile	-	-
Financial debt securities issued abroad	-	-
Total	2,108,123	155,571

Movements in financial debt securities	Fair value	Unrealized gains / (losses), gross
As at December 31, 2021	MCh\$	MCh\$
Government and Banco Central de Chile		
Financial debt securities issued by Banco Central de Chile	511,828	765
Bonds and promissory notes issued by the Treasury	1,402,542	132,437
Other Treasury financial debt securities	11,300	-
Other financial debt securities issued in Chile		
Financial debt securities issued by other domestic banks	24,830	33
Domestic corporate bonds and commercial paper	-	-
Other financial debt securities issued in Chile	-	-
Financial debt securities issued abroad	-	-
Total	1,950,500	133,235

Note 12 Derivative instruments for accounting hedge

Derivative instruments used by the Bank are detailed as follows:

03/31/2022		Notional amount of contracts with final maturity							Carrying amount	
Product	Risk	On-demand	Up to 1 month	1 to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	Over 5 years	Assets	Liabilities
		MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Forward										
Future arbitration	Currency	-	-	-	-	-	-	-	-	-
Paper forward	Rate	-	-	-	-	-	-	-	-	-
Exchange insurance	Currency	-	-	-	-	-	-	-	-	-
Inflation insurance	Rate	-	-	-	462,273	-	-	-	-	(12,747)
Forward subtotal		-	-	-	462,273	-	-	-	-	(12,747)
Options										
Call Option	Currency	-	-	-	-	-	-	-	-	-
Put option	Currency	-	-	-	-	-	-	-	-	-
Call Options	Currency	-	-	-	-	-	-	-	-	-
Put Options	Currency	-	-	-	-	-	-	-	-	-
Subtotal options		-	-	-	-	-	-	-	-	-
Swap										
Cross currency swap	Rate and curren	-	-	-	355,587	313,720	527,294	67,504	297,560	(1,153,301)
Rate swap	Rate	-	67,982	54,899	1,928,256	1,237,355	1,768,777	2,882,386	8,079	(26,958)
Subtotal Swap		-	67,982	54,899	2,283,843	1,551,075	2,296,071	2,949,890	305,639	(1,180,259)
Total		-	67,982	54,899	2,746,116	1,551,075	2,296,071	2,949,890	305,639	(1,193,006)

12/31/2021		Notional amount of contracts with final maturity							Carrying amount	
Product	Risk	On-demand	Up to 1 month	1 to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	Over 5 years	Assets	Liabilities
		MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Forward										
Future arbitration	Currency	-	-	-	-	-	-	-	-	-
Paper forward	Rate	-	-	-	-	-	-	-	-	-
Exchange insurance	Currency	-	-	-	-	-	-	-	-	-
Inflation insurance	Rate	-	102,256	-	92,960	-	-	-	31	(2,810)
Forward subtotal		-	102,256	-	92,960	-	-	-	31	(2,810)
Options										
Call Option	Currency	-	-	-	-	-	-	-	-	-
Put option	Currency	-	-	-	-	-	-	-	-	-
Call Option	Currency	-	-	-	-	-	-	-	-	-
Put option	Currency	-	-	-	-	-	-	-	-	-
Subtotal options		-	-	-	-	-	-	-	-	-
Swap										
Cross currency swap	Rate and curren	-	-	341,052	34,105	270,206	453,173	158,108	321,969	(816,281)
Rate swap	Rate	-	51,300	1,271,046	267,929	514,578	1,749,554	2,844,687	4,030	(12,844)
Subtotal swap		-	51,300	1,612,098	302,034	784,784	2,202,727	3,002,795	325,999	(829,125)
Total		-	153,556	1,612,098	394,994	784,784	2,202,727	3,002,795	326,030	(831,935)

a) Derivative for Accounting Hedge

Due to the fact that derivatives are an important tool for managing exchange rate, interest rate and liquidity risks of the Bank's activities, their designation as an accounting hedge instrument allows recognition, under certain conditions, of the offsetting effects on economic hedges, thereby reducing the volatility that may occur in results and cash flows, since gains and losses of derivative and hedged items are recognized and offset in the same accounting period upon realization.

a.1) Derivatives for Cash Flow Hedging

For cash flow hedges, changes in the fair value of the hedging instrument, to the extent that it is effective, are recorded in equity until gains and losses corresponding to the hedged item are recognized in income. The Bank uses cash flow hedges primarily to hedge the variability on cash flows related to floating rate financial instruments, foreign currency and highly probable projected revenues. The items covered include Mortgage Loans in UF, Term Deposits at a floating rate in pesos, Obligations with Foreign Banks at a floating rate in foreign currency, fixed income available for sale in euros and Commercial Credits granted at a floating rate in foreign currency. Hedging instruments include interest rate and currency forwards and swaps (CCS and IRS).

As at March 31, 2022, a loss net of taxes amounting to MCh\$188,630 (MCh\$74,264 as at December 31, 2021) has been recorded in equity valuation accounts due to adjustment of Cash Flow hedging instruments.

As at March 31, 2022, a profit was recognized in income for Cash Flow hedge derivatives amounting to MCh\$241,229 (MCh\$13,978 as at March 31, 2021).

a.2) Fair Value Derivatives Hedge

For fair value hedges, changes in the fair value of hedging instrument are offset in the Consolidated Statements of Income with changes in fair value of hedged item attributable to the hedged risk. The Bank uses fair value hedges mainly to convert fixed rate financial instruments to floating rate financial instruments. The items covered include Commercial Loans granted at a fixed rate in foreign currency and term deposits issued at a fixed rate in pesos.

Additionally, the Bank uses fair value hedges to cover the effect of inflation on debt instruments held for the sale of bonds of the General Treasury of the Republic of Chile in units of development (BTU). Likewise, is used to cover the effect of inflation on the Bonds of own emission in units of promotion.

Hedging instruments include interest rate and currency swaps (CCS and IRS).

a.3) Market Value by type of Hedging

	03/31/2022		12/31/2021	
	In favor MCh\$	Against MCh\$	In favor MCh\$	Against MCh\$
Designated derivatives in fair value hedging relationships	30,750	(16,495)	19,703	(14,256)
Designated derivatives in cash flow hedging relationships	274,889	(1,176,511)	306,327	(817,679)
Total derivatives designated in hedging relationships	305,639	(1,193,006)	326,030	(831,935)

a.4) Cash flows of hedged items that are expected to occur and impact the result due to accounting cash flow hedges

03/31/2022	On-demand MCh\$	Up to 1 month MCh\$	1 to 3 months MCh\$	3 to 12 months MCh\$	1 to 3 years MCh\$	3 to 5 years MCh\$	Over 5 years MCh\$	Total MCh\$
Hedged item - Assets	-	-	54	26,681	75,945	89,573	82,635	274,888
Hedged item - Liabilities	-	-	(1,209)	(150,925)	(177,182)	(382,407)	(464,788)	(1,176,511)
Net cash flows	-	-	(1,155)	(124,244)	(101,237)	(292,834)	(382,153)	(901,623)

12/31/2021	On-demand MCh\$	Up to 1 month MCh\$	1 to 3 months MCh\$	3 to 12 months MCh\$	1 to 3 years MCh\$	3 to 5 years MCh\$	Over 5 years MCh\$	Total MCh\$
Hedged item - Assets	-	-	5,697	44,136	93,393	88,454	74,647	306,327
Hedged item - Liabilities	-	(7,141)	(7,660)	(80,620)	(141,980)	(237,416)	(342,862)	(817,679)
Net cash flows	-	(7,141)	(1,963)	(36,484)	(48,587)	(148,962)	(268,215)	(511,352)

Income related to interest on cash flows are recognized using the effective interest method over the life of the hedged instrument. Foreign currency gains and losses related to future cash flows of monetary items are recognized as incurred. Projected revenues are recognized in the period to which these relate.

a.5) Inefficiency of Accounting Hedges

The Bank recorded the following amounts in income, due to the ineffective part of accounting hedges:

	03/31/2022 MCh\$	03/31/2021 MCh\$
<u>Fair value hedges</u>		
Gain (loss) recorded in hedged items	(4,752)	5,706
Gain (loss) recorded in hedging instruments	5,104	(5,313)
Ineffectiveness	352	393
<u>Cash flow hedges</u>		
Ineffectiveness	1,198	789

a.6) Amounts corresponding to items designated as hedging instruments and hedging ineffectiveness as at March 31, 2022 and December 31, 2021 are as follows:

As at March 31, 2022	Nominal amount of the hedging instrument MCh\$	Carrying amount of the hedging instrument	
		Assets MCh\$	Liabilities MCh\$
Cash flow hedges:			
Interest rate risk			
Future arbitration	462,273	-	(12,747)
Cross currency swap	4,408,817	179,315	(1,099,573)
Currency risk			
Cross Currency Swap	2,600,578	33,930	(21,355)
Rate and currency risk			
Cross Currency Swap	468,024	61,644	(42,836)
Sub-total	7,939,692	274,889	(1,176,511)
Fair value hedges:			
Interest rate risk			
Rate swap	1,033,815	5,309	(2,643)
Currency risk			
Cross Currency Swap	692,526	25,441	(13,852)
Sub-total	1,726,341	30,750	(16,495)
Total	9,666,033	305,639	(1,193,006)

As at December 31, 2021	Nominal amount of the hedging instrument MCh\$	Carrying amount of the hedging instrument	
		Assets MCh\$	Liabilities MCh\$
Cash flow hedges:			
Interest rate risk			
Future arbitration	195,217	31	(2,810)
Cross currency swap	4,046,068	109,749	(775,154)
Currency risk			
Cross Currency Swap	2,663,676	102,698	-
Rate and currency risk			
Cross Currency Swap	427,716	93,849	(39,715)
Sub-total	7,332,677	306,327	(817,679)
Fair value hedges:			
Interest rate risk			
Rate swap	383,459	2,158	(4,702)
Currency risk			
Cross Currency Swap	434,818	17,545	(9,554)
Sub-total	818,277	19,703	(14,256)
Total	8,150,954	326,030	(831,935)

Cash flow and fair value hedges are recorded under “Financial derivative contracts for accounting hedges” in the interim consolidated statement of financial position.

a.7) Amounts that have affected the statement of comprehensive income as a result of application of hedge accounting.

Fair value hedges	Inefficiency recognized in profit or loss for the period	
	03/31/2022 MCh\$	03/31/2021 MCh\$
Interest rate risk	(106)	15
Currency risk	1,304	774
Total	1,198	789

Note 13 Financial Assets at amortized cost

The following chart present the composition of financial assets at amortized cost:

	03/31/2022 MCh\$	12/31/2021 MCh\$
Rights under resale agreements and securities lending agreements	125,416	120,796
Financial debt securities	-	-
Loans and advances to banks	340,334	2,996
Loans and advances to customers	28,966,898	28,512,701
Total	29,432,648	28,636,493

a) Rights for repurchase agreements and securities lending

This item details as follows:

	03/31/2022 Gross Book Value MCh\$	12/31/2021 Gross Book Value MCh\$
Operation with domestic banks	-	-
Operations with foreign banks	-	-
Operations with other domestic entities		
Repurchase contracts	124,874	120,526
Securities lending rights	545	270
Transactions with other entities abroad	-	-
Accumulated impairment of financial assets at amortized cost - Rights for repurchase agreements and securities lending		
Financial assets without a significant increase in credit risk since initial recognition (Phase 1)	(3)	-
Financial assets with a significant increase in credit risk since initial recognition, but without credit impairment (Phase 2)	-	-
Financial assets with credit impairment (Phase 3)	-	-
Total	125,416	120,796

Below is a reconciliation of movements of item "Rights for repurchase agreements and securities lending":

In MCh\$	Phase 1		Phase2		Phase 3		TOTAL	
	Book Value	ECL	Book Value	ECL	Book Value	ECL	Book Value	ECL
Balance as at January 1, 2022	120,796	-	-	-	-	-	120,796	-
New assets originated or purchased	3,155	-	-	-	-	-	3,155	-
Payments and assets written off	(79)	-	-	-	-	-	(79)	-
Transfers to Phase 1	-	-	-	-	-	-	-	-
Transfers to Phase2	-	-	-	-	-	-	-	-
Transfers to Phase 3	-	-	-	-	-	-	-	-
Impact on PCE of transfers	-	-	-	-	-	-	-	-
Rebates on discounts	-	-	-	-	-	-	-	-
Year-end remeasurements ECL	-	-	-	-	-	-	-	-
Changes in assumptions	-	-	-	-	-	-	-	-
Accrued interest	1,544	-	-	-	-	-	1,544	-
Exchange rate adjustments	-	-	-	-	-	-	-	-
Balance as at March 31, 2022	125,416	-	-	-	-	-	125,416	-

In MCh\$	Phase 1		Phase2		Phase 3		TOTAL	
	Book Value	ECL	Book Value	ECL	Book Value	ECL	Book Value	ECL
Balance as at January 1, 2021	74,319	-	-	-	-	-	74,319	-
New assets originated or purchased	55,871	-	-	-	-	-	55,871	-
Payments and assets written off	(10,306)	-	-	-	-	-	(10,306)	-
Transfers to Phase 1	-	-	-	-	-	-	-	-
Transfers to Phase2	-	-	-	-	-	-	-	-
Transfers to Phase 3	-	-	-	-	-	-	-	-
Impact on PCE of transfers	-	-	-	-	-	-	-	-
Rebates on discounts	-	-	-	-	-	-	-	-
Year-end remeasurements ECL	-	-	-	-	-	-	-	-
Changes in assumptions	-	-	-	-	-	-	-	-
Accrued interest	912	-	-	-	-	-	912	-
Exchange rate adjustments	-	-	-	-	-	-	-	-
Balance as at December 31, 2021	120,796	-	-	-	-	-	120,796	-

b) Debt financial instruments

As at March 31, 2022 and December 31, 2021, there are no debt financial instruments at amortized cost.

c) Items “Owed by banks” and “Loans and accounts receivable from customers” are detailed as follows:

Owed by banks

Owed by banks as at March 31, 2022 (in MCh\$)	Financial assets before provisions				Provisions constituted				Net Financial asset
	Regular Portfolio	Substandard Portfolio	Default Portfolio	Total	Regular Portfolio	Substandard Portfolio	Default Portfolio	Total	
	Individual evaluation	Individual evaluation	Individual evaluation		Individual evaluation	Individual evaluation	Individual evaluation		
Domestic Banks	-	-	-	-	-	-	-	-	-
Liquidity interbank loans	-	-	-	-	-	-	-	-	-
Commercial interbank loans	-	-	-	-	-	-	-	-	-
Overdrafts on checking accounts	-	-	-	-	-	-	-	-	-
Foreign trade loans Chilean exports	-	-	-	-	-	-	-	-	-
Foreign trade loans Chilean imports	-	-	-	-	-	-	-	-	-
Foreign trade loans between third countries	-	-	-	-	-	-	-	-	-
Non-transferable deposits in local banks	-	-	-	-	-	-	-	-	-
Other debts with local banks	-	-	-	-	-	-	-	-	-
Foreign Banks	943	-	-	943	(1)	-	-	(1)	942
Liquidity interbank loans	-	-	-	-	-	-	-	-	-
Commercial interbank loans	-	-	-	-	-	-	-	-	-
Overdrafts on checking accounts	-	-	-	-	-	-	-	-	-
Foreign trade loans Chilean exports	943	-	-	943	(1)	-	-	(1)	942
Foreign trade loans Chilean imports	-	-	-	-	-	-	-	-	-
Foreign trade loans between third countries	-	-	-	-	-	-	-	-	-
Deposits in checking accounts in foreign banks due to derivative operations	-	-	-	-	-	-	-	-	-
Other non-transferable deposits in foreign banks	-	-	-	-	-	-	-	-	-
Other loans with foreign banks	-	-	-	-	-	-	-	-	-
Subtotal local and foreign banks	943	-	-	943	(1)	-	-	(1)	942
Banco Central de Chile	339,392	-	-	339,392	-	-	-	-	339,392
Checking account deposits for derivative transactions with a central counterparty	-	-	-	-	-	-	-	-	-
Other deposits not available	-	-	-	-	-	-	-	-	-
Other loans	339,392	-	-	339,392	-	-	-	-	339,392
Central Banks abroad	-	-	-	-	-	-	-	-	-
Deposits in checking accounts due to derivative operations	-	-	-	-	-	-	-	-	-
Other deposits not available	-	-	-	-	-	-	-	-	-
Other loans	-	-	-	-	-	-	-	-	-
Subtotal Banco Central de Chile and Central Banks abroad	339,392	-	-	339,392	-	-	-	-	339,392
TOTAL	340,335	-	-	340,335	(1)	-	-	(1)	340,334

Owed by banks as at December 31, 2021 (in MCh\$)	Financial assets before provisions				Provisions constituted				Net Financial asset
	Regular Portfolio	Substandard Portfolio	Default Portfolio	Total	Regular Portfolio	Substandard Portfolio	Default Portfolio	Total	
	Individual evaluation	Individual evaluation	Individual evaluation		Individual evaluation	Individual evaluation	Individual evaluation		
Domestic Banks	-	-	-	-	-	-	-	-	-
Liquidity interbank loans	-	-	-	-	-	-	-	-	-
Commercial interbank loans	-	-	-	-	-	-	-	-	-
Overdrafts on checking accounts	-	-	-	-	-	-	-	-	-
Foreign trade loans Chilean exports	-	-	-	-	-	-	-	-	-
Foreign trade loans Chilean imports	-	-	-	-	-	-	-	-	-
Foreign trade loans between third countries	-	-	-	-	-	-	-	-	-
Non-transferable deposits in local banks	-	-	-	-	-	-	-	-	-
Other debts with local banks	-	-	-	-	-	-	-	-	-
Foreign Banks	2,998	-	-	2,998	(2)	-	-	(2)	2,996
Liquidity interbank loans	-	-	-	-	-	-	-	-	-
Commercial interbank loans	-	-	-	-	-	-	-	-	-
Overdrafts on checking accounts	-	-	-	-	-	-	-	-	-
Foreign trade loans Chilean exports	2,998	-	-	2,998	(2)	-	-	(2)	2,996
Foreign trade loans Chilean imports	-	-	-	-	-	-	-	-	-
Foreign trade loans between third countries	-	-	-	-	-	-	-	-	-
Deposits in checking accounts in foreign banks due to derivative operations	-	-	-	-	-	-	-	-	-
Other non-transferable deposits in foreign banks	-	-	-	-	-	-	-	-	-
Other loans with foreign banks	-	-	-	-	-	-	-	-	-
Subtotal local and foreign banks	2,998	-	-	2,998	(2)	-	-	(2)	2,996
Banco Central de Chile	-	-	-	-	-	-	-	-	-
Checking account deposits for derivative transactions with a central counterparty	-	-	-	-	-	-	-	-	-
Other deposits not available	-	-	-	-	-	-	-	-	-
Other loans	-	-	-	-	-	-	-	-	-
Central Banks abroad	-	-	-	-	-	-	-	-	-
Deposits in checking accounts due to derivative operations	-	-	-	-	-	-	-	-	-
Other deposits not available	-	-	-	-	-	-	-	-	-
Other loans	-	-	-	-	-	-	-	-	-
Subtotal Banco Central de Chile and Central Banks abroad	-	-	-	-	-	-	-	-	-
TOTAL	2,998	-	-	2,998	(2)	-	-	(2)	2,996

Loans and accounts receivable from customers

Loans and accounts receivable from customers As at March 31, 2022 (in MCh\$)	Financial assets before provisions					Total	Allowances constituted					Deductible guarantees FOGAPE Covid-19	Total	Net Financial Asset	
	Regular portfolio Evaluation	Substandard portfolio Evaluation	Default Portfolio Evaluation	Total	Regular portfolio Evaluation		Substandard portfolio Evaluation	Default Portfolio Evaluation	Subtotal						
	Individual	Group	Individual		Individual		Group	Individual		Individual	Group				
Commercial loans:															
Commercial loans	9,378,106	1,207,329	260,927	91,498	85,751	11,023,611	(59,797)	(10,974)	(20,187)	(53,000)	(21,290)	(165,248)			
Foreign trade loans Chilean exports	775,849	690	-	5,814	-	782,353	(9,925)	(19)	-	(5,116)	-	(15,060)			
Foreign trade loans Chilean imports	452,748	1,865	774	1,982	113	457,482	(9,835)	(56)	(146)	(1,681)	(65)	(11,783)			
Foreign trade loans between third countries	1,757	-	-	-	-	1,757	(55)	-	-	-	-	(55)			
Debtors in checking accounts	32,576	7,219	1,983	1,342	1,359	44,479	(463)	(213)	(225)	(1,092)	(696)	(2,689)			
Credit card debtors	5,420	3,997	416	9	39	9,881	(108)	(141)	(74)	(7)	(15)	(345)			
Factoring operations	232,540	1,145	1,100	101	145	235,031	(3,696)	(21)	(169)	(90)	(52)	(4,028)			
Commercial financial leasing operations	688,520	31,790	26,943	5,550	1,837	754,640	(3,074)	(717)	(1,536)	(1,486)	(532)	(7,345)			
Student loans	-	597,238	-	-	78,667	675,905	-	(8,923)	-	-	(9,979)	(18,902)			
Other loans and accounts receivable	337	306	7	240	100	990	(4)	(11)	-	(213)	(45)	(273)			
Subtotal	11,567,853	1,851,579	292,150	106,536	168,011	13,986,129	(86,957)	(21,075)	(22,337)	(62,685)	(32,674)	(225,728)	(17,595)	(243,323)	13,742,806
Mortgage loans:															
Loans with letters of credit	-	81,073	-	-	8,939	90,012	-	(87)	-	-	(202)	(289)			
Loans with endorsable mortgage mutuals	-	38,322	-	-	2,745	41,067	-	(15)	-	-	(29)	(44)			
Loans with mutual funds financed with mortgage bonds	-	-	-	-	-	-	-	-	-	-	-	-			
Other loans with mutual funds for housing	-	11,533,781	-	-	242,415	11,776,196	-	(23,259)	-	-	(10,700)	(33,959)			
Financial leasing operations for housing	-	37,673	-	-	3,182	40,855	-	(174)	-	-	(199)	(373)			
Other loans and accounts receivable	-	71,394	-	-	2,971	74,365	-	(126)	-	-	(92)	(218)			
Subtotal	-	11,762,243	-	-	260,252	12,022,495	-	(23,661)	-	-	(11,222)	(34,883)			11,987,612
Consumer loans:															
Consumer loans in installments	-	1,487,160	-	-	89,174	1,576,334	-	(42,381)	-	-	(35,303)	(77,684)			
Checking accounts debtors	-	59,955	-	-	2,866	62,821	-	(1,185)	-	-	(1,009)	(2,194)			
Credit card debtors	-	1,701,201	-	-	74,264	1,775,465	-	(70,230)	-	-	(28,393)	(98,623)			
Consumer financial leasing operations	-	-	-	-	-	-	-	-	-	-	-	-			
Other loans and accounts receivable	-	359	-	-	11	370	-	(6)	-	-	(3)	(9)			
Subtotal	-	3,248,675	-	-	166,315	3,414,990	-	(113,802)	-	-	(64,708)	(178,510)			3,236,480
Total	11,567,853	16,862,497	292,150	106,536	594,578	29,423,614	(86,957)	(158,538)	(22,337)	(62,685)	(108,604)	(439,121)	(17,595)	(456,716)	28,966,898

Loans and accounts receivable from customers As at December 31, 2021 (in MCh\$)	Financial assets before provisions						Allowances constituted						Deductible guarantees FOGAPE Covid-19	Total	Net Financial Asset	
	Regular portfolio		Substandard portfolio		Default Portfolio		Regular portfolio		Substandard portfolio		Default Portfolio					Subtotal
	Evaluation		Evaluation		Evaluation		Evaluation		Evaluation		Evaluation					
	Individual	Group	Individual	Individual	Group	Individual	Group	Individual	Individual	Group	Individual	Group				
Commercial loans:																
Commercial loans	9,522,697	1,189,974	253,463	93,933	88,578	11,148,645	(60,156)	(10,551)	(21,036)	(56,484)	(22,544)	(170,771)				
Foreign trade loans Chilean exports	762,691	429	214	6,477	-	769,811	(9,573)	(12)	(94)	(5,709)	-	(15,388)				
Foreign trade loans Chilean imports	436,406	3,510	1,400	1,892	175	443,383	(10,075)	(91)	(229)	(1,643)	(100)	(12,138)				
Foreign trade loans between third countries	1,716	-	-	-	-	1,716	(55)	-	-	-	-	(55)				
Debtors in checking accounts	22,017	5,764	1,531	1,307	1,329	31,948	(362)	(178)	(168)	(1,073)	(678)	(2,459)				
Credit card debtors	4,046	3,267	278	7	17	7,615	(83)	(113)	(57)	(6)	(5)	(264)				
Factoring operations	240,238	1,394	513	40	33	242,218	(3,373)	(42)	(69)	(36)	(7)	(3,527)				
Commercial financial leasing operations	675,025	35,326	28,502	4,747	2,529	746,129	(2,774)	(890)	(1,413)	(1,687)	(727)	(7,491)				
Student loans	-	609,182	-	-	82,348	691,530	-	(9,262)	-	-	(10,393)	(19,655)				
Other loans and accounts receivable	419	313	1	224	102	1,059	(13)	(10)	-	(198)	(45)	(266)				
Subtotal	11,665,255	1,849,159	285,902	108,627	175,111	14,084,054	(86,464)	(21,149)	(23,066)	(66,836)	(34,499)	(232,014)	(17,727)	(249,741)	13,834,313	
Mortgage loans:																
Loans with letters of credit	-	82,447	-	-	9,492	91,939	-	(84)	-	-	(218)	(302)				
Loans with endorsable mortgage mutuals	-	39,271	-	-	2,899	42,170	-	(13)	-	-	(36)	(49)				
Loans with mutual funds financed with mortgage bonds	-	-	-	-	-	-	-	-	-	-	-	-				
Other loans with mutual funds for housing	-	11,134,173	-	-	242,131	11,376,304	-	(22,875)	-	-	(11,770)	(34,645)				
Financial leasing operations for housing	-	38,656	-	-	3,258	41,914	-	(169)	-	-	(213)	(382)				
Other loans and accounts receivable	-	70,881	-	-	2,995	73,876	-	(125)	-	-	(96)	(221)				
Subtotal	-	11,365,428	-	-	260,775	11,626,203	-	(23,266)	-	-	(12,333)	(35,599)			11,590,604	
Consumer loans:																
Consumer loans in installments	-	1,460,770	-	-	84,995	1,545,765	-	(39,432)	-	-	(32,304)	(71,736)				
Checking accounts debtors	-	55,671	-	-	2,494	58,165	-	(1,038)	-	-	(925)	(1,963)				
Credit card debtors	-	1,574,104	-	-	69,221	1,643,325	-	(60,116)	-	-	(25,993)	(86,109)				
Consumer financial leasing operations	-	-	-	-	-	-	-	-	-	-	-	-				
Other loans and accounts receivable	-	334	-	-	10	344	-	(4)	-	-	(3)	(7)				
Subtotal	-	3,090,879	-	-	156,720	3,247,599	-	(100,590)	-	-	(59,225)	(159,815)			3,087,784	
Total	11,665,255	16,305,466	285,902	108,627	592,606	28,957,856	(86,464)	(145,005)	(23,066)	(66,836)	(106,057)	(427,428)	(17,727)	(445,155)	28,512,701	

Contingent Loans

Exposure to credit risk for contingent loans	Exposure for contingent loans before provisions						Provisions constituted						Net exposure for credit risk of contingent loans
	Regular portfolio		Substandard portfolio		Default Portfolio		Regular portfolio		Substandard portfolio		Default Portfolio		
	Evaluation		Evaluation		Evaluation		Evaluation		Evaluation		Evaluation		
	Individual	Group	Individual	Individual	Group	Total	Individual	Group	Individual	Individual	Group	Total	
As at March 31, 2022 (in MMS)													
Guarantees and Sureties	446,815	-	-	65	-	446,880	(1,142)	-	-	(59)	-	(1,201)	445,679
Letters of credit for merchandise circulation operations	33,764	40	-	-	-	33,804	(581)	-	-	-	-	(581)	33,223
Debt purchase commitments in local currency abroad	-	-	-	-	-	-	-	-	-	-	-	-	-
Transactions related to contingent events	326,473	461	1,767	2,496	-	331,197	(2,751)	(11)	(210)	(2,246)	-	(5,218)	325,979
Lines of credit of free disposal of immediate cancellation	64,735	479,315	279	25	15,134	559,488	(342)	(4,972)	(40)	(15)	(4,484)	(9,853)	549,635
Lines of credit of free disposal	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans for senior studies Law No.20027 (CAE)	-	3,538	-	-	-	3,538	-	(54)	-	-	-	(54)	3,484
Other irrevocable loan commitments	154,625	-	-	-	-	154,625	(883)	-	-	-	-	(883)	153,742
Other contingent loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	1,026,412	483,354	2,046	2,586	15,134	1,529,532	(5,699)	(5,037)	(250)	(2,320)	(4,484)	(17,790)	1,511,742

Exposure to credit risk for contingent loans	Exposure for contingent loans before provisions						Provisions constituted						Net exposure for credit risk of contingent loans
	Regular portfolio		Substandard portfolio		Default Portfolio		Regular portfolio		Substandard portfolio		Default Portfolio		
	Evaluation		Evaluation		Evaluation		Evaluation		Evaluation		Evaluation		
	Individual	Group	Individual	Individual	Group	Total	Individual	Group	Individual	Individual	Group	Total	
As at December 31, 2021 (in MMS)													
Guarantees and Sureties	398,223	-	-	263	-	398,486	(1,213)	-	-	(236)	-	(1,449)	397,037
Letters of credit for merchandise circulation operations	40,671	-	3	-	-	40,674	(632)	-	-	-	-	(632)	40,042
Debt purchase commitments in local currency abroad	-	-	-	-	-	-	-	-	-	-	-	-	-
Transactions related to contingent events	344,220	361	1,773	1,664	-	348,018	(3,094)	(8)	(121)	(1,497)	-	(4,720)	343,298
Lines of credit of free disposal of immediate cancellation	216,258	1,681,325	841	20	15,711	1,914,155	(1,213)	(17,061)	(127)	(12)	(4,767)	(23,180)	1,890,975
Lines of credit of free disposal	-	-	-	-	-	-	-	-	-	-	-	-	-
Loans for senior studies Law No.20027 (CAE)	-	3,585	-	-	-	3,585	-	(55)	-	-	-	(55)	3,530
Other irrevocable loan commitments	160,431	-	-	-	-	160,431	(961)	-	-	-	-	(961)	159,470
Other contingent loans	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	1,159,803	1,685,271	2,617	1,947	15,711	2,865,349	(7,113)	(17,124)	(248)	(1,745)	(4,767)	(30,997)	2,834,352

d) Summary of movement of provisions constituted on items "Owed by banks" and "Loans and accounts receivable from customers"

Owed by banks

Summary of movement in provisions constituted by category of credit risk in the period As at March 31, 2022 (in MCh\$)	Movement in provisions constituted by category in the period			
	Individual evaluation			Total
	Regular Portfolio	Substandard Portfolio	Default Portfolio	
Owed by banks				
Balance as at January 1, 2022	2	-	-	2
Constitution / (release) of provisions due to :				
Change in measurement without portfolio reclassification during the period	(1)	-	-	(1)
Change in measure due to portfolio reclassification from the beginning to the end of the period from 01/01/2022 to 03/31/2022:				
Regular individual up to Substandard	-	-	-	-
Normal individual up to Individual default	-	-	-	-
Substandard up to individual default	-	-	-	-
Substandard up to Regular Individual	-	-	-	-
Individual default up to Substandard	-	-	-	-
Individual default up to Individual regular	-	-	-	-
New originated loans	1	-	-	1
New loans for conversion from contingent to loan	-	-	-	-
New loans purchased	-	-	-	-
Sales or transfer of loans	-	-	-	-
Payment of loans	(1)	-	-	(1)
Application of provisions due to write-offs	-	-	-	-
Recovery of written-off loans	-	-	-	-
Exchange differences	-	-	-	-
Other changes in provisions	-	-	-	-
Balance as at March 31, 2022	1	-	-	1

Summary of movement in provisions constituted by category of credit risk in the period As at December 31, 2021 (in MCh\$)	Movement in provisions constituted by category in the period			
	Individual evaluation			Total
	Regular Portfolio	Substandard Portfolio	Default Portfolio	
Owed by banks				
Balance as at January 1, 2021	21	-	-	21
Constitution / (release) of provisions due to :				
Change in measurement without portfolio reclassification during the period	(96)	-	-	(96)
Change in measure due to portfolio reclassification from the beginning to the end of the period from 01/01/2021 to 12/31/2021:				
Regular individual up to Substandard	-	-	-	-
Normal individual up to Individual default	-	-	-	-
Substandard up to individual default	-	-	-	-
Substandard up to Regular Individual	-	-	-	-
Individual default up to Substandard	-	-	-	-
Individual default up to Individual regular	-	-	-	-
New originated loans	106	-	-	106
New loans for conversion from contingent to loan	-	-	-	-
New loans purchased	-	-	-	-
Sales or transfer of loans	-	-	-	-
Payment of loans	(29)	-	-	(29)
Application of provisions due to write-offs	-	-	-	-
Recovery of written-off loans	-	-	-	-
Exchange differences	-	-	-	-
Other changes in provisions	-	-	-	-
Balance as at December 31, 2021	2	-	-	2

Commercial loans

Summary of the movement in provisions constituted by category of credit risk in the period	Movement in provisions constituted by portfolio in the period								
	As at March 31, 2022 (in MCh\$)	Regular Portfolio	Substandard Portfolio	Default Portfolio		Subtotal	Deductible guarantees FOGAPE Covid-19	Total	
		Evaluation		Evaluation					
		Individual		Group	Individual				Group
Commercial loans									
Balance as at January 1, 2022		86,464	21,149	23,066	66,836	34,499	232,014	17,727	249,741
Constitution / (release) of provisions due to :		-	-	-	-	-	-	-	-
Change in measurement without portfolio reclassification during the period		(231)	3,376	830	1,255	7,097	12,327		12,327
Change in measurement due to portfolio reclassification from the beginning up to end of period portfolio from 01/01/2022 to 03/31/2022:		-	-	-	-	-	-	-	-
Regular individual up to Substandard		(736)	-	1,643	-	-	907		907
Normal individual up to Individual default		(1)	-	-	18	-	17		17
Substandard up to individual default		-	-	(1,030)	4,736	-	3,706		3,706
Substandar up to Regular Individual		248	-	(429)	-	-	(181)		(181)
Incumplimiento individual hasta Subestándar		-	-	-	-	-	-		-
Individual default up to Substandard		-	-	-	-	-	-		-
Individual default up to Individual regular		-	(2,126)	-	-	4,492	2,366		2,366
Default group up to Regular Group		-	192	-	-	(1,794)	(1,602)		(1,602)
Individual (regular, substandard, default) to Group (regular default		(1)	1	-	(28)	-	(28)		(28)
Group (regular , default) up to Individual (regular , substandard , default)		673	(457)	102	345	(428)	235		235
New originated loans		26,511	1,587	3,094	254	598	32,044		32,044
New loans for conversion from contingent to loan		567	236	67	8	25	903		903
New loans purchased		-	-	-	-	-	-		-
Sales or transfer of loans		-	(924)	-	-	(5)	(929)		(929)
Payment of loans		(23,161)	(1,972)	(4,706)	(4,111)	(1,111)	(35,061)		(35,061)
Application of provisions due to write-offs		-	-	-	(4,956)	(10,691)	(15,647)		(15,647)
Recovery of written-off loans		-	24	-	-	-	24		24
Changes in models and methodologies		-	-	-	-	-	-		-
Exchange Differences		(3,376)	(11)	(300)	(1,672)	(8)	(5,367)		(5,367)
Other changes in provisions		-	-	-	-	-	(132)		(132)
Balance as at March 31, 2022		86,957	21,075	22,337	62,685	32,674	225,728	17,595	243,323

Summary of the movement in provisions constituted by category of credit risk in the period	Movement in provisions constituted by portfolio in the period								
	As at December 31, 2021		Regular Portfolio	Substandard Portfolio	Default Portfolio		Subtotal	Deductible guarantees FOGAPE	Total
	(in MCh\$)		Evaluation		Evaluation			COVID-19	
	Individual	Group			Individual	Group			
Commercial loans									
Balance as at January 1, 2021	84,356	20,167	17,038	117,155	41,977	280,693	11,372	292,065	
Constitution / (release) of provisions due to :									
Change in measurement without portfolio reclassification during the period	(12,837)	8,886	1,654	79,917	25,669	103,289			103,289
Change in measurement due to portfolio reclassification from the beginning up to end of period portfolio from 01/01/2021 to 12/31/2021:									
Regular individual up to Substandard	(5,796)	-	12,928	-	-	7,132			7,132
Normal individual up to Individual default	(10)	-	-	228	-	218			218
Substandard up to individual default	-	-	(4,320)	15,878	-	11,558			11,558
Substandard up to Regular Individual	160	-	(263)	-	-	(103)			(103)
Incumplimiento individual hasta Subestándar	-	-	80	(496)	-	(416)			(416)
Individual default up to Substandard	-	-	-	-	-	-			-
Individual default up to Individual regular	-	(7,468)	-	-	16,693	9,225			9,225
Default group up to Regular Group	-	1,093	-	-	(12,797)	(11,704)			(11,704)
Individual (regular, substandard, default) to Group (regular default	(177)	143	(67)	(135)	-	(236)			(236)
Group (regular , default) up to Individual (regular , substandard , default)	993	(664)	63	220	(180)	432			432
New originated loans	102,442	7,448	7,602	5,048	3,074	125,614			125,614
New loans for conversion from contingent to loan	1,497	589	211	16	50	2,363			2,363
New loans purchased	-	-	-	-	-	-			-
Sales or transfer of loans	-	(1,879)	-	(66,919)	(152)	(68,950)			(68,950)
Payment of loans	(89,550)	(7,164)	(12,542)	(73,220)	(7,427)	(189,903)			(189,903)
Application of provisions due to write-offs	(4)	(19)	-	(19,407)	(32,428)	(51,858)			(51,858)
Recovery of written-off loans	-	-	-	-	-	-			-
Changes in models and methodologies	-	-	-	-	-	-			-
Exchange Differences	5,390	17	682	8,551	20	14,660			14,660
Other changes in provisions	-	-	-	-	-	-	6,355		6,355
Balance as at December 31, 2021	86,464	21,149	23,066	66,836	34,499	232,014	17,727	249,741	

Mortgage loans

Summary of the movement in provisions constituted by category of credit risk in the period As at March 31, 2022 (in MCh\$)	Movement in provisions constituted by portfolio in the period Group Evaluation		
	Regular Portfolio	Default Portfolio	Total
Mortgage loans			
Balance as at January 1, 2022	23,266	12,333	35,599
Constitution / (release) of provisions due to :			
Change in measurement without portfolio reclassification during the period	1,143	511	1,654
Change in measurement due to portfolio reclassification from the beginning up to end of period portfolio from 01/01/2022 to 03/31/2022:			
Group Regular to Group Default	(858)	1,255	397
Default group to Regular group	4	(413)	(409)
New originated loans	670	39	709
New loans purchased	-	-	-
Sales or transfer of loans	-	-	-
Payment of loans	(567)	(711)	(1,278)
Application of provisions due to write-offs	-	(1,792)	(1,792)
Recovery of written-off loans	3	-	3
Changes in models and methodologies	-	-	-
Exchange Differences	-	-	-
Other changes in provisions	-	-	-
Balance as at March 31, 2022	23,661	11,222	34,883

Summary of the movement in provisions constituted by category of credit risk in the period As at December 31, 2021 (in MCh\$)	Movement in provisions constituted by portfolio in the period Group Evaluation		
	Regular Portfolio	Default Portfolio	Total
Mortgage loans			
Balance as at January 1, 2021	18,837	19,632	38,469
Constitution / (release) of provisions due to :			
Change in measurement without portfolio reclassification during the period	1,941	2,817	4,758
Change in measurement due to portfolio reclassification from the beginning up to end of period portfolio from 01/01/2021 to 12/31/2021:			
Group Regular to Group Default	(2,422)	3,590	1,168
Default group to Regular group	184	(3,147)	(2,963)
New originated loans	7,252	292	7,544
New loans purchased	-	-	-
Sales or transfer of loans	-	-	-
Payment of loans	(2,499)	(3,515)	(6,014)
Application of provisions due to write-offs	(27)	(7,336)	(7,363)
Recovery of written-off loans	-	-	-
Changes in models and methodologies	-	-	-
Exchange Differences	-	-	-
Other changes in provisions	-	-	-
Balance as at December 31, 2021	23,266	12,333	35,599

Consumer loans

Summary of the movement in provisions constituted by category of credit risk in the period As at March 31, 2022 (in MCh\$)	Movement in provisions constituted by portfolio in the period Group Evaluation		
	Regular	Default	Total
	Portfolio	Portfolio	
Consumer Loans			
Balance as at January 1, 2022	100,590	59,225	159,815
Constitution / (release) of provisions due to :			
Change in measurement without portfolio reclassification during the period	12,033	18,360	30,393
Change in measurement due to portfolio reclassification from the beginning up to end of period portfolio from 01/01/2022 to 03/31/2022:			
Group Regular to Group Default	(10,029)	20,714	10,685
Default group to Regular group	1,671	(4,889)	(3,218)
New originated loans	8,899	5,053	13,952
New loans for conversion from contingent to loan	23,040	1,434	24,474
New loans purchased	-	-	-
Sales or transfer of loans	-	-	-
Payment of loans	(22,499)	(7,157)	(29,656)
Application of provisions due to write-offs	(61)	(28,059)	(28,120)
Recovery of written-off loans	181	30	211
Changes in models and methodologies	-	-	-
Exchange Differences	(23)	(3)	(26)
Other changes in provisions	-	-	-
Balance as at March 31, 2022	113,802	64,708	178,510

Summary of the movement in provisions constituted by category of credit risk in the period As at December 31, 2021 (in MCh\$)	Movement in provisions constituted by portfolio in the period Group Evaluation		
	Regular	Default	Total
	Portfolio	Portfolio	
Consumer Loans			
Balance as at January 1, 2021	89,666	86,253	175,919
Constitution / (release) of provisions due to :			
Change in measurement without portfolio reclassification during the period	16,105	92,724	108,829
Change in measurement due to portfolio reclassification from the beginning up to end of period portfolio from 01/01/2021 to 12/31/2021:			
Group Regular to Group Default	(17,847)	42,589	24,741
Default group to Regular group	8,964	(35,288)	(26,324)
New originated loans	25,927	11,629	37,556
New loans for conversion from contingent to loan	41,061	4,533	45,594
New loans purchased	-	-	-
Sales or transfer of loans	-	-	-
Payment of loans	(63,203)	(33,061)	(96,263)
Application of provisions due to write-offs	(122)	(110,159)	(110,281)
Recovery of written-off loans	-	-	-
Changes in models and methodologies	-	-	-
Exchange Differences	39	5	44
Other changes in provisions	-	-	-
Balance as at December 31, 2021	100,590	59,225	159,815

Contingent loans

Summary of the movement in provisions constituted by category of credit risk in the period"	Movement in provisions constituted by portfolio in the period				
	As at March 31, 2022 (in MCh\$)		Regular Portfolio Evaluation		Total
			Individual	Group	
Contingent loan exposure					
Balance as at January 1, 2022			7,113	17,124	248
Constitution / (release) of provisions due to :					
Change in measurement without portfolio reclassification during the period:			(1,830)	(5,288)	42
Change in measurement due to portfolio reclassification from the beginning up to end of period					
portfolio from 01/01/2022 to 03/31/2022:					
Regular individual up to Substandard			(19)	-	36
Regular individual up to Default individual			-	-	-
Substandard up to Default individual			-	-	(2)
Substandard up to Regular individual			10	-	(16)
Default individual up to Substandard			-	-	-
Default individual up to Regular individual			-	-	-
Regular group up to Default group			-	(197)	-
Default group up to Regular group			-	49	-
Individual (Regular, Substandard, Default) up to group (Regular, Default)			-	-	-
Group (Regular, Default) up to Individual (Regular, Substandard, Default)			10	(3)	1
New contingent loans granted			1,242	647	8
Contingent loans for conversion to loans			(669)	(7,295)	(67)
Changes in models and methodologies			-	-	-
Exchange Differences			(158)	-	(4)
Other changes in provisions			-	-	-
Balance as at March 31, 2022			5,699	5,037	250

Summary of the movement in provisions constituted by category of credit risk in the period"	Movement in provisions constituted by portfolio in the period				
	As at December 31, 2021 (in MCh\$)		Regular Portfolio Evaluation		Total
			Individual	Group	
Contingent loan exposure					
Balance as at January 1, 2021			6,408	12,626	472
Constitution / (release) of provisions due to :					
Change in measurement without portfolio reclassification during the period:			(4,965)	21,902	(307)
Change in measurement due to portfolio reclassification from the beginning up to end of period					
portfolio from 01/01/2021 to 12/31/2021:					
Regular individual up to Substandard			(130)	-	335
Regular individual up to Default individual			-	-	3
Substandard up to Default individual			-	-	(158)
Substandard up to Regular individual			5	-	(6)
Default individual up to Substandard			-	-	(1)
Default individual up to Regular individual			-	-	-
Regular group up to Default group			-	(749)	-
Default group up to Regular group			-	256	-
Individual (Regular, Substandard, Default) up to group (Regular, Default)			(23)	8	(4)
Group (Regular, Default) up to Individual (Regular, Substandard, Default)			83	(41)	2
New contingent loans granted			7,067	6,940	128
Contingent loans for conversion to loans			(1,691)	(23,818)	(218)
Changes in models and methodologies			-	-	-
Exchange Differences			359	-	45
Other changes in provisions			-	-	-
Balance as at December 31, 2021			7,113	17,124	248

e) Gross loans and provisions constituted grouped by type of economic activity of debtors and concentration of credit risk

Composition of economic activity As at March 31, 2022 (in MCh\$)	Loans and exposure to contingent loans			Provisions constituted			Deductible guarantees FOGAPE Covid 19	Total
	Loans within		Total	Loans within		Sub-Total		
	Country	Abroad		Country	Abroad			
Owed by banks	339,392	943	340,335	-	(1)	(1)		(1)
Commercial loans								
Agriculture and Livestock	478,925	-	478,925	(18,531)	-	(18,531)		
Sowing and harvesting of fruits	-	-	-	-	-	-		
Forestry	66,470	-	66,470	(1,447)	-	(1,447)		
Fishing	106,306	-	106,306	(3,089)	-	(3,089)		
Mining	164,133	-	164,133	(569)	-	(569)		
Oil and natural gas	140,356	-	140,356	(116)	-	(116)		
Product Manufacturing Industry:	-	-	-	-	-	-		
Food, beverages and tobacco	793,859	-	793,859	(8,653)	-	(8,653)		
Textile, leather and footwear	53,412	-	53,412	(8,788)	-	(8,788)		
Wood and furniture	61,155	-	61,155	(1,249)	-	(1,249)		
Cellulose, paper and printing	52,327	-	52,327	(1,648)	-	(1,648)		
Chemicals and petroleum derivatives	254,518	-	254,518	(2,379)	-	(2,379)		
Metallic, non-metallic, machinery and others	659,139	-	659,139	(10,398)	-	(10,398)		
Electricity, gas and water	850,286	-	850,286	(2,792)	-	(2,792)		
Home building	368,375	-	368,375	(3,770)	-	(3,770)		
Non-residential construction (office, civil works)	241,405	-	241,405	(9,289)	-	(9,289)		
Wholesale trade	1,306,438	93,132	1,399,570	(38,370)	(107)	(38,477)		
Retail trade, restaurants and hotels	393,003	55,195	448,198	(16,708)	(46)	(16,754)		
Transport and storage	669,804	-	669,804	(7,817)	-	(7,817)		
Telecommunications	457,245	-	457,245	(1,565)	-	(1,565)		
Financial Services	2,007,324	-	2,007,324	(11,294)	-	(11,294)		
Business services	-	-	-	-	-	-		
Real estate service	2,393,343	95,606	2,488,949	(28,423)	(101)	(28,524)		
Student loans	675,905	-	675,905	(18,903)	-	(18,903)		
Public administration, defense and police	47,551	-	47,551	(475)	-	(475)		
Social services and other community services	647,725	99	647,824	(9,611)	(9)	(9,620)		
Personal services	853,093	-	853,093	(19,581)	-	(19,581)		
Subtotal	13,742,097	244,032	13,986,129	(225,465)	(263)	(225,728)	(17,595)	(243,323)
Mortgage loans	12,022,495	-	12,022,495	(34,883)	-	(34,883)		(34,883)
Consumer loans	3,414,990	-	3,414,990	(178,510)	-	(178,510)		(178,510)
Contingent loans exposure	1,529,532	-	1,529,532	(17,790)	-	(17,790)		(17,790)

Composition of economic activity As at December 31, 2021 (in MCh\$)	Loans and exposure to contingent loans			Provisions constituted				
	Loans within		Total	Loans within		Sub-Total	Deductible guarantees FOGAPE Covid 19	Total
	Country	Abroad		Country	Abroad			
Owed by banks	-	2,998	2,998	-	(2)	(2)		(2)
Commercial loans								
Agriculture and Livestock	496,155	-	496,155	(19,502)	-	(19,502)		
Sowing and harvesting of fruits	-	-	-	-	-	-		
Forestry	93,522	-	93,522	(1,736)	-	(1,736)		
Fishing	111,779	6,835	118,614	(3,364)	(292)	(3,656)		
Mining	179,965	-	179,965	(661)	-	(661)		
Oil and natural gas	141,345	-	141,345	(117)	-	(117)		
Product Manufacturing Industry;	-	-	-	-	-	-		
Food, beverages and tobacco	591,569	-	591,569	(8,993)	-	(8,993)		
Textile, leather and footwear	55,835	-	55,835	(9,103)	-	(9,103)		
Wood and furniture	61,538	-	61,538	(1,507)	-	(1,507)		
Cellulose, paper and printing	58,222	-	58,222	(1,854)	-	(1,854)		
Chemicals and petroleum derivatives	221,211	-	221,211	(2,405)	-	(2,405)		
Metallic, non-metallic, machinery and others	689,672	-	689,672	(10,426)	-	(10,426)		
Electricity, gas and water	625,433	-	625,433	(2,669)	-	(2,669)		
Home building	406,326	-	406,326	(4,167)	-	(4,167)		
Non-residential construction (office, civil works)	231,084	-	231,084	(7,446)	-	(7,446)		
Wholesale trade	1,554,407	101,259	1,655,666	(40,474)	(191)	(40,665)		
Retail trade, restaurants and hotels	389,444	59,817	449,261	(21,455)	(49)	(21,504)		
Transport and storage	673,290	-	673,290	(8,103)	-	(8,103)		
Telecommunications	365,073	-	365,073	(1,521)	-	(1,521)		
Financial Services	2,319,391	-	2,319,391	(12,578)	-	(12,578)		
Business services	-	-	-	-	-	-		
Real estate service	2,297,364	86,970	2,384,334	(26,758)	(113)	(26,871)		
Student loans	691,530	-	691,530	(19,655)	-	(19,655)		
Public administration, defense and police	55,975	-	55,975	(521)	-	(521)		
Social services and other community services	693,024	163	693,187	(6,677)	(15)	(6,692)		
Personal services	825,856	-	825,856	(19,662)	-	(19,662)		
Subtotal	13,829,010	255,044	14,084,054	(231,354)	(660)	(232,014)	(17,727)	(249,741)
Mortgage loans								
	11,626,203	-	11,626,203	(35,599)	-	(35,599)		(35,599)
Consumer loans								
	3,247,599	-	3,247,599	(159,815)	-	(159,815)		(159,815)
Contingent loans exposure								
	2,865,349	-	2,865,349	(30,997)	-	(30,997)		(30,997)

f) Mortgage loans and its provisions constituted by the unpaid capital tranche of the loan on the mortgage guarantee value (PVG) and days in arrears, respectively

As at March 31, 2022		Mortgage loans (MCh\$)						Provisions constituted for Mortgage loans (MCh\$)					
Loan Tranche / Guarantee	Days in arrears at the end of the period						Days in arrears at the end of the period						
Value (%)	0	1 to 29	30 to 59	60 to 89	>= 90	Total	0	1 to 29	30 to 59	60 to 89	>= 90	Total	
PVG <= 40%	894,539	26,144	11,967	7,054	11,776	951,480	(74)	(36)	(40)	(34)	(204)	(388)	
40% < PVG <= 80%	7,989,266	160,418	69,872	35,073	67,082	8,321,711	(5,595)	(1,848)	(1,416)	(943)	(2,040)	(11,842)	
80% < PVG <= 90%	2,440,408	23,054	8,543	4,052	7,047	2,483,104	(14,423)	(1,729)	(1,166)	(783)	(1,567)	(19,668)	
PVG >90%	261,888	2,211	967	425	709	266,200	(2,236)	(232)	(189)	(113)	(215)	(2,985)	
Total	11,586,101	211,827	91,349	46,604	86,614	12,022,495	(22,328)	(3,845)	(2,811)	(1,873)	(4,026)	(34,883)	

As at December 31, 2021		Mortgage loans (MCh\$)					Provisions constituted for Mortgage loans (MCh\$)					
Loan Tranche / Guarantee	Days in arrears at the end of the period						Days in arrears at the end of the period					
Value (%)	0	1 to 29	30 to 59	60 to 89	>= 90	Total	0	1 to 29	30 to 59	60 to 89	>= 90	Total
PVG <= 40%	866,399	23,740	9,850	5,890	9,927	915,806	(77)	(37)	(34)	(30)	(216)	(394)
40% < PVG <= 80%	7,613,444	152,691	57,518	29,288	58,096	7,911,037	(5,645)	(1,826)	(1,198)	(801)	(1,766)	(11,236)
80% < PVG <= 90%	2,429,020	23,236	6,665	3,572	12,866	2,475,359	(14,276)	(1,619)	(916)	(686)	(2,860)	(20,357)
PVG >90%	319,223	2,145	422	206	2,005	324,001	(2,607)	(270)	(76)	(51)	(608)	(3,612)
Total	11,228,086	201,812	74,455	38,956	82,894	11,626,203	(22,605)	(3,752)	(2,224)	(1,568)	(5,450)	(35,599)

g) Owed by banks and commercial loans and their provisions constituted by classification category

Concentration of debt from banks and commercial loans with their provisions constituted by classification category As at March 31, 2022 (in MCh\$)										Owed by Banks and Commercial Loans																Group		Total		Deductible provision FOGAPE
A1	A2	A3	Regular Portfolio			A5	A6	Subtotal	B1	Individual Substandard Portfolio				Subtotal	C1	C2	Default Portfolio				C5	C6	Subtotal	Total	Regular Portfolio	Default Portfolio	Total	Total		
			A4							B2	B3	B4					C3	C4												
Owed by banks																														
Liquidity interbank loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Commercial interbank loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Overdrafts on checking accounts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Foreign trade Loans Chilean exports	-	686	257	-	-	-	-	943	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	943		
Foreign trade Loans Chilean imports	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Foreign trade loans between third countries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Deposits in checking accounts in foreign banks for derivative operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Non-transferable deposits in banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Other loans with banks	339,392	-	-	-	-	-	-	339,392	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	339,392	-	-	-	339,392		
Subtotal	339,392	686	257	-	-	-	-	340,335	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	340,335	-	-	-	340,335		
Provisions constituted	-	1	-	-	-	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	-	-	1		
% provisions constituted	0.00%	0.15%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
Commercial loans																														
Commercial loans	86,202	3,317,205	1,586,384	2,820,742	1,027,130	540,442	9,378,105	140,582	36,988	60,933	22,424	260,927	18,647	4,114	4,578	8,502	9,678	45,979	91,498	9,730,530	1,207,329	85,751	1,293,080	11,023,610	11,023,610					
Foreign trade Loans Chilean exports	-	207,279	173,861	262,516	119,135	13,057	775,848	-	-	-	-	-	-	-	-	-	468	5,346	5,814	781,662	690	-	690	782,352						
Foreign trade Loans Chilean imports	-	4,858	130,554	191,439	89,986	35,912	452,749	184	590	-	-	774	63	-	-	-	190	1,729	1,982	455,505	1,865	113	1,978	457,483						
Foreign trade loans between third countries	-	-	-	1,421	-	336	1,757	-	-	-	-	-	-	-	-	-	-	-	-	1,757	-	-	-	-	1,757					
Debtors in checking accounts	1	5,680	4,953	8,735	3,376	9,832	32,577	927	230	815	10	1,982	45	19	36	17	120	1,107	1,344	35,903	7,219	1,359	8,578	44,881						
Credit card debtors	-	1,412	1,855	415	706	1,034	5,422	188	136	42	50	416	1	-	2	1	6	10	5,848	3,997	39	4,036	9,884							
Factoring operations	9,727	6,110	21,089	136,662	37,516	21,436	232,540	947	12	-	141	1,100	-	-	-	-	5	96	101	233,741	1,145	145	1,290	235,031						
Commercial financial leasing operations	-	57,702	130,805	301,943	133,544	64,525	688,519	10,315	1,748	9,635	5,245	26,943	1,957	1,066	-	1,470	795	261	5,549	721,011	31,790	1,837	33,627	754,638						
Students Loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	597,238	78,667	675,905	675,905						
Other loans and accounts receivable	-	90	38	165	17	26	336	1	-	7	-	8	4	-	-	-	-	-	234	238	582	306	100	406	988					
Subtotal	95,930	3,600,336	2,049,539	3,724,038	1,411,410	686,606	11,567,853	153,144	39,704	71,432	27,870	292,150	20,717	5,199	4,614	9,991	11,257	54,758	106,536	11,966,539	1,851,579	168,011	2,019,590	13,986,129						
Provisions constituted	35	3,711	3,353	31,122	25,834	22,902	86,957	11,747	2,265	4,781	3,544	22,337	414	520	1,153	3,996	7,317	49,285	62,685	171,979	21,075	32,674	53,749	225,728	17,595					
% provisions constituted	0.04%	0.10%	0.16%	0.84%	1.83%	3.34%	0.75%	7.67%	5.70%	6.69%	12.72%	7.65%	2.00%	10.00%	24.99%	40.00%	65.00%	90.01%	58.84%	1.44%	1.14%	19.45%	2.66%	1.61%						
Concentration of debt from banks and commercial loans with their provisions constituted by classification category As at December 31, 2021 (in MCh\$)																														
A1	A2	A3	Regular Portfolio			A5	A6	Subtotal	B1	Individual Substandard Portfolio				Subtotal	C1	C2	Default Portfolio				C5	C6	Subtotal	Total	Regular Portfolio	Group Default Portfolio	Total	Total	Deductible provision FOGAPE	
			A4							B2	B3	B4					C3	C4												
Owed by banks																														
Liquidity interbank loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Commercial interbank loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Overdrafts on checking accounts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Foreign trade Loans Chilean exports	1,371	1,627	-	-	-	-	-	2,998	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,998			
Foreign trade Loans Chilean imports	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Foreign trade loans between third countries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Deposits in checking accounts in foreign banks for derivative operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Non-transferable deposits in banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Other loans with banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Subtotal	1,371	1,627	-	-	-	-	-	2,998	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,998	-	-	-	2,998			
Provisions constituted	1	1	-	-	-	-	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	-	-	-	2			
% provisions constituted	0.07%	0.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.07%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.07%	0.00%	0.00%	0.00%	0.07%				
Commercial loans																														
Commercial loans	99,771	3,491,669	1,449,238	2,864,742	1,108,080	509,199	9,522,699	135,699	33,526	59,960	24,277	253,462	17,334	3,959	4,483	10,331	6,216	51,611	93,934	9,870,095	1,189,971	88,578	1,278,549	11,148,644	11,148,644					
Foreign trade Loans Chilean exports	-	186,636	183,739	275,038	103,936	13,342	762,691	-	-	-	214	214	-	-	-	-	483	5,994	6,477	769,382	429	-	429	769,811						
Foreign trade Loans Chilean imports	-	3,142	123,722	173,436	100,581	35,523	436,404	1,193	-	-	207	1,400	68	-	-	-	-	-	1,824	1,892	439,696	3,510	176	3,686	443,382					
Foreign trade loans between third countries	-	-	-	1,365	-	351	1,716	-	-	-	-	-	-	-	-	-	-	-	-	1,716	-	-	-	-	1,716					
Debtors in checking accounts	-	5,020	3,930	2,117	3,023	7,927	22,017	364	333	803	31	1,531	50	11	30	27	71	1,118	1,307	24,855	5,764	1,330	7,094	31,949						
Credit card debtors	4	1,328	1,054	366	487	807	4,046	125	75	44	35	279	1	-	-	-	-	6	7	4,332	3,267	17	3,284	7,616						
Factoring operations	15,183	6,580	33,734	120,342	46,438	17,961	240,238	498	-	14	-	512	-	-	-	-	-	40	40	240,790	1,394	33	1,427	242,217						
Commercial financial leasing operations	-	65,576	122,152	303,324	130,160	53,813	675,025	14,605	2,422	9,358	2,118	28,503	1,182	850	340	514	1,546	315	4,747	708,275	35,326	2,529	37,855	746,130						
Students Loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	609,182	82,348	691,530	691,530						
Other loans and accounts receivable	-	72	48	177	14	108	419	-	-	-	-	1	4	-	-	-	-	-	219	223	642	316	100	416	1,059					
Subtotal	114,958	3,760,023	1,917,617	3,740,907	1,492,719	639,031	11,665,255	152,484	36,356	70,180	26,882	285,902	18,639	4,820	4,853	10,872	8,316	61,127	108,627	12,059,784	1,849,159	175,111	2,024,270	14,084,054						
Provisions constituted	41	3,743	3,195	32,221	28,852	18,412	86,464	11,997	2,380	4,886	3,303	23,066	373	482	1,213	4,349	5,405	55,014	66,836	176,366	21,149	34,499	55,648	232,014	17,727					
% provisions constituted	0.04%	0.10%	0.17%	0.86%	1.93%	2.88%	0.74%	7.87%	6.55%	6.96%	14.15%	8.07%	2.00%	10.00%	24.99%	40.00%	65.00%	90.00%	61.53%	1.46%	1.14%	19.70%	2.75%	1.65%						

h) Loans and its provisions constituted by tranche od days in arrears

Concentration of credit risk by days past due As at March 31, 2022 (in MCh\$)	Financial assets before provisions						Provisions constituted						Deductible guarantees FOGAPE Covid-19	Total	Net Financial asset		
	Regular Portfolio Evaluation		Substandard Portfolio Evaluation		Default Portfolio Evaluation		Total	Regular Portfolio Evaluation		Substandard Portfolio Evaluation		Default Portfolio Evaluation				Subtotal	
	Individual	Group	Individual	Individual	Group	Individual		Group	Individual	Individual	Group						
Owed by banks																	
0 days	340,335	-	-	-	-	340,335	(1)	-	-	-	-	(1)			340,334		
1 to 29 days	-	-	-	-	-	-	-	-	-	-	-	-			-		
30 to 59 days	-	-	-	-	-	-	-	-	-	-	-	-			-		
60 to 89 days	-	-	-	-	-	-	-	-	-	-	-	-			-		
>= 90 days	-	-	-	-	-	-	-	-	-	-	-	-			-		
Subtotal	340,335	-	-	-	-	340,335	(1)	-	-	-	-	(1)			340,334		
Commercial loans																	
0 days	11,406,152	1,767,148	208,353	30,233	39,618	13,451,504	(84,792)	(15,964)	(15,778)	(17,170)	(7,715)	(141,419)			13,310,085		
1 to 29 days	157,385	54,752	35,458	4,992	11,075	263,662	(2,092)	(2,510)	(2,365)	(1,735)	(2,377)	(11,079)			252,583		
30 to 59 days	3,943	20,858	35,841	5,520	8,985	75,147	(71)	(1,669)	(3,288)	(1,532)	(2,104)	(8,664)			66,483		
60 to 89 days	373	8,814	12,498	2,247	9,744	33,676	(2)	(932)	(906)	(835)	(2,366)	(5,041)			28,635		
>= 90 days	-	7	-	63,544	98,589	162,140	-	-	-	(41,413)	(18,112)	(59,525)			102,615		
Subtotal	11,567,853	1,851,579	292,150	106,536	168,011	13,986,129	(86,957)	(21,075)	(22,337)	(62,685)	(32,674)	(225,728)	(17,595)	(243,323)	13,742,806		
Mortgage loans																	
0 days	-	11,495,792	-	-	90,309	11,586,101	-	(18,572)	-	-	(3,756)	(22,328)			11,563,773		
1 to 29 days	-	179,732	-	-	32,095	211,827	-	(2,504)	-	-	(1,341)	(3,845)			207,982		
30 to 59 days	-	62,936	-	-	28,413	91,349	-	(1,647)	-	-	(1,164)	(2,811)			88,538		
60 to 89 days	-	23,783	-	-	22,821	46,604	-	(938)	-	-	(935)	(1,873)			44,731		
>= 90 days	-	-	-	-	86,614	86,614	-	-	-	-	(4,026)	(4,026)			82,588		
Subtotal	-	11,762,243	-	-	260,252	12,022,495	-	(23,661)	-	-	(11,222)	(34,883)			11,987,612		
Consumer loans																	
0 days	-	3,075,555	-	-	75,726	3,151,281	-	(81,521)	-	-	(24,518)	(106,039)			3,045,242		
1 to 29 days	-	118,188	-	-	19,390	137,578	-	(19,377)	-	-	(7,334)	(26,711)			110,867		
30 to 59 days	-	36,555	-	-	15,343	51,898	-	(8,262)	-	-	(6,076)	(14,338)			37,560		
60 to 89 days	-	18,377	-	-	13,798	32,175	-	(4,642)	-	-	(6,053)	(10,695)			21,480		
>= 90 days	-	-	-	-	42,058	42,058	-	-	-	-	(20,727)	(20,727)			21,331		
Subtotal	-	3,248,675	-	-	166,315	3,414,990	-	(113,802)	-	-	(64,708)	(178,510)			3,236,480		
Total loans	11,908,188	16,862,497	292,150	106,536	594,578	29,763,949	(86,958)	(158,538)	(22,337)	(62,685)	(108,604)	(439,122)	(17,595)	(456,717)	29,307,232		

Concentration of credit risk by days past due As at December 31, 2021 (in MCh\$)	Financial assets before provisions						Provisions constituted						Deductible guarantees FOGAPE Covid-19	Total	Net Financial asset
	Regular	Substandard	Default	Total	Regular	Substandard	Default	Subtotal							
	Portfolio	Portfolio	Portfolio		Portfolio	Portfolio	Portfolio								
	Evaluation	Evaluation	Evaluation		Evaluation	Evaluation	Evaluation								
Individual	Group	Individual	Individual	Group	Individual	Group	Individual	Individual	Group						
Owed by banks															
0 days	2,083	-	-	-	-	2,083	(2)	-	-	-	-	(2)		2,081	
1 to 29 days	750	-	-	-	-	750	-	-	-	-	-	-		750	
30 to 59 days	165	-	-	-	-	165	-	-	-	-	-	-		165	
60 to 89 days	-	-	-	-	-	-	-	-	-	-	-	-		-	
>= 90 days	-	-	-	-	-	-	-	-	-	-	-	-		-	
Subtotal	2,998	-	-	-	-	2,998	(2)	-	-	-	-	(2)		2,996	
Commercial loans															
0 days	11,577,269	1,767,488	259,741	30,402	43,741	13,678,641	(84,856)	(15,937)	(21,305)	(19,693)	(8,832)	(150,623)		13,528,018	
1 to 29 days	85,579	47,845	15,735	5,957	11,277	166,393	(1,568)	(2,160)	(1,044)	(1,895)	(2,848)	(9,515)		156,878	
30 to 59 days	2,312	25,889	5,186	9,948	9,404	52,739	(39)	(2,369)	(258)	(4,877)	(2,002)	(9,545)		43,194	
60 to 89 days	95	7,209	4,888	3,774	8,272	24,238	(1)	(672)	(363)	(1,935)	(1,849)	(4,820)		19,418	
>= 90 days	-	728	352	58,546	102,417	162,043	-	(11)	(96)	(38,436)	(18,968)	(57,511)		104,532	
Subtotal	11,665,255	1,849,159	285,902	108,627	175,111	14,084,054	(86,464)	(21,149)	(23,066)	(66,836)	(34,499)	(232,014)	(17,727)	(249,741)	13,834,313
Mortgage loans															
0 days	-	11,129,979	-	-	98,107	11,228,086	-	(18,780)	-	-	(3,825)	(22,605)		11,205,481	
1 to 29 days	-	168,444	-	-	33,368	201,812	-	(2,467)	-	-	(1,285)	(3,752)		198,060	
30 to 59 days	-	49,158	-	-	25,297	74,455	-	(1,247)	-	-	(977)	(2,224)		72,231	
60 to 89 days	-	17,847	-	-	21,109	38,956	-	(772)	-	-	(796)	(1,568)		37,388	
>= 90 days	-	-	-	-	82,894	82,894	-	-	-	-	(5,450)	(5,450)		77,444	
Subtotal	-	11,365,428	-	-	260,775	11,626,203	-	(23,266)	-	-	(12,333)	(35,599)		11,590,604	
Consumer loans															
0 days	-	2,919,901	-	-	75,468	2,995,369	-	(71,487)	-	-	(24,480)	(95,967)		2,899,402	
1 to 29 days	-	128,377	-	-	20,419	148,796	-	(19,042)	-	-	(7,683)	(26,725)		122,071	
30 to 59 days	-	28,747	-	-	13,989	42,735	-	(6,588)	-	-	(5,385)	(11,973)		30,762	
60 to 89 days	-	13,855	-	-	12,776	26,631	-	(3,473)	-	-	(5,353)	(8,826)		17,805	
>= 90 days	-	-	-	-	34,068	34,068	-	-	-	-	(16,324)	(16,324)		17,744	
Subtotal	-	3,090,879	-	-	156,720	3,247,599	-	(100,590)	-	-	(59,225)	(159,815)		3,087,784	
Total loans	11,668,253	16,305,466	285,902	108,627	592,606	28,960,854	(86,466)	(145,005)	(23,066)	(66,836)	(106,057)	(427,430)	(17,727)	(445,157)	28,515,697

i) Leasing operations

Gross Loans due to financial leasing contracts present the following remaining terms for maturity:

	03/31/2022			12/31/2021		
	Account Receivable	Interests and deferred VAT	Net balance receivable	Account Receivable	Interests and deferred VAT	Net balance receivable
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
At sight	1,036	(29)	1,007	799	(20)	779
Up to one month	29,777	(5,702)	24,075	28,173	(5,373)	22,800
More than one month up to three months	57,423	(11,076)	46,347	54,737	(10,524)	44,213
More than three months up to one year	224,059	(44,221)	179,838	221,601	(43,168)	178,433
More than one year up to three years	409,850	(84,184)	325,666	395,983	(80,193)	315,790
More than three years up to five years	173,018	(37,300)	135,718	175,148	(36,939)	138,209
More than five years	112,296	(29,452)	82,844	118,369	(30,550)	87,819
Total	1,007,459	(211,964)	795,495	994,810	(206,767)	788,043

The Bank finances its customers the acquisition of goods, both real estate and non-real estate, through financial leasing contracts between 1 and 20 years depending on each contract, which are presented under "financial leasing operations" of the interim consolidated statements of financial position.

As at March 31, 2022, MCh\$242,135 correspond to financial leases on real estate (MCh\$241,746 as at December 31, 2021) and MCh\$553,360 correspond to financial leases on non-real estate (MCh\$546,297 as at December 31, 2021).

Income due to interest and adjustments of accounts receivable for financial leases of real estate and non-real estate assets are disclosed in Note 30 "Interest income and expenses" and Note 31 "Income and expenses from adjustments".

j) Sale of credits for education Law No.20027

Pursuant to the provisions of the public bidding bases for the award of Financing and Credit Administration Service for Senior Education of Law No.20027, the Bank sold to the Chilean Treasury a percentage of the respective loan portfolio, transferring substantially all of the risks and benefits associated with the assigned loans. Only the administration service of the sold operations was maintained, which considers the granting of new loans and the collection of their payment.

The summary of the aforementioned sales is as follows:

Concept	03/31/2022 MCh\$	12/31/2021 MCh\$
Par value	8,483	70,116
Provisions	(930)	(2,145)
Net Value of Provisions	7,553	67,971
Sale Value	7,575	84,949
Sale Result (1)	22	16,978
 (Loss) Profit in sale (2)	 (7)	 6,554
Income received in advance	29	10,424

(1) The result of the sale is obtained from the sale value less the net value of provisions.

(2) The (loss) profit on sale is included in the Interim Consolidated Statements of Income, under “Net financial result.”

The income received in advance corresponds to income obtained by the loan’s interest rate differential granted at a rate of 2%. These are included under “Other liabilities” of the Interim Consolidated Statements of Financial Position.

k) Sale of Loans

During the period between January 1 and March 31, 2022 and January 1 and March 31, 2021, no loan sales were made.

During the period between January 1 and March 31, 2022, the subsidiary Bandesarrollo Sociedad de Leasing Inmobiliario S.A., registered a profit made by assignment of portfolio amounting to MCh\$24 (MCh\$20 as at March 31, 2021), under “Financial result for derecognizing financial assets and liabilities at amortized cost and financial assets at fair value with changes in other comprehensive income”.

I) Securitization

The subsidiary Bandesarrollo Sociedad de Leasing Inmobiliario S.A. maintains financial assets transferred and not yet discharged in its statement of financial position, since it retains substantially all risks and benefits, mainly the credit risk. As per the agreement, customers remit the cash directly to the subsidiary and the latter transfers the amounts collected to the final beneficiary.

The information below shows the carrying amount of financial assets that have been transferred but not yet discharged and its associated liabilities.

	03/31/2022 MCh\$	12/31/2021 MCh\$
Carrying amount of financial assets transferred and not derecognized		
Housing loan portfolio	4,300	4,452
Carrying amount of associated liabilities	4,198	4,376

As at March 31, 2022, the subsidiary Bandesarrollo Sociedad de Leasing Inmobiliario S.A. recognizes an unamortized liability amounting to MCh\$4,198 (MCh\$4,376 as at December 31, 2021), corresponding to the price obtained or part of the price obtained in 2006 due to sales of portfolio of housing leasing contracts for securitization purposes, in circumstances in which said Portfolios have not been deducted from accounting, following the provisions of CMF. The non-reduction of the assigned assets, totally or partially, is due to the fact that the subsidiary acquired the securitized subordinated bonds issued by the separate estates constituted with said assets, which supposes the significant retention of risks and benefits associated with them.

Note 14 Investments in companies

The composition of investments in companies details as follows:

	03/31/2022 MCh\$	12/31/2021 MCh\$
Companies locally controlled	-	-
Companies controlled abroad		
Branches controlled abroad	-	-
Other companies controlled abroad	-	-
Companies with significant influence in the country	14,749	12,658
Companies with significant influence abroad	-	-
Investments in companies as a joint venture in the country	-	-
Investments in companies as a joint venture abroad	-	-
Minority investments in other companies in the country	7,233	7,274
Minority investments in other companies abroad	40	41
Total Investments in companies	22,022	19,973

a) Companies locally controlled

	Ownership %	Tax ID No.	Country	Company's equity as at 03/31/2022 MCh\$	Investment as at 03/31/2022 MCh\$	Investment as at 12/31/2021 MCh\$
Transbank S.A.	22.69	96.689.310-9	Chile	88,621	14,749	12,658
Total					14,749	12,658

Transbank S.A. is a closed joint-stock company that provides support to banking, and its purpose is to operate payment cards and provide services aimed at facilitating the fulfillment of the purposes of financial entities.

Below is presented a summary of the significant items in the Financial Statements on joint ventures and associates at the end of each year:

	03/31/2022 MCh\$	12/31/2021 MCh\$
Assets and Liabilities		
Current Assets	1,509,593	1,249,723
Non-current assets	118,620	121,046
Current liabilities	1,537,184	1,288,512
Non-current liabilities	2,408	2,850
Income Statement (Summary)		
Net sales	18,161	48,466
Operating results	4,356	(26,726)
Profit (loss) for the period	3,724	(17,930)
Depreciation and Amortization	(7,237)	(33,832)

b) Minority investments in other local companies

	Country	Investment as at 03/31/2022 MCh\$	Investment as at 12/31/2021 MCh\$
Bolsa de Comercio de Santiago	Chile	3,131	3,169
Bolsa Electrónica de Chile	Chile	310	310
Sociedad Interbancaria de Depósitos de Valores	Chile	204	204
Sociedad Servicios de Infraestructura y de Mercado OTC	Chile	2,291	2,291
Redbanc S.A.	Chile	860	860
Combanc S.A. (1)	Chile	403	406
Bolsa de Valores de Valparaíso S.A.	Chile	11	11
Club de La Unión	Chile	15	15
Caja Compensación Bolsa de Comercio de Santiago	Chile	8	8
Total		7,233	7,274

- (1) During March 2022, 1,448 shares of "Sociedad Operadora de la Cámara de Compensación de Pagos de Alto Valor S.A." (Combac S.A.) were transferred to Banco Falabella, the price of the assignment amounts to MCh\$5.

c) Minority investments in other companies abroad

	Country	Investment as at 03/31/2022 MCh\$	Investment as at 12/31/2021 MCh\$
Society for Worldwide Interbank Financial Telecommunication	Belgium	10	10
Banco Latinoamericano de Comercio Exterior S.A. (Bladex)	Panama	30	31
Total		40	41

d) Operations of Investments in companies are detailed as follows:

	03/31/2022 MCh\$	12/31/2021 MCh\$
Initial book value	19,973	18,435
Capital increase in Transbank S.A.	-	6,806
Sale of investments	(3)	(191)
Transfer to non-current assets held for sale and discontinued operations - Nexus S.A.	-	(1,345)
Participation on results	2,091	(7,213)
Adjustment of investments to Equity Value	-	-
Adjustment to market value	(38)	-
Other	(1)	2
Sub total	22,022	16,494
First application new compendium		
Shares - Bolsa de Comercio de Santiago	-	3,169
Shares - Bolsa Electrónica de Chile	-	310
Total	22,022	19,973

During the period ended March 31, 2022, there have been no movements due to impairment.

Note 15 Intangible Assets

a) The breakdown and composition of intangible assets is as follows:

Intangible Assets	Years		Average		Gross balance		Accumulated Amortization and Impairment		Net balance	
	of useful life		remaining amortization							
	2022	2021	2022	2021	03/31/2022 MCh\$	12/31/2021 MCh\$	03/31/2022 MCh\$	12/31/2021 MCh\$	03/31/2022 MCh\$	12/31/2021 MCh\$
Goodwill for business combinations					-	-	-	-	-	-
Other intangibles arising from business combinations (1)										
Relationship with cutomers					-	-	-	-	-	-
Exclusivity agreement	15	15	10	10	138,425	138,425	-	-	138,425	138,425
Core deposits					-	-	-	-	-	-
Right to use brands					-	-	-	-	-	-
Right to use channels					-	-	-	-	-	-
Contract for collection of services					-	-	-	-	-	-
Software or computer programs					-	-	-	-	-	-
Mortgage servicing rights					-	-	-	-	-	-
Other intangible					-	-	-	-	-	-
Accumulated amortizations					-	-	(63,829)	(61,522)	(63,829)	(61,522)
Other independently originated intangible assets										
Software or computer programs purchased independently	10	10	6	6	16,907	16,860	-	-	16,907	16,860
Software or computer programs generated internally	10	10	6	6	194,208	184,423	-	-	194,208	184,423
Mortgage servicing rights					-	-	-	-	-	-
Other intangible					-	-	-	-	-	-
Accumulated amortizations					-	-	(61,149)	(55,777)	(61,149)	(55,777)
Total intangible assets					349,540	339,708	(124,978)	(117,299)	224,562	222,409

(1) Intangible assets from business combinations refer to those arising from the purchase of 51% of shares of CAT Administradora de Tarjeta de Crédito S.A. ("CAT") and CAT Corredores de Seguros y Servicios S.A.

b) Intangible assets details as follows:

	Computer programs MCh\$	Intangibles Business combinations MCh\$	Other MCh\$	Total MCh\$
Gross balance :				
Balance as at January 1, 2021	158,257	138,425	-	296,682
Acquisitions	45,526	-	-	45,526
Reclassifications	(181)	-	-	(181)
Asset Disposals	(119)	-	-	(119)
Impairment	(2,200)	-	-	(2,200)
Gross Total	201,283	138,425	-	339,708
Accumulated amortization as at January 1, 2021	(39,584)	(52,294)	(2,457)	(94,335)
Amortization for the period	(18,249)	(9,228)	-	(27,477)
Asset Disposals	(1)	-	2,457	2,456
Impairment	2,057	-	-	2,057
Total amortization	(55,777)	(61,522)	-	(117,299)
Balance as at December 31, 2021	145,506	76,903	-	222,409
Gross balance :				
Balance as at January 1, 2022	201,283	138,425	-	339,708
Acquisitions	9,832	-	-	9,832
Reclassifications	-	-	-	-
Asset Disposals	-	-	-	-
Impairment	-	-	-	-
Other	-	-	-	-
Gross Total	211,115	138,425	-	349,540
Accumulated depreciation as at January 1, 2022	(55,777)	(61,522)	-	(117,299)
Amortization for the period	(5,372)	(2,307)	-	(7,679)
Asset Disposals	-	-	-	-
Impairment	-	-	-	-
Other	-	-	-	-
Total amortization	(61,149)	(63,829)	-	(124,978)
Balances as at March 31, 2022	149,966	74,596	-	224,562

Charges for amortization or value loss on intangible assets are included under "Depreciation and amortization" of the Interim Consolidated Statements of Income.

Note 16 Property and equipment**a) Property and equipment details as follows:**

Property and equipment	Net balance as at	
	03/31/2022	12/31/2021
	MCh\$	MCh\$
Building and land		
Building	60,796	60,796
Land	10,922	10,922
Accumulated depreciation	(17,869)	(17,457)
Other property and equipment		
Equipment	123,407	121,855
Other property and equipment		21,215
Accumulated depreciation	(103,665)	(101,209)
Total property and equipment	73,591	96,122

b) Movement in Property and equipment is as follows:

	Building and Land MCh\$	Equipment MCh\$	Other MCh\$	Total MCh\$
Balance as at January 1, 2021	71,808	117,799	21,731	211,338
Purchase of Property, equipment	-	9	6,744	6,753
Asset disposal	(1,828)	(914)	(148)	(2,890)
Accounts Reclassifications (1)	1,738	4,961	(7,112)	(413)
Transfer to held for sale	-	-	-	-
Gross total	71,718	121,855	21,215	214,788
Accumulated depreciation as at January 1, 2021	(16,313)	(78,273)	(11,819)	(106,405)
Depreciation for the period	(1,647)	(10,828)	(1,069)	(13,544)
Asset disposal	503	668	128	1,299
Accounts Reclassifications (1)	-	(14)	(2)	(16)
Transfer to held for sale	-	-	-	-
Impairment	-	-	-	-
Total depreciation	(17,457)	(88,447)	(12,762)	(118,666)
Balances as at December 31, 2021	54,261	33,408	8,453	96,122
Balance as at January 1, 2022	71,718	121,855	21,215	214,788
Purchase of Property, equipment	-	2	1,718	1,720
Asset disposal	-	(757)	-	(757)
Accounts Reclassifications (1)	-	2,307	(2,271)	36
Transfer to held for sale	-	-	-	-
Gross total	71,718	123,407	20,662	215,787
Accumulated depreciation as at January 1, 2022	(17,457)	(88,447)	(12,762)	(118,666)
Depreciation for the period	(412)	(2,673)	(236)	(3,321)
Asset disposal	-	489	-	489
Accounts Reclassifications (1)	-	(36)	-	(36)
Transfer to held for sale	-	-	-	-
Impairment	-	-	-	-
Total depreciation	(17,869)	(90,667)	(12,998)	(121,534)
Balances as at March 31, 2022	53,849	32,740	7,664	94,253

(1) Corresponds mainly to amounts that at the beginning lacks individual identification. These, once the purchase or construction is completed, are transferred to the final asset.

Charges for depreciation of Property and equipment are included under "Depreciation and amortization" of the Interim Consolidated Statements of Income.

Note 17 Right-of-use Assets under lease contracts and lease liabilities under lease contracts

a) The composition of assets for the right to use leased assets is as follows:

Assets for the right -to -use leased assets	Net balance as at	
	03/31/2022 MCh\$	12/31/2021 MCh\$
Building and land		
Building	186,210	192,209
Land	-	-
Accumulated depreciation	(35,240)	(34,539)
Leased property improvements		
Leased property improvements	43,431	45,294
Accumulated depreciation	(20,313)	(21,292)
Total assets for the right- to- use leased assets	174,088	181,672

b) Movement of assets for right-to use leased assets is as follows:

	Building and Land MCh\$	Leased property improvements MCh\$	Equipment MCh\$	Other Property, equipment MCh\$	Other intangible assets MCh\$	Total MCh\$
Gross balance :						
Balance as at January 1, 2021	188,235	45,640	-	-	-	233,875
Adjustment due to liability remeasurement	10,327	-	-	-	-	10,327
Additions	-	288	-	-	-	288
Increase due to contract modification	650	-	-	-	-	650
Reclassifications (1)	-	594	-	-	-	594
Withdrawals / Derecognition	(7,003)	(1,228)	-	-	-	(8,231)
Gross total	192,209	45,294	-	-	-	237,503
Balance as at January 1, 2021	(23,703)	(19,464)	-	-	-	(43,167)
Impairment	-	-	-	-	-	-
Depreciation for the period	(12,507)	(2,897)	-	-	-	(15,404)
Reclassifications	-	16	-	-	-	16
Withdrawals / Derecognition	1,671	1,053	-	-	-	2,724
Total depreciation	(34,539)	(21,292)	-	-	-	(55,831)
Balance as at December 31, 2021	157,670	24,002	-	-	-	181,672
Balance as at January 1, 2022	192,209	45,294	-	-	-	237,503
Adjustment for liability remeasurement	3,674	-	-	-	-	3,674
Additions	136	30	-	-	-	166
Increase due to contract modification	250	-	-	-	-	250
Reclasifications (1)	-	(36)	-	-	-	(36)
Withdrawals / Derecognition	(10,059)	(1,857)	-	-	-	(11,916)
Gross total	186,210	43,431	-	-	-	229,641
Balance as at January 1, 2022	(34,539)	(21,292)	-	-	-	(55,831)
Impairment	-	-	-	-	-	-
Depreciation for the period	(2,991)	(680)	-	-	-	(3,671)
Reclassifications	-	36	-	-	-	36
Withdrawals / Derecognition	2,290	1,623	-	-	-	3,913
Total depreciation	(35,240)	(20,313)	-	-	-	(55,553)
Balance as at March 31, 2022	150,970	23,118	-	-	-	174,088

- (1) Corresponds mainly to amounts that initially lacks individual identification. These, once the purchase or construction is completed (in the case of remodeling leased offices), are transferred to the final asset.

Depreciation charges for right-of-use assets are included under "Depreciation and amortization" in the Interim Consolidated Statements of Income.

The Bank's lease contracts consist mainly of real estate leases, intended for the development of its operational functions. The contracts contain renewal options and for those for which there is reasonable certainty that this option will be exercised, the Bank establishes a 10-year horizon as the lease period used to measure the liability and the asset corresponds to that period.

As at March 31, 2022 and 2021, the Bank has no expenses related to low value leases. Expenses related to short-term leases amount to MCh\$1,159 as at March 31, 2022 (MCh\$1,178 as at March 31, 2021) and are included under "Administrative expenses" of the Interim Consolidated Statements of Income.

The income received from the sublease on the right to use assets corresponds to MCh\$448 as at March 31, 2022 and MCh\$117 as at March 31, 2021, which are included under "Other Operating Income" of the States of the Interim Consolidated Result. As at March 31, 2022, no income was received from the sublease of asset use rights.

As at March 31, 2022 and 2021, no results were generated from sale-with-leaseback transactions.

c) Leasing contracts obligations

The movement of obligations for lease contracts and flows is detailed as follows

Lease Liability	Movement for the periods ended as at	
	03/31/2022 MCh\$	12/31/2021 MCh\$
Balances as at January 1	163,775	168,763
Lease liabilities generated	136	-
Increase due to contract modification	250	650
Modification of contract - subsidiaries	-	-
Interest expense	1,058	4,282
Capital payments (1)	(2,630)	(10,356)
Interests Payments (1)	(1,058)	(4,282)
Contract adjustments	3,674	10,327
Payments due to cancellation/termination of leases	(8,072)	(5,559)
Prepaid leases	-	(24)
Concessions effect COVID-19	-	(26)
Total	157,133	163,775
(1) Total Payments associated with lease liabilities in the period	(3,688)	(14,638)

d) Flows of obligations due to lease contracts

The Bank maintains lease agreements on certain assets for its operating functions. The following table shows the analysis of the flows of contractual maturities:

Lease contract flows	Up to 1 month	Between 1 and 3 months	Between 3 months and 1 year	Between 1 and 5 years	More than 5 years	Total
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
As at March 31, 2022	1,291	2,582	11,579	60,238	128,647	204,337
As at March 31, 2021	1,238	2,477	11,110	57,057	133,815	205,697

The Bank's lease contracts consist mainly of real estate leases, intended for the development of its operational functions. The contracts contain renewal options and for those for which there is reasonable certainty that this option will be exercised, the Bank establishes a 10-year horizon as the lease period used to measure the liability and the asset corresponding to that period.

Note 18 Taxes

a) Current Taxes

	03/31/2022	12/31/2021
	MCh\$	MCh\$
Assets :		
Income tax, 27% tax rate	(13,398)	(10,389)
One-off tax under Article 21, 40% tax rate	-	-
Income tax, absorbed subsidiaries	-	-
Less :		
Monthly tax provisional payments	18,293	14,868
Credit for training expenses	66	66
Credit 104 Income Tax Law	18	18
Previous year recoverable tax	477	499
Other	-	-
Total current tax asset	5,456	5,062
Liabilities :		
Income tax , 27% tax rate	(119,253)	(148,526)
One-off tax under Article 21, 40% tax rate	(45)	(38)
Previous year income tax	-	-
Income tax, absorbed subsidiaries	-	-
Less:		
Monthly tax provisional payments	61,812	45,828
Credit for training expenses	625	625
Previous year recoverable tax	14,406	14,406
Credit 104 Income Tax Law	2,713	2,142
Other	58	(32)
Total current tax liability	(39,684)	(85,595)

b) Effect on net income

The effect of tax expenditure is made up of the following concepts:

	03/31/2022 MCh\$	03/31/2021 MCh\$
Income tax expenses:		
Current year tax	(15,632)	(39,132)
Excess (deficit) allowance previous year	-	-
Previous years tax	-	-
Credit (charge) due to deferred taxes:		
Origination and reversal of temporary differences current year	(4,308)	5,898
Origination and reversal of temporary differences prior year	-	-
Subtotal	(19,940)	(33,234)
Tax for rejected expenses Article N°21	(6)	(4)
Other	-	-
Net charge to Income for income tax	(19,946)	(33,238)

c) Effect of tax recorded in equity

The effect of tax recorded in equity corresponds to the following items:

	03/31/2022 MCh\$	12/31/2021 MCh\$
Financial investments at fair value with changes in other comprehensive income	7,521	52,190
Employee defined benefit plans	(2)	(11)
Derivatives in cash flow hedges	42,488	(55,478)
Effects of first application Accounting Standards Compendium	(3,599)	-
Total (charge) credit in equity	46,408	(3,299)

d) Deferred tax Assets and Liabilities

Taxable and deductible differences that make up the deferred tax balances are detailed as follows:

Concept	03/31/2022 MCh\$	12/31/2021 MCh\$
Deferred tax assets associated to goodwill	15,687	18,452
Deferred tax assets associated with mortgage servicing rights	-	-
Deferred tax assets associated with other intangibles	32,157	30,393
Deferred tax assets associated with defined benefit pension plans	354	410
Deferred tax assets associated with deductible temporary differences	-	-
Loan Provisions	173,648	170,435
Financial penalties of loans that are tax assets	-	-
Income from interest and adjustments with accrual suspended for loans in impaired portfolio	5,358	3,638
Provisions for employee benefit obligations	10,812	10,876
Leasing operations	103,144	97,873
Other	58,393	68,287
Deferred tax assets not associated with deductible temporary differences	-	-
Unused Bank Tax Losses	-	-
Tax losses of unused subsidiaries	1,713	1,326
Unused tax credits	-	-
Other	-	-
Total deferred tax assets	401,266	401,690
Deferred tax liabilities associated to goodwill	-	-
Deferred tax liabilities associated with mortgage servicing rights	-	-
Deferred tax liabilities associated with other intangibles	(46,315)	(45,819)
Deferred tax liabilities associated with defined benefit pension plans	-	-
Deferred tax liabilities associated with taxable temporary differences	-	-
Tax-financial differences of property, equipment	(1,594)	(1,462)
Leasing operations	-	-
Changes in the fair value of financial assets at fair value with changes in other comprehensive income	-	-
Other changes in accumulated other comprehensive income	55,698	50,250
Other	(8,316)	(3,557)
Deferred tax liabilities not associated with taxable temporary differences	-	-
Goodwill for significant investments in companies measured using equity method (associates and/or joint ventures)	-	-
Total deferred tax liabilities	(527)	(588)

e) Reconciliation of effective tax rate

Below is detailed the reconciliation between income tax rate and effective rate applied in determining tax expense.

	Tax Rate %	03/31/2021 MCh\$
Income before corporate income tax	27.00%	39,546
Permanent differences	(6.98%)	(10,227)
Prior year effect	0.03%	41
Other	2.64%	3,874
Effective Rate and current year income tax proceeds	22.69%	33,234
One-off tax under Article 21, 40% tax rate	0.00%	4
Total income tax expense	22.69%	33,238

	Tax Rate %	03/31/2022 MCh\$
Income before corporate income tax	27.00%	37,730
Permanent differences	(16.07%)	(22,452)
Other	3.34%	4,662
Effective Rate and current year income tax proceeds	14.27%	19,940
One-off tax under Article 21, 40% tax rate	0.00%	6
Total income tax expense	14.27%	19,946

f) Joint Circular No.47 issued by IRS and No.3478 issued by CMF

Transactions and effects generated by application of article 31, No.4 of the Income Tax Law is detailed below. This information relates solely to the Bank's loan transactions and does not consider the operations of subsidiaries which consolidate in these Consolidated Financial Statements

Loans and accounts receivable from customers as at 03/31/2022

Type of loans	Assets at carrying amount in the Financial Statements (*)	Assets at tax value		
		Total	Secured overdue portfolio	Unsecured overdue portfolio
	MCh\$	MCh\$	MCh\$	MCh\$
Commercial loans:	11,072,707	14,268,072	15,007	18,759
Consumer loans:	2,076,892	2,401,042	1	6,106
Mortgage loans:	11,981,640	12,045,881	5,347	90
Total	25,131,239	28,714,995	20,355	24,955

Allowances for past-due loan portfolio as at 03/31/2022

Type of loans	Balance as at December 31, 2021	Write-offs against allowances	Allowances accrued	Allowances released	Balance as at March 31, 2022
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Commercial loans:	25,220	(5,278)	3,173	(4,356)	18,759
Consumer loans:	4,556	(2,812)	5,172	(810)	6,106
Mortgage loans:	89	(3)	5	(1)	90
Total	29,865	(8,093)	8,350	(5,167)	24,955

Direct Write-offs and Recoveries as at 03/31/2022

	MCh\$
Direct write-offs per Art. 31 No. 4 second sub-paragraph	20,154
Debt forgiveness which resulted in the release of allowances	-
Recoveries or renegotiation of loans written-off	11,915

Application of Art. 31 No. 4 first and third sub-paragraphs

	MCh\$
Write-offs per first sub-paragraph	-
Forgiveness per third sub-paragraph	-

Loans and accounts receivable from customers as at 12/31/2021

Type of loans	Assets at carrying amount in the Financial Statements (*)	Assets at tax value		
	Total	Secured overdue portfolio	Unsecured overdue portfolio	
	MCh\$	MCh\$	MCh\$	MCh\$
Commercial loans:	14,027,543	14,328,916	16,201	25,220
Consumer loans:	2,016,253	2,103,715	-	4,556
Mortgage loans:	11,584,289	11,583,781	6,658	89
Total	27,628,085	28,016,412	22,859	29,865

Allowances on past-due loan portfolio as at 12/31/2021

Type of loans	Balance as at December 31, 2020	Write-offs against allowances	Allowances accrued	Allowances released	Balance as at December 31, 2021
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Commercial loans:	87,557	(22,333)	34,496	(74,500)	25,220
Consumer loans:	6,826	(13,975)	18,267	(6,562)	4,556
Mortgage loans:	57	-	55	(23)	89
Total	94,440	(36,308)	52,818	(81,085)	29,865

Direct Write-offs and Recoveries as at 12/31/2021

	MCh\$
Direct write-offs per Art. 31 No. 4 second sub-paragraph	63,018
Debt forgiveness which resulted in the release of allowances	-
Recoveries or renegotiation of loans written-off	47,647

Application of Art. 31 No. 4 first and third sub-paragraphs

	MCh\$
Write-offs per first sub-paragraph	-
Forgiveness per third sub-paragraph	-

(*) In accordance with the abovementioned Circular and instructions of the Internal Revenue Service, the value of assets in financial statements is presented on an individual basis and does not include leasing and factoring operations.

Note 19 Other assets

Other assets details as follows:

	03/31/2022 MCh\$	12/31/2021 MCh\$
Assets to assign in financial leasing as lessor		
Commercial Portfolio	5,270	6,743
Housing Portfolio	-	-
Consumer Portfolio	-	-
Cash guarantees delivered for derivative financial operations		
Cash guarantees delivered for derivative financial operations with a central counterparty entity in the country	91,031	34,606
Cash guarantees delivered for derivative financial transactions with a central counterparty entity abroad	18,597	65,401
Cash guarantees delivered for financial operations of derivatives with other counterparties in the country	392,691	660,552
Cash guarantees delivered for derivative financial transactions with other counterparties abroad	70,226	-
Debtors for brokerage of financial instruments		
Debtors for brokerage on term operations	-	-
Debtors for brokerage on term operations (simultaneous)	-	-
Other accounts receivable from brokerage of financial instruments	-	-
Accounts receivable for use of payment cards with provision of funds		
Commissions receivable from payment cardholders with provision of funds on nominative cards	-	-
Commissions receivable from payment cardholders with provision of funds on non-nominative cards	-	-
Accounts receivable from third parties		
Accounts receivable from companies with significant influence or joint venture for services rendered	-	-
Accounts receivable from other companies with a minority interest for services rendered	-	-
Accounts receivable from the General Treasury of the Republic and other tax agencies	8,288	9,179
Accounts receivable related to student loans	525	540
Accounts receivable related to financial leasing operations	8,238	6,236
Other accounts and documents receivable from third parties	65,552	80,336
Accounts receivable from bank subsidiaries for services rendered (applies only at the individual bank level)	-	-
Investment properties		
Investment properties	-	-
Accumulated depreciations	-	-
VAT tax credit receivable	13,367	14,668
Prepaid expenses	14,301	6,522
Valuation adjustments for macro hedges	-	-
Assets to support obligations for defined benefit post-employment plans	-	-
Income asset from usual activities from contracts with customers	40,348	581
Investments in gold	-	-
Other cash collateral provided	5,314	5,869
Outstanding operations	1,054	2,069
Other assets	24,627	23,049
Accumulated impairment in respect of other assets receivable		
Other assets without a significant increase in credit risk since initial recognition (phase 1)	-	-
Other assets with a significant increase in credit risk since initial recognition, but not credit-impaired (phase 2)	-	-
Other credit-impaired assets (phase 3)	-	-
Total other assets	759,429	916,351

Note 20 Non-current assets and disposal groups held for sale and liabilities included in disposal groups held for sale

a) This item is detailed as follows:

Concept	03/31/2022 MCh\$	12/31/2021 MCh\$
Assets received in payment or adjudicated in judicial auction		
Goods received in payment	662	1,293
Assets adjudicated in judicial auction	9,840	10,037
Provisions for goods received in payment or adjudicated in judicial auction	(2)	(5)
Non-current assets held for sale		
Investments in companies	1,343	-
Intangible assets	-	-
Property and equipment	2,166	2,166
Assets for recovery of assets transferred in financial leasing operations	757	699
Other assets	-	-
Disposal groups for sale	-	-
Total non-current assets and disposal groups for sale	14,766	14,190

Concept	03/31/2022 MM\$	12/31/2021 MM\$
Liabilities Included in Disposal Groups for Sale	-	-
Total Liabilities Included in Disposal Groups for Sale	-	-

b) Movement of goods received in payment or adjudicated in judicial auction

	Goods received in payment	Assets obtained through court- ordered public auction	Investments in companies	Non-current assets held for sale	Total
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Asset					
Balance as at January 1, 2021	3,613	12,681	-	4,024	20,318
Reposessed assets	998	10,503	-	2,236	13,737
Write-offs on goods	(686)	(2,899)	-	-	(3,585)
Alienation	(2,179)	(10,401)	-	-	(12,580)
Regularizations	-	153	-	(2)	151
(Constitution)/Release	-	-	-	(143)	(143)
Sales/Disposals	(453)	-	-	(3,250)	(3,703)
Balance as at December 31, 2021	1,293	10,037	-	2,865	14,195
Provisions					
Balance as at January 1, 2021	(93)	-	-	-	(93)
Provisions constituted	(25)	-	-	-	(25)
Releases on provisions	71	-	-	-	71
Sales/Disposals	4	-	-	-	4
Transfers, other movements and exchange differences	38	-	-	-	38
Balance as at December 31, 2021	(5)	-	-	-	(5)
Net balances as at December 31, 2021	1,288	10,037	-	2,865	14,190
Asset					
Balance as at January 1, 2022	1,293	10,037	-	2,865	14,195
Reposessed assets	292	3,502	-	237	4,031
Write-offs on goods	(51)	(900)	-	-	(951)
Alienation	(493)	(1,866)	-	-	(2,359)
Reclassification Nexus S.A. classified as held for sale	-	-	1,343	-	1,343
Regularizations	-	-	-	-	-
(Constitution)/Release	-	-	-	(63)	(63)
Sales/Disposals	(379)	(933)	-	(116)	(1,428)
Balance as at March 31, 2022	662	9,840	1,343	2,923	14,768
Provisions					
Balance as at January 1, 2022	(5)	-	-	-	(5)
Provisions constituted	(1)	-	-	-	(1)
Releases on provisions	3	-	-	-	3
Sales/Disposals	1	-	-	-	1
Transfers, other movements and exchange differences	-	-	-	-	-
Balance as at March 31, 2022	(2)	-	-	-	(2)
Net balances as at March 31, 2022	660	9,840	1,343	2,923	14,766

Note 21 Financial liabilities held for trading at fair value through profit or loss

Financial liabilities held for trading at fair value through profit or loss are detailed as follows:

	03/31/2022	12/31/2021
	MCh\$	MCh\$
Financial derivative contracts	4,983,371	6,048,514
Other financial instruments	-	-
Total	4,983,371	6,048,514

Financial Derivative contracts are detailed as follows:

As at March 31, 2022		Notional amount of contracts with final maturity (1)							Fair value
Product	Risk	On-demand	Up to 1 month	1 to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	Over 5 years	
		MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Forward									
Future arbitration	Currency	12,779	344,149	586,593	706,906	364,584	119,298	-	36,964
Paper forward	Rate	-	-	-	-	-	-	-	-
Exchange insurance	Currency	1,935,388	10,277,020	7,666,744	9,592,405	2,099,091	569,520	365,629	706,494
Inflation insurance	Rate	635	1,290,027	1,386,508	5,308,512	2,937,610	1,711,462	3,766,744	647,880
Forward subtotal		1,948,802	11,911,196	9,639,845	15,607,823	5,401,285	2,400,280	4,132,373	1,391,338
Options									
Call Option	Currency	-	-	-	-	-	-	-	-
Put Option	Currency	-	-	-	-	-	-	-	-
Subtotal options		-	-	-	-	-	-	-	-
Swap									
Cross currency swap	Rate and currency	-	133,785	507,162	3,103,576	6,041,923	3,384,612	6,009,036	1,286,930
Rate swap	Rate	40,800	2,102,852	3,573,118	14,756,077	26,307,544	18,582,791	26,022,566	2,305,103
Subtotal Swap		40,800	2,236,637	4,080,280	17,859,653	32,349,467	21,967,403	32,031,602	3,592,033
Total		1,989,602	14,147,833	13,720,125	33,467,476	37,750,752	24,367,683	36,163,975	4,983,371

As at December 31, 2021		Notional amount of contracts with final maturity (1)							Fair value
Product	Risk	On-demand	Up to 1 month	1 to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	Over 5 years	
		MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Forward									
Future arbitration	Currency	25,027	389,402	448,590	362,278	571,860	148,885	-	25,502
Paper forward	Rate	-	29,497	-	-	-	-	-	-
Exchange insurance	Currency	605,352	8,628,269	2,215,402	9,152,771	11,837,768	619,342	259,682	1,046,809
Inflation insurance	Rate	89,611	962,078	2,602,716	1,385,432	3,791,487	1,439,016	3,370,174	462,485
Forward subtotal		719,990	10,009,246	5,266,708	10,900,481	16,201,115	2,207,243	3,629,856	1,534,796
Options									
Call Option	Currency	-	-	-	-	-	-	-	-
Put Option	Currency	-	-	-	-	-	-	-	-
Subtotal options		-	-	-	-	-	-	-	-
Swap									
Cross currency swap	Rate and currency	20,907	266,318	5,965,464	804,680	2,731,630	3,906,791	6,216,463	2,189,265
Rate swap	Rate	72,291	1,822,105	28,794,798	5,430,875	13,402,927	19,107,757	29,245,003	2,324,453
Subtotal Swap		93,198	2,088,423	34,760,262	6,235,555	16,134,557	23,014,548	35,461,466	4,513,718
Total		813,188	12,097,669	40,026,970	17,136,036	32,335,672	25,221,791	39,091,322	6,048,514

(1) The tranches of the remaining maturities were determined based on the notional amounts of the financial instruments

Note 22 Financial liabilities at amortized cost

Financial liabilities at amortized cost are detailed as follows:

	03/31/2022 MCh\$	12/31/2021 MCh\$
Deposits and other sight obligations	6,382,260	7,221,450
Deposits and other term deposits	10,142,364	9,462,566
Obligations for repurchase agreements and securities lending	205,888	379,970
Obligations with banks	5,424,320	5,685,253
Debt financial instruments issued	6,923,163	6,658,038
Other financial obligations	78,458	83,610
Total	29,156,453	29,490,887

a) Deposits and other demand obligations

	03/31/2022 MCh\$	12/31/2021 MCh\$
Checking accounts	4,762,567	5,297,259
Demand deposit accounts	644,593	792,503
Other demand deposits	210,667	275,274
Obligations for fund provision accounts for payment cards	-	-
Other demand obligations	764,433	856,414
Total	6,382,260	7,221,450

b) Deposits and other term deposits

	03/31/2022 MCh\$	12/31/2021 MCh\$
Time deposits	10,032,501	9,354,971
Term saving accounts	109,863	107,595
Other	-	-
Total	10,142,364	9,462,566

c) Obligations due to Repurchase agreements and securities lending

	03/31/2022 MCh\$	12/31/2021 MCh\$
Operations with banks :		
Repurchase agreements - Banco Central de Chile	-	149,040
Operations with banks abroad	-	-
Operations with other local entities		
Repurchase agreements	204,755	230,362
Securities lending obligations	1,133	568
Operations with other entities abroad	-	-
Total	205,888	379,970

d) Obligations with Banks

	03/31/2022 MCh\$	12/31/2021 MCh\$
Local Banks		
Foreign trade financing	-	-
Borrowings and other obligations	-	-
Banks abroad		
Foreign trade financing	1,125,533	1,063,238
Borrowings and other obligations	1,268,762	1,591,989
Banco central de Chile		
Borrowings and other obligations (1)	3,030,025	3,030,026
Total	5,424,320	5,685,253

- (1) Starting from April 2020, the Board of the Banco Central de Chile established a series of measures to provide liquidity to the economy, support the flow of credits and the transmission of monetary policy. A central component of these measures is the Credit Facility Conditional on Increased Loans (FCIC) and the Liquidity Credit Line (LCL).

e) Debt securities issued

	03/31/2022	12/31/2021
	MCh\$	MCh\$
Letter of Credit (1)	102,498	104,505
Current Bonds (2)	6,820,665	6,553,533
Total	<u>6,923,163</u>	<u>6,658,038</u>

- (1) During the period between January 1 and March 31, 2022 and January 1 and December 31, 2021, no new letters of credit have been issued.
- (2) During the period between January 1 and March 31, 2022, and January 1 and December 31, 2021, the following domestic and international current bonds have been issued.

Period between January 1 and March 31, 2022:

Series	Amount	Term (years)	Annual issuance rate	Currency	Issue date	Maturity date
9	30,000,000	10	3.400	AUD	01-12-22	01-27-32
10	3,000,000,000	5	0.522	JPY	02-24-22	03-24-27
BG	4,000,000	6	3.000	UF	03-01-22	03-09-28
BH	4,000,000	7	3.000	UF	03-01-22	03-09-29
BI	4,000,000	8	3.000	UF	03-01-22	03-09-30
BJ	4,000,000	11	3.000	UF	03-01-22	03-03-33

Fiscal year between January 1 and December 31, 2021:

Series	Amount	Term (years)	Annual issuance rate	Currency	Issue date	Maturity date
1	175,000,000	5	0.385	CHF	06-29-21	07-22-26
2	50,000,000	5	1.768	USD	08-19-21	08-26-26
3	125,000,000	5	2.160	USD	10-20-21	11-10-26
4	5,000,000,000	5	0.500	JPY	10-26-21	11-10-26
5	110,000,000	5	0.418	CHF	11-04-21	03-31-27
6	30,000,000	10	3.350	AUD	11-10-21	11-24-31
7	5,000,000,000	10	0.750	JPY	11-18-21	12-02-31
8	30,000,000	5	2.750	AUD	12-09-21	12-16-26
BA	5,000,000	9	0.004	UF	10-12-21	12-09-29
BB	5,000,000	10	0.004	UF	10-12-21	09-09-30
BC	100,000	4	0.025	MCh\$	10-12-21	06-01-24
BD	5,000,000	12	0.006	UF	10-12-21	09-09-32
BE	5,000,000	13	0.006	UF	10-12-21	09-09-33
BF	100,000	4	0.025	MCh\$	10-12-21	12-01-24

The Bank had no principal or interest defaults or other defaults with respect to its debt financial instruments issued during the periods ended March 31, 2022 and December 31, 2021.

f) Other financial obligations

	03/31/2022	12/31/2021
	MCh\$	MCh\$
Other financial obligations in the country		
Due to affiliated entities for the use of credit cards	1,806	1,966
Due to operators for debit and credit card operation services	75,980	78,822
Obligations in favor of Chilean exporters	672	2,822
Other financial obligations abroad	-	-
Total	78,458	83,610

Note 23 Regulatory capital financial instruments issued

Regulatory capital financial instruments issued are detailed as follows:

	03/31/2022	12/31/2021
	MCh\$	MCh\$
Subordinated bonds	779,268	756,368
Bonds with no fixed term of maturity	-	-
Preferred shares	-	-
Total	779,268	756,368

During the period between January 1 and March 31, 2022 and January 1 and December 31, 2021, no new subordinated bonds have been issued.

The Bank had no principal or interest defaults or other defaults with respect to its subordinated liabilities during the periods ended March 31, 2022 and December 31, 2021.

The movement of issued regulatory capital financial instruments is detailed as follows:

	03/31/2022 MCh\$	12/31/2021 MCh\$
Balance at Beginning of Period	756,367	730,285
New issues performed (subordinated bonds, bonds without a fixed maturity date, preferred shares)	-	-
Acquisition or redemption by the issuer (bonds with no fixed maturity term, preferred shares)	-	-
Modification of issuance conditions (subordinated bonds, bonds without a fixed maturity term, preferred shares)	-	-
Payment of interest to the holder (subordinated bonds)	(376)	-
Principal payment to the holder (subordinated bonds)	-	-
Accrued interest (subordinated bonds)	6,466	-
Adjustments accrued by the UF and/or the exchange rate (subordinated bonds, bonds without a fixed maturity term)	16,811	26,083
Exchange differences (subordinated bonds, bonds without a fixed maturity date)	-	-
Depreciation (bonds with no fixed maturity term)	-	-
Repricing (bonds with no fixed maturity term)	-	-
Expiration(bonds with no fixed maturity period)	-	-
Conversion to common shares (subordinated bonds, bonds with no fixed maturity term, preferred shares)	-	-
Other	-	-
Balance at the End of the Period	779,268	756,368

Note 24 Provisions for contingencies

a) Detail of Provisions for contingencies of the Interim Consolidated Statements of Financial Position:

	03/31/2022 MCh\$	12/31/2021 MCh\$
Allowances for employee benefit obligations	35,238	32,048
Allowances of a foreign bank branch for remittances of profits to its parent company	-	-
Allowances for restructuring plans (1)	7,774	9,350
Allowances for trials and litigation (2)	13,025	13,197
Allowances due to customer loyalty and merit program obligations	-	-
Allowances for operational risk	-	-
Contract contingency allowance (3)	1,415	1,068
Other allowances due to contingencies	1,879	1,145
Total	59,331	56,808

- (1) As at March 31, 2022, exists a provision amounting to MCh\$7,774 (MCh\$9,350 as at December 31, 2021) related to restructuring plans due to restructuring implemented by Scotiabank that is part of the company's strategic plan, which is in process of modernization and digital transformation, and responds to the permanent evaluation that the Bank carries out on the business.
- (2) For a better understanding of provisions, please refer to Note 29 "Contingencies and commitments"
- (3) Corressponds to the provision for methodical savings contracts of the subsidiary Scotia Azul Sociedad de Leasing Inmobiliario S.A.

b) Movements in provisions are detailed as follows:

	Allowances due to employee benefit obligations MCh\$	Allowances of a foreign bank branch for remittances of profits to its parent company MCh\$	Allowances due to restructuring plans MCh\$	Allowances due to trials and litigation MCh\$	Allowances due to customer loyalty program obligations MCh\$	Allowances due to operational risk MCh\$	Other contingent allowances MCh\$	Total MCh\$
Balance as at January 1, 2022	32,048	-	9,350	13,197	-	-	2,213	56,808
Allowances constituted	22,093	-	-	-	-	-	1,103	23,196
Allowances application	(18,903)	-	(1,576)	(172)	-	-	(22)	(20,673)
Allowances Releases	-	-	-	-	-	-	-	-
Balance as at March 31, 2022	35,238	-	7,774	13,025	-	-	3,294	59,331

	Allowances due to employee benefit obligations MCh\$	Allowances of a foreign bank branch for remittances of profits to its parent company MCh\$	Allowances due to restructuring plans MCh\$	Allowances due to trials and litigation MCh\$	Allowances due to customer loyalty program obligations MCh\$	Allowances due to operational risk MCh\$	Other contingent allowances MCh\$	Total MCh\$
Balance as at January 1, 2021	29,191	-	-	22,735	-	-	1,524	53,450
Allowances constituted	107,554	-	9,350	4,457	-	-	765	122,126
Allowances application	(104,697)	-	-	-	-	-	-	(104,697)
Allowances Releases	-	-	-	(13,995)	-	-	(76)	(14,071)
Balance as at December 31, 2021	32,048	-	9,350	13,197	-	-	2,213	56,808

c) Details of Provisions for employee benefits and remuneration:

	03/31/2022 MCh\$	12/31/2021 MCh\$
Provision of short-term employee benefits	31,026	28,539
Provision of benefits to employees post-employment	-	-
Provision of long-term employee benefits	3,538	2,723
Provision of benefits to employees for termination of employment contract	674	786
Provision for payments to employees based on shares or equity instruments	-	-
Provision obligations post-employment plans on defined contribution	-	-
Provision obligations post-employment plans on defined contribution	-	-
Provision for other staff obligations	-	-
Total	35,238	32,048

d) Movements of Provisions due to benefits to employees

	As at March 31, 2022		As at December 31, 2021	
	Provision of long-term employee benefits MCh\$	Provision of benefits to employees for termination of employment contract MCh\$	Provision of long-term employee benefits MCh\$	Provision of benefits to employees for termination of employment contract MCh\$
Balance as at January 1	882	536	1,073	599
Included in the result of the period:				
Cost of present service	25	(2)	79	25
Costs for past services	-	-	(27)	-
Interest cost	10	7	17	12
Result from actuarial measurements	(22)	-	(78)	-
Unprovisioned paid benefits	-	-	-	-
Sub-Total	13	5	(9)	37
Included in other comprehensive income:				
Result from actuarial measurements	-	(8)	-	(100)
Sub-Total	-	(8)	-	(100)
Other:				
Payment of benefits	(118)	-	(182)	-
Sub-Total	(118)	-	(182)	-
Total	777	533	882	536

As at March 31, 2022, MCh\$2,761 have been provisioned to cover long-term benefits other than those affected by actuarial calculation (MCh\$1,841 as at December 31, 2021).

As at March 31, 2022, MCh\$141 have been provisioned to cover compensation for years of service other than those affected by actuarial calculation (MCh\$250 as at December 31, 2021).

e) Actuarial assumptions for employee benefits

The main weighted average Assumptions to determine the benefit obligations at the end of the period are:

	Provision of long-term employee benefits		Provision of benefits to employees for termination of employment contract	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Discount rate	8.00%	6.00%	8.00%	6.00%
Salary increase rate	N/A	N/A	8.00%	6.25%
Rate of inflation	6.00%	4.25%	6.00%	4.25%

The main weighted average assumptions to determine the cost of the defined benefit are:

	Provision of long-term employee benefits		Provision of benefits to employees for termination of employment contract	
	03/31/2022	12/31/2021	03/31/2022	12/31/2021
Discount rate	6.00%	1.50%	6.00%	1.50%
Salary increase rate	N/A	N/A	6.25%	5.00%
Rate of inflation	4.25%	2.75%	4.25%	2.75%

The main demographic assumptions used for both benefits are shown in the following chart:

Years	As at March 31, 2022						As at December 31, 2021					
	Mortality		Rotation		Retirement		Mortality		Rotation		Retirement	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
20	0.06%	0.02%	13.87%	13.87%	0.00%	0.00%	0.06%	0.02%	13.87%	13.87%	0.00%	0.00%
25	0.08%	0.02%	13.87%	13.87%	0.00%	0.00%	0.08%	0.02%	13.87%	13.87%	0.00%	0.00%
30	0.08%	0.02%	13.87%	13.87%	0.00%	0.00%	0.08%	0.02%	13.87%	13.87%	0.00%	0.00%
35	0.10%	0.03%	13.87%	13.87%	0.00%	0.00%	0.10%	0.03%	13.87%	13.87%	0.00%	0.00%
40	0.13%	0.04%	13.87%	13.87%	0.00%	0.00%	0.13%	0.04%	13.87%	13.87%	0.00%	0.00%
45	0.19%	0.07%	13.87%	13.87%	0.00%	0.00%	0.19%	0.07%	13.87%	13.87%	0.00%	0.00%
50	0.28%	0.12%	13.87%	13.87%	0.00%	0.00%	0.28%	0.12%	13.87%	13.87%	0.00%	0.00%
55	0.43%	0.19%	14.53%	14.53%	0.00%	0.00%	0.43%	0.19%	14.53%	14.53%	0.00%	0.00%
60	0.73%	0.33%	14.53%	14.53%	0.00%	0.00%	0.73%	0.33%	14.53%	14.53%	0.00%	0.00%
65 an more	1.13%	0.54%	14.53%	14.53%	100.00%	100.00%	1.13%	0.54%	14.53%	14.53%	100.00%	100.00%

Sensitivity analysis

Sensitivity analysis	Allowances of long-term employee benefits						Allowance for employee severance indemnity					
	As at March 31, 2022			As at December 31, 2021			As at March 31, 2022			As at December 31, 2021		
	-100BP	Original	+100BP	-100BP	Original	+100BP	-100BP	Original	+100BP	-100BP	Original	+100BP
Discount rate sensitivity	793	777	761	900	882	864	549	533	518	551	535	520
	16		(16)	18		(18)	16		(15)	16		(15)

Note 25 Provisions for dividends, payment of interests and repricing of regulatory capital financial instruments issued

The composition of "provisions for dividends, payment of interest and revaluation of issued regulatory capital financial instruments" is as follows:

	Payment of interest and repricing of regulatory capital financial instruments issued	Provision for payment of common shares dividends	Provision for payment of dividends on preferred shares	Provision for payment of interest on bonds with no fixed term of maturity	Provision for repricing of bonds without a fixed term of maturity	Total
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Balance as at January 1, 2022	-	127,316	-	-	-	127,316
Consituted provisions	-	33,982	-	-	-	33,982
Application of provisions	-	(127,316)	-	-	-	(127,316)
Release of Provisions	-	-	-	-	-	-
Balance as at March 31, 2022	-	33,982	-	-	-	33,982

	Payment of interest and repricing of regulatory capital financial instruments issued	Provision for payment of common shares dividends	Provision for payment of dividends on preferred shares	Provision for payment of interest on bonds with no fixed term of maturity	Provision for repricing of bonds without a fixed term of maturity	Total
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Balance as at January 1, 2021	-	82,626	-	-	-	82,626
Consituted provisions	-	127,316	-	-	-	127,316
Application of provisions	-	(82,626)	-	-	-	(82,626)
Release of Provisions	-	-	-	-	-	-
Balance as at December 31, 2021	-	127,316	-	-	-	127,316

Note 26 Special allowances for credit losses

a) Composition of “Special allowances for credit losses” of the Interim Consolidated Statements of Financial Position:

	03/31/2022 MCh\$	12/31/2021 MCh\$
Allowances due to credit risk for contingent loans	17,790	30,996
Allowances due to country risk on operations with debtors domiciled abroad	858	229
Special allowances due to loans abroad	-	-
Additional allowances due to commercial loans	99,138	99,138
Additional allowances due to housing loans	32,088	32,088
Additional allowances due to consumer loans	54,535	54,535
Allowances due to adjustments to the minimum provision required for normal portfolio with individual evaluation	-	-
Allowances constituted for loans risk as a result of complementary prudential requirements	-	-
Total	204,409	216,986

b) Allowances detail as follows:

	Allowances for credit risk for contingent loans MCh\$	Allowances due to country risk for operations with debtors domiciled abroad MCh\$	Special allowances due to loans abroad MCh\$	Additional allowances due to loans MCh\$	Allowances due to adjustments to the minimum allowance required for normal portfolio with individual evaluation MCh\$	Allowances constituted due to loan risk as a result of complementary prudential requirements MCh\$	Total MCh\$
Balance as at January 1, 2022	30,996	229	-	185,761	-	-	216,986
First application adjustment	(12,306)	-	-	-	-	-	(12,306)
Constituted allowances	1,470	673	-	-	-	-	2,143
Application of allowances	-	-	-	-	-	-	-
Allowances Release	(1,833)	(44)	-	-	-	-	(1,877)
Exchange rate effect on allowances	(537)	-	-	-	-	-	(537)
Balance as at March 31, 2022	17,790	858	-	185,761	-	-	204,409

	Allowances for credit risk for contingent loans MCh\$	Allowances due to country risk for operations with debtors domiciled abroad MCh\$	Special allowances due to loans abroad MCh\$	Additional allowances due to loans MCh\$	Allowances due to adjustments to the minimum allowance required for normal portfolio with individual evaluation MCh\$	Allowances constituted due to loan risk as a result of complementary prudential requirements MCh\$	Total MCh\$
Balance as at January 1, 2021	28,302	1,397	-	84,808	-	-	114,507
Constituted allowances	9,823	400	-	120,953	-	-	131,176
Application of allowances	-	-	-	-	-	-	-
Allowances Release	(7,129)	(1,568)	-	(20,000)	-	-	(28,697)
Balance as at December 31, 2021	30,996	229	-	185,761	-	-	216,986

Note 27 Other Liabilities

Other Liabilities detail as follows:

Detail	03/31/2022 MCh\$	12/31/2021 MCh\$
Cash guarantees received due to derivative financial operations		
Cash guarantees received due to derivative financial operations with a central counterparty entity within the country	64,294	64,294
Cash guarantees received due to derivative financial operations with a central counterparty entity abroad	-	-
Cash guarantees received due to derivative financial operations with other counterparties within the country and abroad	353,164	352,847
Creditors due to intermediation of financial instruments		
Creditors due to intermediation of term operations	-	-
Creditors due to brokerage of term operations (simultaneous)	-	-
Other accounts payable due to brokerage of financial instruments	-	-
Accounts payable to third parties		
Accounts payable for employee benefit obligations	1	-
Accounts payable for social security contributions and employee taxes.	4,636	11,923
Accounts payable to companies with significant influence or joint venture for services received	1	-
Accounts payable to other companies with minority participation due to services received	-	-
Accounts payable to the General Treasury of the Republic and other fiscal entities	6,905	4,952
Accounts payable related to student loans	-	-
Accounts payable related to finance lease loans	6,499	9,774
Provisions due to expenses on pending payment	31,470	23,861
Balance of price and other obligations payable regarding the acquisition of goods to assign in financial leasing as lessor	20,491	20,206
Other accounts and documents payable to third parties	36,566	41,264
Accounts payable by bank subsidiaries (applies only at the individual level of the bank subsidiary)	-	-
Agreed Dividends Payable		
Agreed dividends payable on common shares	372	213
Agreed dividends payable on preferred shares	-	-
Valuation adjustments for macro hedges	-	-
Liability for income from regular activities due to contracts with customers		
Deferred income from loyalty programs and merits for customers	5,479	5,358
Deferred income due to unearned insurance brokerage commissions	371	184
Deferred income due to unearned insurance premium collection commissions	3,181	6,957
Other deferred income received in advance	62,877	62,178
VAT Fiscal Debit	8,506	8,968
Other cash guarantees received	24	24
Outstanding operations	4,625	4,784
Other liabilities	4,203	4,336
Total other liabilities	613,665	622,123

Note 28 Equity

a) Shareholding structure

As at March 31, 2022 and December 31, 2021, the Bank's authorized capital is made up of 12,244,885,748 registered shares, all of the same series and without par value, of which 100% are effectively subscribed and paid.

	As at 03/31/2022	As at 12/31/2021
Number of shares	12,244,885,748	12,244,885,748
Issuance of paid shares	-	-
Issuance of subscribed and unpaid shares	-	-
Issued shares	<u>12,244,885,748</u>	<u>12,244,885,748</u>

As at March 31, 2022 and December 31, 2021, the Bank does not hold its own shares, as do the Companies participating in the consolidation.

As of March 31, 2022 and December 31, 2021, the distribution of shareholders is as follows:

Name of shareholder or Company Name	As at March 31, 2022		As at December 31, 2021	
	Number of shares	Ownership %	Number of shares	Ownership %
Nova Scotia Inversiones Ltda.	10,166,944,924	83.03%	10,166,944,924	83.03%
Inversiones Caburga Limitada	979,844,372	8.00%	979,844,372	8.00%
Inversiones SH Seis Limitada	403,299,381	3.29%	403,299,381	3.29%
Inversiones Santa Virginia S.A.	266,234,568	2.17%	266,234,568	2.17%
Inversiones del Pacifico S.A.	245,033,178	2.00%	245,033,178	2.00%
Other minority shareholders	183,529,325	1.50%	183,529,325	1.50%
Total	<u>12,244,885,748</u>	<u>100.0%</u>	<u>12,244,885,748</u>	<u>100.0%</u>

b) Capital increase

During the period between January 1, 2022 and March 31, 2022, no capital increases were recorded.

c) Dividends paid and reserves

At the regular shareholders' meeting of the Bank held on March 31, 2022, it was agreed to distribute 40% of the profits for fiscal 2021, which in total amounts to MCh\$169,754 equivalent to a dividend of Ch\$13,86326 per share and allocate the remainder to the reserve fund for undistributed profits.

At the regular shareholders' meeting of Scotiabank Chile held on March 25, 2021, it was agreed to distribute 40% of the profits for fiscal 2020, which in total amounts to MCh\$110,168, equivalent to a dividend of Ch\$8,99705 per share and allocate the remainder to the reserve fund for undistributed profits.

d) Earnings per share

As at March 31, 2022 and December 31, 2021, the composition of diluted profit and basic profit is as follows:

	Balance as at 03/31/2022	Balance as at 12/31/2021
Result attributable to the owners of the bank (MCh\$)	113,274	103,042
Weighted average number of shares	12,244,885,748	12,244,885,748
Earning per share (Ch\$)	<u>9.25</u>	<u>8.42</u>

As at March 31, 2022 and December 31, 2021, the Bank does not have instruments that generate dilutive effects.

e) Other comprehensive results:

The composition of Other Comprehensive Income is as follows:

Sources of changes in Accumulated Other Comprehensive Income (MCh\$)	Items that will not be reclassified in results				Elements that can be reclassified in results							
	New measurements of the liability (asset) for net defined benefits and actuarial results for other employee benefit plans	Net changes in fair value of equity instruments designated at fair value with changes in other comprehensive income	Income Tax	Subtotal:	Changes in the fair value of financial assets at fair value with changes in other comprehensive income	Translation differences by entities abroad	Accounting hedging of net investments in entities abroad	Cash flow accounting hedge	Participation in other comprehensive income of entities registered under equity method	Other	Income Tax	Subtotal:
Closing balances as at December 31, 2021 before restatement as at January 1, 2022	-	-	-	-	(183,496)	-	-	(101,115)	-	-	77,112	(207,499)
Effects of changes in accounting policies	42	2,546	(11)	2,577	(2,305)	-	-	-	(33)	(208)	-	(2,546)
Opening balances as at January 1, 2022	42	2,546	(11)	2,577	(185,801)	-	-	(101,115)	(33)	(208)	77,112	(210,045)
Income (loss) for the period	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income for the period	8	(38)	(2)	(32)	(27,553)	-	-	(156,854)	-	-	50,009	(134,398)
Closing balances as at March 31, 2022	50	2,508	(13)	2,545	(213,354)	-	-	(257,969)	(33)	(208)	127,121	(344,443)
Opening balances as at January 1, 2021	-	-	-	-	12,073	-	-	(305,701)	-	-	80,400	(213,228)
Effects of changes in accounting policies	(59)	3,474	-	3,415	(3,233)	-	-	-	(33)	(208)	-	(3,474)
Opening balances as at January 1, 2021	(59)	3,474	-	3,415	8,840	-	-	(305,701)	(33)	(208)	80,400	(216,702)
Income (loss) for the period	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income for the period	(18)	(91)	-	(109)	(46,455)	-	-	72,438	-	-	(7,130)	18,853
Closing balances as at March 31, 2021	(77)	3,383	-	3,306	(37,615)	-	-	(233,263)	(33)	(208)	73,270	(197,849)

f) Accounting equity

Accounting equity is detailed as follows:

	03/31/2022 MCh\$	12/31/2021 MCh\$
Capital		
Paid-in capital	1,246,706	1,246,706
Surcharge paid for shares	121,715	121,715
Shares acquired by the bank	-	-
Reserves		
Other reserves not related to earnings	17,880	10,296
Reserves from earnings	364,386	364,386
Accumulated Other Comprehensive Income		
Elements that are not reclassified in results:		
Actuarial results for defined benefit plans	50	42
Net changes in fair value of equity instruments designated at fair value with changes in other comprehensive income	2,508	2,546
Fair value changes of financial liabilities designated at fair value through profit or loss attributable to changes in the credit risk of the financial liability	-	-
Participation in other comprehensive income of entities registered under equity method	-	-
Non-current assets and disposal groups for sale	-	-
Other	(13)	(11)
Elements that can be reclassified in results:		
Fair value changes of financial assets at fair value with changes in other comprehensive income	(155,571)	(135,539)
Translation differences by entities abroad	-	-
Accounting hedging of net investments in entities abroad	-	-
Adjustment of cash flow hedge derivatives	(188,630)	(74,264)
Elements not designated of accounting hedge instruments	-	-
Participation in other comprehensive income of entities registered under equity method	(33)	(33)
Adjustment of available-for-sale investments	-	-
Other	(209)	(209)
Retained earnings from previous periods	1,095,630	840,999
Profit (loss) for the period	113,274	424,385
Provisions for minimum dividends	(33,982)	(127,316)
Owners' equity	2,583,711	2,673,703
From Non-Controlling Interest	119,336	127,420
Total Equity	2,703,047	2,801,123

g) Non-controlling interest

Non-controlling interest in subsidiaries is made up of the following entities:

As at March 31, 2022	Non-controlling interest %	Non-controlling interest MCh\$	Results attributable to non-controlling interest MCh\$	Payment of dividends at non-controlling interest MCh\$
CAT Administradora de Tarjetas S.A.	49.00%	106,326	5,038	(15,020)
CAT Corredores de Seguros y Servicios S.A.	49.00%	6,447	712	(1,008)
Servicios Integrales S.A.	49.00%	1,237	396	(118)
Administradora y Procesos S.A.	49.00%	4,370	313	(494)
Scotia Corredora de Bolsa Chile Limitada	0.01%	7	-	-
Bandesarrollo Sociedad de Leasing Inmobiliario S.A.	0.09%	12	1	-
Scotia Asesorías Financieras Ltda.	1.26%	184	33	-
Scotia Azul Sociedad de Leasing Inmobiliario S.A.	2.51%	753	27	-
Total		119,336	6,520	(16,640)

As at December 31, 2021	Non-controlling interest %	Non-controlling interest MCh\$	Results attributable to non-controlling interest MCh\$	Payment of dividends at non-controlling interest MCh\$
CAT Administradora de Tarjetas S.A.	49.00%	114,267	23,107	(3,435)
CAT Corredores de Seguros y Servicios S.A.	49.00%	6,743	1,551	(700)
Servicios Integrales S.A.	49.00%	959	181	(273)
Administradora y Procesos S.A.	49.00%	4,551	761	(962)
Scotia Corredora de Bolsa Chile Limitada	0.01%	7	1	-
Bandesarrollo Sociedad de Leasing Inmobiliario S.A.	0.09%	11	1	-
Scotia Asesorías Financieras Ltda.	1.26%	151	118	(142)
Scotia Azul Sociedad de Leasing Inmobiliario S.A.	2.51%	731	57	-
Total		127,420	25,777	(5,512)

The summary of the financial information of the Bank's subsidiaries with significant non-controlling interest is as follows:

As at March 31, 2022	Profit for the period MCh\$	Total Assets MCh\$	Total Liabilities MCh\$
CAT Administradora de Tarjetas S.A.	10,283	1,389,118	1,176,239
CAT Corredores de Seguros y Servicios S.A.	1,453	26,084	13,509
Servicios Integrales S.A.	808	4,874	2,672
Administradora y Procesos S.A.	640	13,919	5,256
Bandesarrollo Leasing Inmobiliario S.A.	326	26,306	14,094
Scotia Asesorías Financieras Ltda	2,582	15,689	1,098
Scotia Azul Sociedad de Leasing Inmobiliario S.A.	1,058	43,288	14,254

As at December 31, 2021	Profit for the period MCh\$	Total Assets MCh\$	Total Liabilities MCh\$
CAT Administradora de Tarjetas S.A.	47,158	1,294,260	1,079,926
CAT Corredores de Seguros y Servicios S.A.	3,166	24,716	12,222
Administradora y Procesos S.A.	370	5,432	3,623
Servicios Integrales S.A.	1,552	12,696	4,029
Bandesarrollo Leasing Inmobiliario S.A.	1,291	26,813	14,763
Scotia Azul Asesorías Financieras S.A.	9,418	12,680	671
Scotia Azul Sociedad de Leasing Inmobiliario S.A.	2,268	42,098	13,631

Note 29 Contingencies and commitments

a) Contingent Loans

The following table shows the contractual amounts of the operations that oblige the Bank to grant contingent loans:

Amount for different contingent loans	Contingent Loans as at	
	03/31/2022 MCh\$	12/31/2021 MCh\$
Guarantees and sureties		
Guarantees and sureties in domestic currency	224,151	163,140
Guarantees and sureties in foreign currency	222,729	235,345
Letters of credit for merchandise circulation operations	169,018	203,374
Debt purchase commitments in local currency abroad	-	-
Transactions related to contingent events		
Transactions related to contingent events in Chilean currency	543,039	539,872
Transactions related to contingent events in foreign currency	116,912	154,339
Lines of credit with immediate availability		
Available balance line of credit and agreed overdraft in checking account – commercial portfolio	662,830	631,602
Available balance line of credit on credit card – commercial portfolio	39,682	35,045
Available balance line of credit and agreed overdraft in current account - consumer portfolio	421,836	424,358
Available balance line of credit on credit card – consumer portfolio	4,334,127	4,348,832
Available balance of line of credit and overdraft agreed in current account - portfolio owed by banks	-	-
Free disposal Lines of credit		
Available balance line of credit and agreed overdraft in checking account – commercial portfolio	-	-
Available balance line of credit on credit card – commercial portfolio	-	-
Available balance line of credit and agreed overdraft in current account - consumer portfolio	-	-
Available balance line of credit on credit card – consumer portfolio	-	-
Available balance of line of credit and overdraft agreed in current account - portfolio owed by banks	-	-
Other credit commitments		
Credits for higher studies Law No.20027 (CAE)	23,588	23,903
Other irrevocable credit commitments	154,625	160,431
Other contingent credits	-	-

b) Contingencies

As at the date of issuance of these Consolidated Interim Financial Statements, there are legal actions filed against the Bank and its subsidiaries regarding operations inherent to the business. As at March 31, 2022, provisions for legal contingencies amounted to MCh\$13,025 (MCh\$13,197 as at December 31, 2021), which are part of item "Provisions due to contingencies " in the Interim Consolidated Statements of Financial Position.

b1) Adjustment Account

On July 23, 1989, Francisco Javier Errázuriz and his companies sold 97% of their shares of Banco Nacional to some of the main shareholders of Banco BHIF, a purchase that was made in order to merge both banks. A mechanism called Adjustment Account was established on the loan allowances, for the case that if from a list of receivables from Banco Nacional identified by the parties were reclassified producing equity benefit for the Bank BHIF, this benefit had to be transferred to the sellers through the allocation of the amount of the benefit obtained by the Bank to the debts of certain companies of Errázuriz Group.

The differences that arouse between the parties regarding the interpretation of the Adjustment Account have originated various arbitration proceedings, identified in books with a sequential number. In relation to the verdict issued in "Book 20" favorable to Errázuriz Group, which for BBVA was fully paid, by virtue of a new settlement, carried out on January 27, 2017, a debt balance had to be paid of UF159,665.58, which gave rise to an embargo on May 17, 2017, amounting to Ch\$4,247,942,672 on existing monies in the chequing account that BBVA maintained at the Central Bank of Chile, which, once the incidents and appeals filed by BBVA were made available to the arbitration court. Subsequently, as a result of an additional settlement of interests for the period between January 2017 and December 2018, which was presented to the parties in January 2019 by the arbitration court, without objection, the amount of Ch\$294,676,095 was paid by the Bank on June 12, 2019.

Additionally, a new interest settlement to cover the period from January through July 2019, which resulted in the amount of Ch\$3,900,000, gave rise to a consignment on April 30, 2020 for the amount of Ch\$5,002,697. Finally, a new interest settlement, requested by the plaintiff, was rejected by the arbitration court.

b2) Corfo – Inverlink Case

In the case ID# 176.739-MV filed with the 2nd Criminal Court of Santiago, the judgment was executed condemning BBVA Corredores de Bolsa Ltda., currently Scotia Azul Corredores de Bolsa Limitada, as a third party under the civil code responsible for the fact associated with two former employees.

The Broker deposited in the court's account the total amount for the judgment. Corfo's claim for interest was rejected in the first instance and then appealed by Corfo.

On April 11, 2016, the Santiago Court of Appeals reversed the decision of the Court of First Instance, ordering the Broker to pay interest on the amount consigned in compliance with the guilty verdict. Against the decision of the Court of Appeals, appeals in cassation in form and substance were filed with the Supreme Court.

On May 28, 2021, the Supreme Court accepted the appeal in substance filed by the Brokerage, exempting it from the payment of interest, putting an end to the case regarding the appropriateness or lack of appropriateness of the payment of interest, remaining pending only for the final closure of the latter, the regulation of costs to which the Broker was sentenced by the ruling of December 2, 2014, which should be established by the first instance court during the first semester 2022.

By virtue of the issuance of this acquittal, the Broker released part of the provision it had made for this event, leaving a balance available to cover the payment of pending costs.

In relation to the two abovementioned cases as well as to other legal actions filed against the Bank, Management estimates, based on the information provided by its Prosecutor's Office, that the contingencies arising from litigation against the Bank are sufficiently provisioned, as Thus, from the set of causes, there will be no significant losses not contemplated in these Interim Financial Statements.

b3) Covenants

The Bank has four current financing contracts signed with Export Development Canada on April 17, 2017 (MMUS\$200), August 3, 2018 (MMUS\$200), May 31, 2019 (MMUS\$100), July 28, 2021 (MMUS\$ 100). These contracts establish the Bank's compliance with Covenants related mainly to the delivery of financial and non-financial information, regulatory compliance and compliance with certain

obligations such as: compliance with the laws and authorizations necessary to carry out its business and operations in general, perform everything necessary to preserve, renew and maintain its legal existence in full force and effect. Note that these credit agreements do not require compliance with specific financial ratios.

As at March 31, 2022, the Bank has fully complied with each of the obligations arising from the aforementioned contracts.

c) Responsibilities

The Bank and its subsidiaries have the following responsibilities derived from the normal course of businesses:

	03/31/2022 MCh\$	12/31/2021 MCh\$
Documents in collection	124,303	134,697
Transferred financial assets managed by the Bank	1,236,632	1,208,207
Securities in custody	6,949,668	6,328,973
Assets in guarantee	3,672,892	3,364,694
Total	11,983,495	11,036,571

d) Guarantees due to operations**i) At Scotia Corredora de Bolsa Chile Limitada**

For purposes of complying with the provisions of articles No. 30 and No. 31 of Law No.18045, the Company contracted an insurance policy No. 330-21-00030256 with MAPFRE Seguros Generales S.A. equivalent to UF20,000, to guarantee the correct and full compliance with its obligations as a Stockbroker, whose validity covers the period April 22, 2021 to April 22, 2022.

In order to comply with the requirements of the Stock Exchanges, in terms of comprehensive insurance, the subsidiary contracted with Chilena Consolidada Seguros Generales SA, a policy No. 5445109 for an insured value of US\$1,000,000, whose validity covers the period from May 31, 2021 through May 31, 2022.

To guarantee the operations of the gross settlement compensation system, collateral securities were delivered to the Stock Exchange worth MCh\$10,752 and in cash Ch\$1,000 as at March 31, 2021 (collateral securities amounting to MCh\$10,904 and in cash MCh\$1,000 as at December 31, 2021).

In accordance with the internal regulations of the Stock Exchange, in order to guarantee the correct performance and compliance of the operations of Stockbrokers, as at December 31, 2021, guarantees were constituted in titles for MCh\$1,937 and in cash for MCh\$0 in favor of the Santiago Stock Exchange, and in favor of the Electronic Stock Exchange of Chile, guarantees were established in securities for MCh\$208 and in cash for MCh\$200 (as at December 31, 2021, guarantees were constituted in securities for MCh\$1,831 and in cash for MCh\$0 in favor of the Santiago Stock Exchange, and in favor of the Electronic Stock Exchange of Chile guarantees were constituted in titles for MCh\$206 and in cash MCh\$200).

To guarantee the share loan operations, as at March 31, 2022, cash was delivered to the Santiago Stock Exchange for MCh\$770 (MCh\$0 as at December 31, 2021).

The company maintains simultaneous guarantees as at March 31, 2022 for MCh\$3,083 on the Santiago Stock Exchange and for MCh\$1,474 on the Chilean Electronic Stock Exchange. As at December 31, 2021, the company maintains guarantees for simultaneous operations for MCh\$2,724 in the Santiago Stock Exchange and MCh\$756 in the Chilean Electronic Stock Exchange, which are maintained in the Custody department of the Santiago Stock Exchange or Electronic Stock Exchange from Chile.

ii) At Scotia Administradora General de Fondos Chile S.A.

On January 10, 2022, Scotia Administradora General de Fondos Chile S.A., renewed the guarantees until January 10, 2023 for each of the managed funds, in accordance with the provisions of Article No. 13 of Law No.20712 of Administration of third-party funds and individual portfolios. The guarantees constituted by the managing funds through guarantee bills with Scotiabank Chile correspond to a total amounting to UF 735,389.55.

iii) At Scotia Corredora de Seguros Chile Limitada

In accordance with the provisions of Article No. 58, letter D of D.F.L. 251, as March 31, 2022, the Company maintains insurance policies that protect it from eventual damages that could affect it as a consequence of infractions of the law, regulations and complementary standards that regulate insurance brokers, and especially when the breach comes from of acts, errors and omissions of the broker, its representatives, attorneys-in-fact or dependents that participate in the intermediation.

Series A : N°5931346
Amount : UF60,000
In favor of : Scotiabank Chile
Purpose : It covers in accordance with the general terms of the professional civil liability for insurance brokers, registered in the policy register under code POL120130969 of CMF.
Effective : Up to April 14, 2022

Additionally, the Company maintains eight guarantee certificates in favor of Scotiabank Chile to comply with its obligations as an intermediary on the disencumbrance insurance portfolio.

Series A : N°10047950
Amount : UF500
In favor of : Scotiabank Chile
Purpose : To guarantee the correct fulfilment of the obligations that the insurance broker, individualized in this policy as the insured, has reason for its operations as an intermediary in the contracting of insurance in accordance with the rules established in Circular No.1584 dated January 21, 2002 of CMF.
Effective : Up to April 14, 2022

Series A : N°420001907726
Amount : UF100
In favor of : Scotiabank Chile
Purpose : To ensure the faithful and timely fulfilment of the obligations of Scotia Corredora de Seguros Chile Limitada and that arise from its performance as a broker of the payment protection insurance associated with the portfolio of debtors of Scotiabank Chile.
Effective : Up to August 31, 2023

Series A : N°420001907106
Amount : UF100
In favor of : Scotiabank Chile
Purpose : To ensure the faithful and timely fulfilment of the obligations of Scotia Corredora de Seguros Chile Limitada and that arise from its performance as a broker of the payment protection insurance associated with the portfolio of debtors of Scotiabank Chile.

Effective	: Up to August 31, 2023
Series A	: N°420001907084
Amount	: UF100
In favor of	: Scotiabank Chile
Purpose	: To ensure the faithful and timely fulfilment of the obligations of Scotia Corredora de Seguros Chile Limitada and that arise from its performance as a broker of the payment protection insurance associated with the portfolio of debtors of Scotiabank Chile.
Effective	: Up to August 31, 2023
Series A	: N°420001907076
Amount	: UF100
In favor of	: Scotiabank Chile
Purpose	: To ensure the faithful and timely fulfilment of the obligations of Scotia Corredora de Seguros Chile Limitada and that arise from its performance as a broker of the payment protection insurance associated with the portfolio of debtors of Scotiabank Chile.
Effective	: Up to August 31, 2023
Series A	: N°420001916814
Amount	: UF100
In favor of	: Scotiabank Chile
Purpose	: To ensure the faithful and timely fulfilment of the obligations of Scotia Corredora de Seguros Chile Limitada and that arise from its performance as a broker of the payment protection insurance associated with the portfolio of debtors of Scotiabank Chile.
Effective	: Up to August 31, 2023

Series A	: N°420001931325
Amount	: UF600
In favor of	: Scotiabank Chile
Purpose	: To ensure the faithful and timely fulfilment on obligations of Scotia Corredora de Seguros Chile Limitada which arise from its performance as a broker payment protection and total disability 2/3 insurance associated with the port folio of Scotiabank Chile.
Effective	: Up to April 30, 2023
Series A	: N°420001931352
Amount	: UF10,000
In favor of	: Scotiabank Chile
Purpose	: To ensure the faithful and timely fulfilment of the obligations of Scotia Corredora de Seguros Chile Limitada and that arise from its performance as a broker of the payment protection insurance associated with the portfolio of debtors of Scotiabank Chile.
Effective	: Up to April 30, 2023

e) At CAT Corredores de Seguros y Servicios S.A.

In accordance with the provisions of Article No. 58, letter D of DFL 251, which states that "Insurance Brokers, to carry out their activity, must comply with the requirement to contract insurance policies as determined by the CMF, to respond to the correct and full compliance with the obligations arising from its activity and especially of the damages that may be caused to the insured who contract through it", is that as at March 31, 2022, the Company maintains contracts with the Compañía de Seguros Generales Consorcio Nacional de Seguros S.A., the following policies, whose validity begins on April 15, 2021 and expires on April 14, 2022, which protects it from eventual damages that could affect it as a consequence of infractions of the law, regulations and complementary norms that regulate insurance brokers, and especially when the breach comes from acts, errors and omissions of the broker, their representatives, attorneys-in-fact or dependents entities that participate in the intermediation.

The related documents are:

Policy N°	Insured/Contracting	Insured Item	Amount
10047046	CAT Corredores de Seguros y Servicios S.A.	Brokers guarantee	UF 500
10047048	CAT Corredores de Seguros y Servicios S.A.	Civil Liability	UF 60,000

f) Guarantees on real estate leasing operations

According to what is established in contracts of "Administration of Housing Leasing Contracts with Sale Promise " maintained by Sociedad de Leasing Inmobiliario S.A. with Santander S.A. Sociedad Securitizadora y Securitizadora Bice SA, the former assumes in favor of the Separate Estates that are individualized below, the obligation to acquire the houses that are part of the respective Separate Estates, when the respective lease agreement with sale promise ends early, either by agreement of the parties or by enforceable judicial resolution. The price at which Banderarrollo Sociedad de Leasing Inmobiliario S.A. must acquire these houses is detailed below:

Entity		% on Home Value	Home value definition
Santander S.A. Sociedad Securitizadora			
Separated equity BSTDS E	N°2	85	Current commercial value
Securitizadora Bice S.A.			
Separated equity BBICS A	N°1	85	Current commercial value
Separated equity BBICS B	N°2	85	Current commercial value
Separated equity BBICS L	N°6	85	Current commercial value
Separated equity BBICS F	N°12	80	Promised price of the original contract
Separated equity BBICS U	N°21	80	Promised price of the original contract
Separated equity BBICS	N°22	60	Promised price of the original contract

Note 30 Interest income and expenses

a) Summary of Interest income and expenses

	3-month period ending 03/31/2022 MCh\$	3-month period ending 03/31/2021 MCh\$
Interest Income	345,011	263,839
Interest Expense	(153,794)	(65,391)
Subtotal Net Interest Income	191,217	198,448
Net result of accounting hedges due to interest rate risk	(8,671)	(3,174)
Total Net Interest Income	182,546	195,274

b) Composition of Interest Income:

	3-month period ending 03/31/2022 MCh\$	3-month period ending 03/31/2021 MCh\$
Interest Income :		
Financial assets at amortized cost :		
Rights due to repurchase agreements and securities loans	2,048	198
Debt financial instruments	-	-
Owed by banks	1,196	48
Commercial loans	131,126	82,390
Mortgage loans	92,344	81,589
Consumer loans	101,550	92,519
Other financial instruments	1,962	1,346
Financial assets at fair value with changes in other comprehensive income:		
Debt financial instruments	14,785	5,749
Other financial instruments	-	-
Total	345,011	263,839

c) Composition of Interest expenses:

	3-month period ending 03/31/2022 MCh\$	3-month period ending 03/31/2021 MCh\$
Interest expenses :		
Financial liabilities at amortized cost :		
Deposits and other sight obligations	(14,960)	(3,036)
Deposits and other time deposits	(81,902)	(13,892)
Obligations due to repurchase agreements and securities loans	(3,130)	(148)
Obligations with banks	(8,356)	(5,855)
Debt financial instruments issued	(36,431)	(34,190)
Other financial obligations	-	-
Laese contracts obligations	(1,058)	(1,080)
Issued regulatory capital financial instruments	(7,957)	(7,190)
Total	(153,794)	(65,391)

d) Composition on interest due to hedges:

	3-month period ending 03/31/2022 MCh\$	3-month period ending 03/31/2021 MCh\$
Interest income :		
Result of accounting hedges due to interest rate risk :		
Gain from financial derivative contracts for accounting hedge	3,446	5,766
Loss from financial derivative contracts for accounting hedge	(6,974)	-
Results from adjustment of hedged financial assets	(3,194)	(4,884)
Interest expense :		
Result of accounting hedges due to interest rate risk :		
Gain from financial derivative contracts for accounting hedge	263	2,789
Loss from financial derivative contracts for accounting hedge	(2,324)	(7,856)
Results from adjustment of hedged financial liabilities	112	1,011
Net result of accounting hedges on risk due to interest rate Risk	(8,671)	(3,174)

e) **Detail of interest on loans subject to suspension of income recognition on an accrual basis**

Below is a detail of the interest on loans subject to suspension on income recognition on an accrual basis recognized in the Statement of Income for the Period for having been effectively received.

	3-month period ending 03/31/2022 MCh\$	3-month period ending 03/31/2021 MCh\$
Owed by banks	-	-
Commercial loans	1,259	393
Mortgage loans	632	734
Consumer loans	81	4
Total	1,972	1,131

Below is a detail of the interest that was not recognized in the Statement of Income for the Period given that its recognition was suspended on an accrual basis.

	03/31/2022 MCh\$	03/31/2021 MCh\$
Owed by banks	-	-
Commercial loans	3,747	2,939
Mortgage loans	3,839	2,170
Consumer loans	287	-
Total	7,873	5,109

Note 31 Indexation income and expenses

a) Summary of Income and expenses due to adjustments

	3-month period ending 03/31/2022 MCh\$	3-month period ending 03/31/2021 MCh\$
Income due to UF adjustments .	363,730	152,732
Expense due to UF adjustments	(164,317)	(73,919)
Subtotal Net Income due to UF adjustments	199,413	78,813
Net result of accounting hedges on interest rate risk.	(112,558)	(46,371)
Total Net Income due to adjustments	86,855	32,442

b) Composition of Income due to adjustments:

	3-month period ending 03/31/2022 MCh\$	3-month period ending 03/31/2021 MCh\$
Income due to UF adjustments :		
Financial assets at amortized cost :		
Rights due to repurchase agreements and securities lending	-	-
Debt financial instruments	-	-
Owed by banks	-	-
Commercial loans	82,180	37,382
Mortgage loans	273,828	112,409
Consumer loans	447	275
Other financial instruments	1,770	780
Financial assets at fair value with changes in other comprehensive income:		
Debt financial instruments	5,505	1,886
Other financial instruments	-	-
Total	363,730	152,732

c) Composition of expenses due to adjustments:

	3-month period ending 03/31/2022 MCh\$	3-month period ending 03/31/2021 MCh\$
Expenses due to UF adjustments		
Financial liabilities at amortized cost :		
Deposits and other sight obligations	-	-
Deposits and other time deposits	(11,034)	(4,286)
Obligations due to repurchase agreements and securities loans	-	-
Obligation with banks	-	-
Debt financial instruments issued	(136,051)	(61,710)
Other financial obligations	-	-
Regulatory capital financial instruments issued:		
Subordinated bonds	(17,232)	(7,923)
Bonds with no fixed maturity term	-	-
Total	(164,317)	(73,919)

d) Composition of adjustments due to hedges:

	3-month period ending 03/31/2022 MCh\$	3-month period ending 03/31/2021 MCh\$
Income due to adjustments :		
Result of accounting hedges due to risk in UF adjustments		
Gain from financial derivative contracts for accounting hedge	203,105	79,830
Loss from financial derivative contracts for accounting hedge	(329,488)	(104,134)
Results from adjustment of hedged financial assets	(1,202)	(9,486)
Adjustment expenses :		
Result of accounting hedges due to risk in UF adjustments		
Gain from financial derivative contracts for accounting hedge	47,600	105,559
Loss from financial derivative contracts for accounting hedge	(32,811)	(131,219)
Results from adjustment of hedged financial liabilities	238	13,079
Net result of accounting hedges on risk due to UF adjustments.	(112,558)	(46,371)

e) **Detail of adjustments of loans subject to suspension on the recognition of income on an accrual basis:**

Adjustments of loans subject to suspension on the recognition of income on an accrual basis recognized in the Statement of Income for the Period for having been effectively received are detailed below.

	3-month period ending 03/31/2022 MCh\$	3-month period ending 03/31/2021 MCh\$
Owed by banks	-	-
Commercial loans	149	9
Mortgage loans	378	100
Consumer loans	2	-
Total	529	109

Adjustments not recognized in the Statement of Income for the Period given that the recognition was suspended on an accrual basis are detailed below.

	03/31/2022 MCh\$	03/31/2021 MCh\$
Owed by banks	-	-
Commercial loans	4,778	2,404
Mortgage loans	6,385	6,507
Consumer loans	10	-
Total	11,173	8,911

Nota 32 Fees and commissions income and expenses

Fee income and expenses shown in the Interim Consolidated Statements of Income include the following:

	3-month period ending 03/31/2022 MCh\$	3-month period ending 03/31/2021 MCh\$
Commissions due to credits prepayment	665	1,034
Commissions due to loans with letters of credit	418	415
Commissions due to credit lines and account overdrafts	254	180
Commissions due to guarantees and letters of credit	2,459	2,715
Credit Card transactions	22,600	18,654
Commissions due to accounts management	5,202	4,626
Commissions due to collections and payments	12,643	13,161
Commissions due to brokerage	448	579
Remuneration for administration of mutual funds, investment funds or others	3,910	3,734
Insurance related to the granting of credits	8,111	6,768
Insurance not related to the granting of credits	3,545	2,348
Insurance related to the granting of credits to legal entities	84	-
Insurance not related to the granting of credits to legal entities	164	208
Commissions due to services on factoring operations	23	24
Commissions due to services in financial lease operations	266	303
Commissions due to Deposit and custody of securities	6	14
Commissions due to financial advice	3,400	2,665
Other commissions earned	5,242	4,678
Total income due to commissions and services rendered	69,440	62,106
Credit Card transactions	(9,801)	(8,506)
Fees for licensing the use of card brands	(270)	(1,762)
Other commissions due to services related to credit card system and payment cards with provision of funds as a means of payment	-	-
Expenses due to obligations on loyalty programs and merits for cardholders	(4,267)	(4,026)
Securities trading commissions	(704)	(805)
Other commissions for services received	(6,309)	(6,447)
Total expenses due to commissions and services received	(21,351)	(21,546)
Total net income due to commissions	48,089	40,560

Note 33 Net Financial Result

Net gain (loss) from financial operation t is broken down as follows:

	3-month period ending 03/31/2022 MCh\$	3-month period ending 03/31/2021 MCh\$
Net profit (loss) on financial instruments for trading :		
Financial derivative contracts	1,427,607	598,212
Debt financial instruments	6,868	2,091
Other financial instruments :		
Investment result in mutual funds	1,007	78
Equity instruments	445	-
Credits originated and acquired by the entity	-	-
Other	-	(21)
Result from Financial Liabilities for trade at fair value with changes in income		
Financial derivative contracts	(1,491,917)	(579,560)
Other financial instruments :	-	-
Financial Result for Financial Assets Not Used for Trading Compulsorily Valued at Fair Value with Changes in Income		
Debt financial instruments	-	-
Other	-	-
Financial Result for Financial Assets and Liabilities Designated at Fair Value with Changes in Income		
Debt financial instruments	-	-
Other financial instruments :	-	-
Deposits, other sight deposits and other term deposits	-	-
Debt instruments issued	-	-
Other	-	-
Financial result for derecognizing financial assets and liabilities not measured at fair value through profit or loss		
Financial assets at amortized cost	17	(567)
Financial assets at fair value with changes in other comprehensive income	374	8,881
Financial liabilities at amortized cost	-	-
Regulatory capital financial instruments issued	-	-
Financial result due to changes , adjustments and accounting hedge on foreign currency		
Foreign currency exchange result	173,432	(6,654)
Results du to adjustments for exchange rate		
Financial assets for trade at fair value through profit or loss	-	-
Financial assets not held for trading compulsorily valued at fair value through profit or loss	-	-
Financial assets designated at fair value through profit or loss	-	-
Financial assets at fair value with changes in other comprehensive income	-	-
Financial assets at amortized cost	(10,059)	2,168
Financial liabilities at amortized cost	-	-
Financial liabilities to be traded at fair value through profit or loss	-	-
Financial liabilities designated at fair value through profit or loss	-	-
Regulatory capital financial instruments issued	-	-
Net result of derivatives in accounting hedges of foreign currency risk	(112,014)	6,811
Net Result of Derivatives in accounting hedges of foreign currency risk		
Financial result from reclassification of financial assets due to change in business model		
From financial assets at amortized cost to financial assets to be traded at fair value through profit or loss	-	-
From financial assets at fair value with changes in other comprehensive income to financial assets to be traded at fair value with changes in income	-	-
Other financial result from changes in financial assets and liabilities		
Financial assets at amortized cost	-	-
Financial assets at fair value with changes in other comprehensive income	-	-
Financial liabilities at amortized cost	-	-
Lease contracts obligations	-	-
Income from ineffective hedges	1,198	789
Other financial income for different accounting hedges	-	-
Net Income from financial operations	(3,042)	32,228

Nota 34 Gain or loss from investing in companies

The detail of the result from investments in companies is as follows:

	Country	03/31/2022 MCh\$	03/31/2021 MCh\$
Companies with locally significant influence			
Operadora de Tarjetas de Créditos Nexus S.A.	Chile	-	(2,305)
Transbank S.A.	Chile	2,091	(2,924)
Subtotal		2,091	(5,229)
Minority investments in other local companies			
Bolsa de Comercio de Santiago	Chile	3	-
Bolsa Electrónica de Chile	Chile	-	-
Sociedad Interbancaria de Depósitos de Valores	Chile	-	-
Sociedad Servicios de Infraestructura y de Mercado OTC	Chile	-	-
Redbanc S.A.	Chile	-	-
Combanc S.A.	Chile	-	-
Bolsa de Valores de Valparaíso S.A.	Chile	-	-
Club de La Unión	Chile	-	-
Caja Compensación Bolsa de Comercio de Santiago	Chile	-	-
Subtotal		3	-
Minority investments in other companies abroad			
Society for Worldwide Interbank Financial Telecommunication	Belgium	-	-
Banco Latinoamericano de Comercio Exterior S.A. (Bladex)	Panama	2	2
Subtotal		2	2
Total income from investments in companies		2,096	(5,227)

Nota 35 Gain or loss from non-current assets and disposal groups not qualifying as discontinued operations

Non-current assets result detail as follows:

	03/31/2022 MCh\$	03/31/2021 MCh\$
Result from assets received in lieu of payment or legally adjudicated		
Result from sale of goods received in payment or awarded in legal auction with related parties	-	-
Result from the sale of goods received in payment or awarded in legal auction with non-related third parties	1,601	1,331
Other income from goods received in payment or awarded in legal auction	74	39
Provisions due to adjustments to net realizable value of assets received in payment or adjudicated in legal auction	(184)	(576)
Write-offs of goods received in payment or adjudicated in legal auction	(1,081)	(1,865)
Expenses for maintenance of goods received in payment or awarded in legal auction	(99)	(83)
Non-current assets available for sale		
Investments in companies	-	-
Intangible assets	-	-
Property, plant	(8)	175
Assets for recovery of goods transferred in financial leasing operations	-	-
Other assets	-	-
Disposal groups available for sale	-	-
Total	303	(979)

Note 36 Other operating income and expenses

Other operating income and expenses shown in the Interim Consolidated Statements of Income include the following:

	03/31/2022 MCh\$	03/31/2021 MCh\$
Other Operating Income		
Compensation from insurance companies for claims other than operational risk events	-	-
Net income from investment properties	-	-
Incentives received from credit cards brands	2,444	2,122
Correspondent bank income	-	-
Income other than interest and commissions from lease contracts	448	387
Reimbursement of expenses	1,693	540
Other operating income	4,383	1,753
Total other operating income	8,968	4,802
Other operating expenses		
Expense of insurance premiums to cover operational risk events	-	-
Gross loss expense for operational risk events	-	-
Recoveries of expenses for operational risk events	-	-
Recoveries of expenses for operational risk events through indemnities from insurance companies	4	6
Other recoveries of expenses for operational risk events other than compensation from insurance companies	268	755
Expense of provisions for unearned insurance intermediation commissions	-	-
Expense of provisions for commissions for the collection of unearned insurance premiums	-	-
Restructuring costs	-	-
Provisions for trials and litigation	11	(405)
Other provisions for other contingencies	(214)	(26)
Expenses for credit operations of financial leasing	(184)	(130)
Expenses for factoring credit operations	(11)	(7)
Expenses for administration, maintenance and support of ATMs	-	-
Expenses for adopting new technologies in cards	-	-
Expenses for issuing regulatory capital financial instruments	-	-
Other operating expenses	(8,032)	(6,490)
Total other operating expenses	(8,158)	(6,297)
Total	810	(1,495)

Note 37 Expenses for employee benefit obligations

Expenses for employee benefit obligations shown in the Interim Consolidated Statements of Income include the following:

	03/31/2022 MCh\$	03/31/2021 MCh\$
Expenses due to Short-term benefits to employees	60,566	63,163
Expenses due to Long-term benefits to employees	780	708
Severance indemnities expenses	2,683	1,246
Other personnel expenses	344	258
Total expenses due to obligations on benefits to employees	64,373	65,375

Note 38 Administrative Expenses

Administrative expenses shown in the Interim Consolidated Statements of Income include the following:

	03/31/2022 MCh\$	03/31/2021 MCh\$
Administration Expenses		
Expenses for short-term lease contracts	1,159	1,178
Expenses for low-value leases	-	-
Other expenses of obligations for lease contracts	64	85
Maintenance and repair of property and equipment	1,234	1,469
Insurance premiums except to cover operational risk events	1,167	1,249
Office supplies	425	401
IT and communication expenses	15,023	12,600
Electricity, heating and other services	602	674
Security patrol and security transport services	784	771
Personnel representation and travel expenses	139	57
Legal and notary expenses	2,301	2,616
Fees for review and audit of the financial statements by the external auditor	230	244
Fees for advice and consultancies carried out by the external auditor	-	-
Fees for advice and consultancies carried out by other auditing companies	-	-
Title Classification Fees	-	-
Fees for other technical reports	585	514
Fines applied by CMF	-	1
Fines applied by other organizations	18	12
Other administrative expenses	9,994	9,878
Outsourced services	12,073	10,670
Board expenses		
Board Remuneration	295	274
Other Board expenses	-	-
Publicity	4,228	4,728
Taxes, contributions and other legal charges		
Real estate contributions	190	178
Licenses	595	512
Other taxes other than income	113	138
Contributions to CMF	2,514	2,385
Other legal charges	-	-
Total administrative expenses	53,733	50,634

Note 39 Depreciation and amortization

Depreciation and amortization of the Interim Consolidated Statements of Income, are made up of the following expenses:

	03/31/2022 MCh\$	03/31/2021 MCh\$
Amortization of intangible		
Other intangible assets arising from business combinations	3,719	4,282
Other intangible assets arising independently	3,960	2,307
Depreciation of Property and Equipment		
Building and Land	412	404
Other fixed assets	2,909	2,967
Amortization and depreciation of the asset for the to right to use assets under lease		
Building and Land		
Building	2,991	3,144
Other fixed assets	-	-
Depreciation for improvements in leased real estate as assets for the right to use leased property	680	736
Amortization for the right to use other intangible assets under lease	-	-
Depreciation of other assets for investment properties	-	-
Amortization of other assets per revenue asset from regular activities from contracts with customers	-	-
Total depreciation and amortization	14,671	13,840

Note 40 Impairment of Non-Financial Assets

As at March 31, 2022 and 2021, the Bank shows no impairment of non-financial assets.

Note 41 Credit loss expense

The result corresponding to allowances for credit risk reported in the Interim Consolidated Statements of Income is explained as follows:

a) Credit loss expense

Summary of expense for credit losses in the period	3-month period ending 03/31/2022 MCh\$	3-month period ending 03/31/2021 MCh\$
Expenses on allowances due to credit risk on loans	(62,662)	(24,716)
Expense on spacial allowances due to credit risk	(266)	(8,344)
Recovery of write-off loans	17,775	16,573
Impairment due to credit risk of other financial assets at amortized cost	2	-
Impairment due to credit risk of financial assets at fair value with changes in other comprehensive income	11	-
Total	(45,140)	(16,487)

b) Expense of allowances due to credit risk and expense for credit losses on loans

Summary of expense on allowances due to credit risk and expense for credit losses on loans in the period 3-month period ending 03/31/2022 (MCh\$)	Expense of allowances due to loans in the period							
	Regular Portfolio		Sun standard portfolio	Default Portfolio		Subtotal	Deductible guarantees FOGAPE Covid-19	Total
	Evaluation		Evaluation	Evaluation				
	Single	Group	Individual	Individual	Grupal			
Owed by Banks								
Constitution of allowances	(1)	-	-	-	-	(1)		
Release of Allowances	2	-	-	-	-	2		
Subtotal	1	-	-	-	-	1	-	1
Commercial loans								
Constitution of allowances	(27,999)	(5,416)	(6,026)	(6,670)	(12,660)	(58,771)		
Release of Allowances	23,746	4,337	6,446	5,828	3,604	43,961		
Subtotal	(4,253)	(1,079)	420	(842)	(9,056)	(14,810)	132	(14,678)
Mortgage loans								
Constitution of allowances	-	(1,925)	-	-	(1,903)	(3,828)		
Release of Allowances	-	1,532	-	-	1,223	2,755		
Subtotal	-	(393)	-	-	(680)	(1,073)	-	(1,073)
Consumer loans								
Constitution of allowances	-	(40,114)	-	-	(45,821)	(85,935)		
Release of Allowances	-	26,978	-	-	12,045	39,023		
Subtotal	-	(13,136)	-	-	(33,776)	(46,912)	-	(46,912)
Expense of allowances constituted for loan credit risk	(4,252)	(14,608)	420	(842)	(43,512)	(62,794)	132	(62,662)
Recoveries of write-off loans								
Oweb by Banks								-
Commercial loans								3,914
Mortgage loans								1,685
Consumer loans								12,176
Subtotal								17,775
Expense due to credit loss on loans								(44,887)

Summary of expense on allowances due to credit risk and expense for credit losses on loans in the period 3-month period ending 03/31/2021 (MCh\$)	Expense of allowances due to loans in the period							
	Regular Portfolio		Sun standard portfolio	Default Portfolio		Subtotal	Deductible guarantees FOGAPE Covid-19	Total
	Evaluation		Evaluation	Evaluation				
	Single	Group	Individual	Individual	Grupal			
Owed by Banks								
Constitution of allowances	(6)	-	-	-	-	(6)		
Release of Allowances	24	-	-	-	-	24		
Subtotal	18	-	-	-	-	18	-	18
Commercial loans								
Constitution of allowances	(26,252)	(3,373)	(8,127)	(9,374)	(10,227)	(57,353)		
Release of Allowances	29,882	3,479	3,730	2,390	6,041	45,522		
Subtotal	3,630	106	(4,397)	(6,984)	(4,186)	(11,831)	(652)	(12,483)
Mortgage loans								
Constitution of allowances		(2,157)	-	-	(1,606)	(3,763)		
Release of Allowances		1,145	-	-	2,259	3,404		
Subtotal	-	(1,012)	-	-	653	(359)	-	(359)
Consumer loans								
Constitution of allowances		(9,420)			(30,324)	(39,744)		
Release of Allowances		12,704			15,148	27,852		
Subtotal	-	3,284	-	-	(15,176)	(11,892)	-	(11,892)
Expense of allowances constituted for loan credit risk	3,648	2,378	(4,397)	(6,984)	(18,709)	(24,064)	(652)	(24,716)
Recoveries of write-off loans								
Oweb by Banks								-
Commercial loans								2,259
Mortgage loans								767
Consumer loans								13,547
Subtotal								16,573
Expense due to credit loss on loans								(8,143)

c) Expense due to Credit Risk special provisions

Summary of expenses due to credit risk special provisions	3-month period ending 03/31/2022 MCh\$	3-month period ending 03/31/2021 MCh\$
Provision expense due to contingent credits	364	1,971
Owed by banks	-	-
Commercial loans	(371)	1,513
Consumer loans	735	458
Provision expense due to country risk for operations with debtors domiciled abroad	(630)	441
Expense due to special provisions for credits abroad	-	-
Expense due to additional provisions for credits	-	(10,756)
Commercial loans	-	(3,407)
Mortgage loans	-	(1,977)
Consumer loans	-	(5,372)
Expense due to adjustment provisions to minimum provision required for normal portfolio with single evaluation	-	-
Expense due to other special provisions constituted for credit risk	-	-

Note 42 Gain or loss from discontinued operations

As at March 31, 2022 and December 31, 2021, the Bank does not have this type of operations.

Note 43 Related Parties disclosures

a) Assets and liabilities due to transactions with related parties

Type of current assets and liabilities with related parties according to IAS24 As at March 31, 2022 (in MCh\$)	Type of Related Party				Total
	Parent	Other legal entity	Bank's key staff	Other related parties	
ASSETS					
Fair Value securities held for trading :					
Financial derivative contracts	1,505,897	-	-	294	1,506,191
Debt financial instruments	-	-	-	-	-
Financial assets not intended for mandatory trading at fair value through profit or loss	-	-	-	-	-
Financial assets designated at fair value through profit or loss	-	-	-	-	-
Financial assets at fair value with changes in other comprehensive income	-	-	-	-	-
Financial derivative contracts for accounting hedge	13,333	-	-	-	13,333
Financial assets at amortized cost:					
Investment sold under repurchase agreements and securities lending	-	-	-	-	-
Debt financial Instruments	-	-	-	-	-
Loans and advances to banks	-	-	2,805	310,157	312,962
Mortgage loans	-	-	15,192	89,147	104,339
Consumer loans	-	-	2,575	18,413	20,988
Loan Allowances	-	-	(99)	(1,278)	(1,377)
Other assets	-	-	-	8	8
Contingent loans	3,415	29,993	4,238	47,063	84,709
LIABILITIES					
Fair value liabilities held for trade :					
Financial derivative contracts	1,291,859	-	-	11,199	1,303,058
Fair value financial liabilities	-	-	-	-	-
Financial derivative contracts for accounting hedge	119,743	-	-	-	119,743
Financial liabilities at amortized cost :					
Term and on-demand deposits	347	8,535	2,726	206,876	218,484
Deposits and other term deposits	-	-	6,364	123,390	129,754
Liabilities with repurchase agreements and securities lending	-	-	-	-	-
Obligations with banks	-	-	-	-	-
Debt instruments issued	-	-	-	-	-
Other financial liabilities	-	-	-	-	-
Lease contracts obligations	-	-	-	751	751
Other liabilities	6,681	163	-	946	7,790

Type of current assets and liabilities with related parties according to IAS24 As at December 31, 2021 (in MCh\$)	Type of Related Party				Total
	Parent	Other legal entity	Bank's key staff	Other related parties	
ASSETS					
Fair Value securities held for trading :					
Financial derivative contracts	1,790,005	-	-	6	1,790,011
Debt financial instruments	-	-	-	-	-
Financial assets not intended for mandatory trading at fair value through profit or loss	-	-	-	-	-
Financial assets designated at fair value through profit or loss	-	-	-	-	-
Financial assets at fair value with changes in other comprehensive income	-	-	-	-	-
Financial derivative contracts for accounting hedge	54,000	-	-	-	54,000
Financial assets at amortized cost:					
Investment sold under repurchase agreements and securities lending	-	-	-	-	-
Debt financial instruments	-	-	-	-	-
Loans and advances to banks	-	-	2,687	311,464	314,151
Mortgage loans	-	-	13,957	88,862	102,819
Consumer loans	-	-	2,433	17,697	20,130
Loan Allowances	-	-	(104)	(1,344)	(1,448)
Other assets	291	-	-	104	395
Contingent loans	3,710	100	4,224	56,202	64,236
LIABILITIES					
Fair value liabilities held for trade :					
Financial derivative contracts	1,925,752	-	-	9,227	1,934,979
Fair value financial liabilities	-	-	-	-	-
Financial derivative contracts for accounting hedge	67,293	-	-	-	67,293
Financial liabilities at amortized cost :					
Term and on-demand deposits	347	207	4,245	67,089	71,888
Deposits and other term deposits	-	104,079	4,417	-	108,496
Liabilities with repurchase agreements and securities lending	-	-	-	-	-
Obligations with banks	-	-	-	-	-
Debt instruments issued	-	-	-	-	-
Other financial liabilities	-	-	-	-	-
Lease contracts obligations	-	-	-	748	748
Other liabilities	6,385	587	-	1,134	8,106

b) Income and expenses due to transactions with related parties

Type of income and expenses from transactions with related parties according to IAS24	Type of Realated Party				
03/31/2022 (in MCh\$)	Parent	Other Legal entity	Consolidated Bank's key staff	Other related parties	Total
Interest income	-	-	100	3,912	4,012
Adjustments income	-	-	413	5,145	5,558
Commission Income	-	2	26	234	262
Net financial income	(34,874)	-	-	(196)	(35,070)
Other income	-	131	105	2,598	2,834
Total income	(34,874)	133	644	11,693	(22,404)
Interest expenses	-	-	(70)	(1,376)	(1,446)
Adjustment expenses	-	-	(15)	(286)	(301)
Commission expenses	(1)	(2,026)	(14)	(2,300)	(4,341)
Credit loss expense	-	(7)	12	121	126
Expenses for employee benefit obligations	-	-	(4,330)	(7)	(4,337)
Administration expenses	(7,423)	-	-	(2,913)	(10,336)
Other expenses	(1,288)	-	-	(155)	(1,443)
Total expenses	(8,712)	(2,033)	(4,417)	(6,916)	(22,078)

Type of income and expenses from transactions with related parties according to IAS24	Type of Related Party				
03/31/2021 (in MCh\$)	Parent	Other Legal entity	Consolidated Bank's key staff	Other related parties	Total
Interest income	-	7	51	2,111	2,169
Adjustments income	-	-	116	3,130	3,246
Commission Income	-	-	25	216	241
Net financial income	70,440	-	1	837	71,278
Other income	114	-	19	165	298
Total income	70,554	7	212	6,459	77,232
Interest expenses	(2)	-	(5)	(254)	(261)
Adjustment expenses	-	-	(2)	(35)	(37)
Commission expenses	-	(2,620)	-	(660)	(3,280)
Credit loss expense	-	-	2	(289)	(287)
Expenses for employee benefit obligations	-	-	(4,080)	(2)	(4,082)
Administration expenses	(8,683)	(469)	-	(2,839)	(11,991)
Other expenses	-	-	-	(41)	(41)
Total expenses	(8,685)	(3,089)	(4,085)	(4,120)	(19,979)

c) Single transactions with related parties

As at March 31, 2022 and 2021, the Bank has the following single transactions in excess of UF 2,000 with related parties that are legal entities which do not correspond to regular business operations carried out with customers in general.

Razón Social	Nature of relationship with the bank	Description Type of Service	Term	Renewal Conditions	"Transactions in conditions of equivalence to those transactions with mutual independence between the parties"	Amount MCh\$	As at March 31, 2022 Effect on Income Statement		Effect on Statement of Financial Position	
							Income MCh\$	Expenses MCh\$	Accounts Receivable MCh\$	Accounts Payable MCh\$
Azurian Tecnología Limitada	Other related parties	Facial Biometrics Service	1 year	Automatic renewal	Conditions equivalent to the market on the date these were made	517	-	512	-	4
Sociedad Operadora de la Cámara de Compensación de Pagos de Alto Valor S.A	Other related parties	Compensation service on discharged operations	Undefined	Automatic renewal	Conditions equivalent to the market on the date these were made	130	-	130	-	-
Redbanc S.A.	Other related parties	Money dispensing services and delivery of information and data through ATMs	5 years	Automatic renewal for 3 years	Conditions equivalent to the market on the date these were made	1,149	-	834	-	315
Operadora de Tarjetas de Crédito Nexus S.A.	Other legal entity	Credit Card Operation Service	2 years	Automatic renewal	Conditions equivalent to the market on the date these were made	2,394	-	1,636	-	544
Servicios Regionales Tecnología Scotiabank Ltda.	Other related parties	Consulting services, technological support and projects	1 year	Annual review, if there are no changes, automatic renewal applies	Conditions equivalent to the market on the date these were made	1,039	-	646	-	-
Scotia Servicios Corporativos SpA	Other related parties	Consulting services, technological support and projects	10 years	Automatic renewal	Conditions equivalent to the market on the date these were made	1,982	-	1,982	-	-
Transbank S.A.	Other legal entity	Credit Card Operation Service	2 years	Automatic renewal	Conditions equivalent to the market on the date these were made	6,176	3,596	2,399	-	181
The Bank of Nova Scotia	Parent	Commissions for referred customers	Undefined	Undefined	Conditions equivalent to the market on the date these were made	435	435	-	-	-
The Bank of Nova Scotia	Parent	Technology services and projects	1 year	Annual review, if there are no changes, automatic renewal applies	Conditions equivalent to the market on the date these were made	6,521	-	4,519	-	2,002
Scotiabank Perú S.A.	Other related parties	Regional Technological Support.	Undefined	Automatic renewal	Conditions equivalent to the market on the date these were made	145	-	145	-	-

Company's name	Nature of relationship with the bank	Description Type of Service	Term	Renewal Conditions	"Transactions in conditions of equivalence to those transactions with mutual independence between the parties"	Amount MCh\$	As at March 31, 2021			
							Effect on Income Statement		Effect on Statement of Financial Position	
							Income MCh\$	Expenses MCh\$	Accounts Receivable MCh\$	Accounts Payable MCh\$
Redbanc S.A.	Other related parties	Money dispensing services and delivery of information and data through ATMs	5 years	Automatic renewal fo 3 years	Conditions equivalent to the market on the date these were made	715	-	437	-	278
Redbanc S.A.	Other related parties	Secure data transmission service between banking institutions and industry providers.	3 years	Automatic renewal fo 1 year	Conditions equivalent to the market on the date these were made	296	-	286	-	10
Operadora de Tarjetas de Crédito Nexus S.A.	Other legal entity	Credit Card Operation Service	2 years	Automatic renewal	Conditions equivalent to the market on the date these were made	3,637	-	3,168	30	439
Servicios Regionales Tecnología Scotiabank Ltda.	Other related parties	Consulting services, technological support and projects.	1 year	Annual review, if there are no changes, automatic renewal applies	Conditions equivalent to the market on the date these were made	1,291	-	645	-	-
Scotia Servicios Corporativos SpA	Other related parties	Consulting services, technological support and projects.	10 years	Automatic renewal	Conditions equivalent to the market on the date these were made	1,847	-	1,847	-	-
Transbank S.A.	Other legal entity	Credit Card Operation Service	2 years	Automatic renewal	Conditions equivalent to the market on the date these were made	5,397	3,400	1,952	-	45
The Bank of Nova Scotia	Parent	Commissions for referred customers	Undefined	Undefined	Conditions equivalent to the market on the date these were made	518	518	-	-	-
The Bank of Nova Scotia	Parent	Technology services and projects.	1 año	Annual review, if there are no changes, automatic renewal applies	Conditions equivalent to the market on the date these were made	4,099	-	4,099	-	-
Scotiabank Perú S.A.	Other related parties	Regional Technological Support.	Undefined	Automatic renewal	Conditions equivalent to the market on the date these were made	949	-	712	-	-

d) **Payments to the Board and key management personnel of the Bank and subsidiaries**

	03/31/2022 MCh\$	12/31/2021 MCh\$
Board :		
Payment of Board's remuneration and wages - Bank and Bank's subsidiaries	295	274
Key personnel of the Bank's Management and Subsidiaries:		
Short-term benefits to employees	4,035	3,806
Payment of post-employment benefits to employees	-	-
Long-term benefits to employees	-	-
Payment for benefits to employees for contract termination	-	-
Payment to employees based on shares or equity instruments	-	-
Payment for obligations for defined contribution post-employment plans	-	-
Payment for obligations for post-employment defined benefit plans	-	-
Payment for other staff obligations	-	-
Subtotal - Payments for employee benefit obligations:	4,035	3,806
Total:	4,330	4,080

e) **Composition of the Board of Directors and key management personnel of the Bank and subsidiaries**

	N° of Executives	
	03/31/2022	12/31/2021
Board :		
Directors - Bank and Bank's subsidiaries	11	11
Key personnel of the Bank's management and Subsidiaries:		
General Manager - Bank	1	1
General Managers - Bank's subsidiaries	10	10
Division/Area Managers - Bank	72	69
Division/Area Managers - Bank's subsidiaries	17	18
Subtotal:	100	98
Total:	111	109

Note 44 Fair Value of financial assets and liabilities

Determination of the fair value of financial instruments.

A comparison between book value at which the Bank's financial assets and liabilities are recorded and their corresponding fair value as at March 31, 2022 and December 31, 2021 are detailed as follows:

		Recorded Amount 03/31/2022 MCh\$	Estimated Fair Value 03/31/2022 MCh\$
	Note		
ASSETS			
Cash and deposits in banks	7	924,106	924,106
Transactions pending settlements	7	450,068	450,068
Financial assets to be traded at fair value through profit or loss			
Financial derivative contracts	8	5,163,196	5,163,196
Debt financial instruments	8	266,124	266,124
Other	8	105,406	105,406
Financial assets at fair value with changes in other comprehensive income			
Debt financial instruments	11	2,108,123	2,108,123
Financial derivative contracts for accounting hedge	12	305,639	305,639
Financial assets at amortized cost			
Rights for repurchase agreements and securities loans	13	125,416	123,103
Debt financial instruments	13	-	
Owed by banks	13	340,334	340,334
Loans and accounts receivable from customers - Commercial	13	13,742,806	13,198,787
Loans and accounts receivable from customers - Mortgage	13	11,987,612	10,728,637
Loans and accounts receivable from customers - Consumption	13	3,236,480	3,236,480
Securitized bonds	17	16,339	16,861
LIABILITIES			
Transaction pending settlement	7	527,276	527,276
Financial liabilities to be traded at fair value through profit or loss			
Financial derivative contracts	21	4,983,371	4,983,371
Financial derivative contracts for accounting hedge	12	1,193,006	1,193,006
Financial liabilities at amortized cost			
Deposits and other sight obligations	22	6,382,260	6,382,260
Deposits and other time deposits	22	10,142,364	10,132,519
Obligations for repurchase agreements and securities loans	22	205,888	205,888
Obligations with banks	22	5,424,320	5,424,320
Issued debt financial instruments	22	6,923,163	6,851,611
Other financial obligations	22	78,458	78,458
Obligations for lease contracts	17	157,133	157,133
Issued regulatory capital financial instruments	23	779,268	779,268

		Recorded amount 12/31/2021 MCh\$	Estimated Fair Value 12/31/2021 MCh\$
	Note		
ASSETS			
Cash and deposits in banks	7	1,459,622	1,459,622
Transactions pending settlements	7	443,080	443,080
Financial assets to be traded at fair value through profit or loss			
Financial derivative contracts	8	6,334,097	6,334,097
Debt financial instruments	8	474,715	474,715
Other	8	115,889	115,889
Financial assets at fair value with changes in other comprehensive income			
Debt financial instruments	11	1,950,500	1,950,500
Financial derivative contracts for accounting hedge	12	326,030	326,030
Financial assets at amortized cost			
Rights for repurchase agreements and securities loans	13	120,796	118,926
Debt financial instruments	13	-	-
Owed by banks	13	2,996	2,996
Loans and accounts receivable from customers - Commercial	13	13,834,313	14,084,054
Loans and accounts receivable from customers - Mortgage	13	11,590,604	11,626,203
Loans and accounts receivable from customers - Consumption	13	3,087,784	3,247,599
Securitized bonds	17	17,417	17,502
LIABILITIES			
Transaction pending settlement	7	395,878	395,878
Financial liabilities to be traded at fair value through profit or loss			
Financial derivative contracts	21	6,048,514	6,048,514
Financial derivative contracts for accounting hedge	12	831,935	831,935
Financial liabilities at amortized cost			
Deposits and other sight obligations	22	7,221,450	7,221,450
Deposits and other time deposits	22	9,462,566	9,067,220
Obligations for repurchase agreements and securities loans	22	379,970	379,744
Obligations with banks	22	5,685,253	5,215,983
Issued debt financial instruments	22	6,658,038	6,680,977
Other financial obligations	22	83,610	83,610
Obligations for lease contracts	17	163,775	163,775
Issued regulatory capital financial instruments	23	756,368	756,368

The fair value presented above does not attempt to estimate the value of the Bank's profits generated by its business, or future business activities, and therefore does not represent the value of the Bank as a going concern.

Analysis and explanation of calculations

In the case of assets that are recorded at amortized cost, to determine their fair value, the market curve of each currency was used plus an estimate of the spread of each of the main types of products as at March 31, 2022 and December 31, 2021. The greatest differences occur in the values of the mortgage portfolio and the bonds issued, due to the fact that these are long-term. This influences two key aspects:

- There are old loans/issues made at rates which are different from current rates.
- Its value is more sensitive to rate fluctuations.

Fair value measurement and hierarchy

The Bank establishes a fair value hierarchy, which segregates the inputs and/or assumptions of the valuation techniques used to measure the fair value of financial instruments. The hierarchy gives the highest priority to quoted prices in active markets, for identical assets or liabilities (level 1), and the lowest priority to measures involving significant unobservable inputs or inputs (level 3). The three levels of the fair value hierarchy are as follows:

- **Level 1:** the data correspond to quoted prices without adjustment or with a defined quote frequency that allows the reasonableness of the fair value of the instrument at all times. The instruments and criteria defined are the following:
 - a) Local sovereign fixed income issued by the Central Bank or General Treasury of the Republic, which meet the following two criteria:
 - The instrument has traded 15 days of the last month.
 - The instrument has traded 2 of the last 3 days prior to the report generation date.
 - b) Domestic variable income instruments with a stock market presence.
 - c) Local Mutual Funds with quota values published daily in the regulator (CMF).
 - d) Treasury Bonds and Treasury Bills.

In the case of Stocks and Sovereign Bonds, prices are observed directly on the Stock Exchange, Bloomberg or Riskamerica (provider of financial information on the local market).

In the case of Treasury, the information is directly observed in Bloomberg. In the case of domestic Mutual Funds, the information can be seen directly on the page of the local regulator (CMF).

- **Level 2:** These are financial instruments whose fair value is realized with variables other than the prices quoted in Level 1 that are observable for the asset or liability, directly (that is, as prices) or indirectly (that is, derived from prices).

In this category, the instruments are valued through the discount of contractual flows based on a zero-coupon curve determined through the prices of instruments with similar features and issuer risk.

The instruments and criteria defined are the following:

- a) Local sovereign fixed income that does not meet the requirements defined for Level 1.
- b) Corporate fixed income.
- c) Domestic variable income instruments not complying with the stock market presence defined by the Santiago Stock Exchange.

In the case of Stocks and Sovereign Bonds, the prices are observed directly on the Stock Exchange, Bloomberg or Riskamerica (provider of financial information on the local market).

- **Level 3:** fair value is based on models that use significant inputs that are not based on observable market data. It is used when the necessary prices, inputs or inputs are not observable, directly or indirectly, for similar instruments for the asset or liability at the measurement date. These fair value valuation models are subjective in nature. Therefore, they base their price estimates on a series of assumptions that are widely accepted by the market. The instruments and criteria defined are the following:

- a) Housing Leasing Bonds (BVL).
- b) Local and foreign investment funds.
- c) Domestic variable income of private companies (limited liability companies).

The level in the hierarchy into which a measurement is classified is based on the lowest level of input/supply that is significant to the fair value measurement itself in its entirety. The following chart presents the assets and liabilities that are measured at fair value on a recurring basis, as at March 31, 2022 and December 31, 2021:

As at March 31, 2022	Fair Value Measures			
	Book value	Level 1	Level 2	Level 3
	MCh\$	MCh\$	MCh\$	MCh\$
Assets				
Financial assets to be traded at fair value through profit or loss	5,534,726	113,518	5,421,112	96
Financial assets at fair value with changes in other comprehensive income	2,108,123	-	2,108,123	-
Financial derivative contracts for accounting hedge	305,639	-	305,639	-
Securitized bonds	16,339	-	-	16,861
Total Assets	7,964,827	113,518	7,834,874	16,957
Liabilities				
Financial Derivative Contracts	4,983,371	-	4,983,371	-
Financial derivative contracts for accounting hedge	1,193,006	-	1,193,006	-
Obligations for lease contracts	157,133	-	-	157,133
Total Liabilities	6,333,510	-	6,176,377	157,133

As at December 31, 2021	Fair Value Measures			
	Book value MCh\$	Level 1 MCh\$	Level 2 MCh\$	Level 3 MCh\$
Assets				
Financial assets to be traded at fair value through profit or loss	6,924,701	179,171	6,745,530	-
Financial assets at fair value with changes in other comprehensive income	1,950,500	703,231	1,247,269	-
Financial derivative contracts for accounting hedge	326,030	-	326,030	-
Securitized bonds	17,417	-	-	17,502
Total Assets	9,218,648	882,402	8,318,829	17,502
Liabilities				
Financial Derivative Contracts	6,048,514	-	6,048,514	-
Financial derivative contracts for accounting hedge	831,935	-	831,935	-
Obligations for lease contracts	163,775	-	-	163,775
Total Liabilities	7,044,224	-	6,880,449	163,775

Changes in fair value of Level 3 Financial Instruments

Financial instruments categorized as Level 3 as at March 31, 2022 in the fair value hierarchy comprise certain securitized bonds and lease obligations.

The chart below summarizes changes in Level 3 instruments measured at fair value as at March 31, 2022 and December 31, 2021.

All positive balances represent assets, and all negative balances represent liabilities. As a result, positive amounts indicate asset purchases or liability settlements, and negative amounts indicate asset sales or liability issues.

As at March 31, 2022	Fair Values as at 01/01/2022	Profits / (Losses) recorded in Income	Profits / (Losses) recorded in OCI	Purchases / Issuances	Sales / Settlements	Transfers a/ outside Level 3	Fair Value as at 3/31/2022	Change in unrealized gains/(losses) recorded in income for instruments still held(1)
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Other Assets								
Securitized Bonds	17,502	-	-	-	(641)	-	16,861	-
	17,502	-	-	-	(641)	-	16,861	-
Obligations for lease contracts								
Obligations for lease contracts	(163,775)	-	-	-	6,642	-	(157,133)	-
	(163,775)	-	-	-	6,642	-	(157,133)	-
Total	(146,273)	-	-	-	6,001	-	(140,272)	-

As at December 31, 2021	Fair Values as at 01/01/2021	Profits / (Losses) recorded in Income	Profits / (Losses) recorded in OCI	Purchases / Issuances	Sales / Settlements	Transfers a/ outside Level 3	Fair Value as at 12/31/2021	Change in unrealized gains/(losses) recorded in income for instruments still held(1)
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Other Assets								
Securitized Bonds	17,502	-	-	-	-	-	17,502	-
	17,502	-	-	-	-	-	17,502	-
Obligations for lease contracts								
Obligations for lease contracts	(168,763)	-	-	-	4,988	-	(163,775)	-
	(168,763)	-	-	-	4,988	-	(163,775)	-
Total	(151,261)	-	-	-	4,988	-	(146,273)	-

(1) These amounts represent the gains and losses from changes in the value of Level 3 instruments still held at the end of the period which are recorded in the Consolidated Statement of Income.

Sensitivity Analysis for Financial instruments under Level 3

The chart below shows information about the significant unobservable data used in the measurement of financial instruments categorized as Level 3 in the fair value hierarchy.

As at March 31, 2022	Valuation Technique	Significant unobservable data	Range of estimates for unobservable data (1)	Changes in fair value from reasonably possible alternatives (in MCh\$)
Other Assets	Comparable in the market	Market Tir	+1%	(376)
Securitized Bonds			-1%	396

As at December 31, 2021	Valuation Technique	Significant unobservable data	Range of estimates for unobservable data (1)	Changes in fair value from reasonably possible alternatives (in MCh\$)
Other Assets	Comparable in the market	Market Tir	+1%	(372)
Securitized Bonds			-1%	393

(1) A 100bp increase and decrease exercise has been carried out at market rates

Note 45 Maturity per remaining balances of financial assets and liabilities

The composition of item "maturity according to the remaining terms of financial assets and liabilities" is as follows

As at March 31, 2022	Note	At sight MCh\$	Up to 1 month MCh\$	More than 1 month up to 3 months MCh\$	More than 3 months up to 1 year MCh\$	More than 1 year up to 3 years MCh\$	More than 3 years up to 5 years MCh\$	More than 5 years MCh\$	Total MCh\$
Cash and Deposits in Banks	7	924,106	-	-	-	-	-	-	924,106
Transactions with settlement in progress	7	450,068	-	-	-	-	-	-	450,068
Financial assets to be traded at fair value with changes in income									
Financial Derivative Contracts (1)	8	28,723	205,577	271,036	856,484	1,185,259	948,803	1,667,314	5,163,196
Debt financial instruments (2)	8	2,829	11,770	97,819	85,375	27,557	19,306	21,468	266,124
Other	8	105,406	-	-	-	-	-	-	105,406
Financial assets at fair value with changes in other comprehensive income									
Debt financial instruments (2)	11	10,984	705,963	-	260,303	545,980	580,998	3,895	2,108,123
Other	11	-	-	-	-	-	-	-	-
Financial derivative contracts for hedge accounting	12	-	-	54	30,307	75,946	95,907	103,425	305,639
Financial Assets at amortized cost									
Rights for repurchase agreements and securities loans	13	-	125,416	-	-	-	-	-	125,416
Debt financial instruments	13	-	-	-	-	-	-	-	-
Owed by banks	13	340,334	-	-	-	-	-	-	340,334
Credist and accounts receivable from customers (3)	13	1,039,920	1,896,776	1,934,391	4,300,729	6,100,663	3,297,580	10,853,555	29,423,614
Total Financial Assets		2,902,370	2,945,502	2,303,300	5,533,198	7,935,405	4,942,594	12,649,657	39,212,026
Transactions with settlement in progress	7	527,276	-	-	-	-	-	-	527,276
Financial liabilities to be traded at fair value through profit or loss									
Financial derivative contracts (1)	21	20,385	224,216	273,209	828,516	1,105,010	842,889	1,689,146	4,983,371
Other	21	-	-	-	-	-	-	-	-
Financial derivative contracts for hedge accounting (1)	12	-	1,374	2,351	157,412	184,307	382,407	465,155	1,193,006
Financial liabilities at amortized cost									
Deposits and other sight obligations	22	6,382,260	-	-	-	-	-	-	6,382,260
Deposits and other time deposits	22	665,406	4,239,331	1,753,331	2,530,981	953,315	-	-	10,142,364
Obligations for repurchase agreements and securities loans	22	-	205,888	-	-	-	-	-	205,888
Obligations with banks	22	11,531	50,548	208,517	2,266,481	2,808,814	78,429	-	5,424,320
Issued Debt financial instruments	22	-	257,952	370,733	303,186	1,676,282	1,900,939	2,414,071	6,923,163
Other financial obligations	22	47,954	16,800	6,039	7,622	43	-	-	78,458
Obligations for lease contracts	17	-	883	2,564	7,944	21,436	21,992	102,314	157,133
Issued regulatory capital financial instruments	23	-	-	-	-	-	-	779,268	779,268
Total Financial Liabilities		7,654,812	4,996,992	2,616,744	6,102,142	6,749,207	3,226,656	5,449,954	36,796,507
Net Financial Position		(4,752,442)	(2,051,490)	(313,444)	(568,944)	1,186,198	1,715,938	7,199,703	2,415,519

As at December 31, 2021		At sight	Up to 1 month	More than 1 month up to 3 months	More than 3 months up to 1 year	More than 1 year up to 3 years	More than 3 years up to 5 years	More than 5 years	Total
Note		MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Cash and Deposits in Banks	7	1,459,622	-	-	-	-	-	-	1,459,622
Transactions with settlement in progress	7	443,080	-	-	-	-	-	-	443,080
Financial assets to be traded at fair value with changes in income									
Financial Derivative Contracts (1)	8	12,208	254,669	453,602	1,089,665	1,430,366	1,108,656	1,984,931	6,334,097
Debt financial instruments (2)	8	1,577	31	209,050	118,266	28,898	88,291	28,602	474,715
Other	8	113,370	1,693	826	-	-	-	-	115,889
Financial assets at fair value with changes in other comprehensive income									
Debt financial instruments (2)	11	11,087	287,430	197,293	46,885	212,679	616,194	578,932	1,950,500
Other	11	-	-	-	-	-	-	-	-
Financial derivative contracts for hedge accounting	12	-	-	5,697	44,134	93,597	93,564	89,038	326,030
Financial Assets at amortized cost									
Rights for repurchase agreements and securities loans	13	-	-	120,796	-	-	-	-	120,796
Debt financial instruments	13	-	-	-	-	-	-	-	-
Owed by banks	13	-	2,996	-	-	-	-	-	2,996
Credist and accounts receivable from customers (3)	13	538,631	1,561,797	2,178,848	4,577,893	6,136,928	3,428,715	10,535,043	28,957,855
Total Financial Assets		2,579,575	2,108,616	3,166,112	5,876,843	7,902,468	5,335,420	13,216,546	40,185,580
Transactions with settlement in progress	7	395,878	-	-	-	-	-	-	395,878
Financial liabilities to be traded at fair value through profit or loss									
Financial derivative contracts (1)	21	10,885	261,634	376,327	1,034,435	1,464,791	993,092	1,907,350	6,048,514
Other	21	-	-	-	-	-	-	-	-
Financial derivative contracts for hedge accounting (1)	12	-	7,311	11,545	85,303	146,546	238,375	342,855	831,935
Financial liabilities at amortized cost									
Deposits and other sight obligations	22	7,221,450	-	-	-	-	-	-	7,221,450
Deposits and other time deposits	22	287,457	3,827,474	2,241,729	2,390,273	715,633	-	-	9,462,566
Obligations for repurchase agreements and securities loans	22	-	379,970	-	-	-	-	-	379,970
Obligations with banks	22	5,764	803,522	2,301,881	2,488,823	85,263	-	-	5,685,253
Issued debt financial instruments (2)	22	-	-	519,408	303,897	1,844,946	1,766,050	2,223,737	6,658,038
Other financial obligations	22	54,681	10,106	11,425	2,997	1,865	2,262	274	83,610
Obligations for lease contracts	17	-	928	2,650	8,318	22,608	22,959	106,312	163,775
Issued regulatory capital financial instruments	23	-	-	-	-	3,027	798	752,543	756,368
Total Financial Liabilities		7,976,115	5,290,945	5,464,965	6,314,046	4,284,679	3,023,536	5,333,071	37,687,357
Net Financial Position		(5,396,540)	(3,182,329)	(2,298,853)	(437,203)	3,617,789	2,311,884	7,883,475	2,498,223

- (1) Tranches of remaining maturities were determined based on the fair values (MTM) of the financial instruments
- (2) Tranches of the remaining maturities were determined based on the nominal amounts of the financial instruments
- (3) Gross loans, without considering allowances for credit risk

Note 46 Financial and non- financial Assets and Liabilities by Currency

a) Financial Assets and Liabilities detail as follows:

Financial - Assets/Liabilities	Note	Balance as at March 31, 2022 - By type of currency in MCh\$										
		Ch\$ MCh\$	UF MCh\$	US\$ MCh\$	COP MCh\$	GBP MCh\$	EUR MCh\$	CHF MCh\$	JPY MCh\$	CNY MCh\$	Other MX MCh\$	Total MCh\$
Cash and deposits in banks	7	425,583	-	443,838	-	5,123	35,080	362	1,909	961	11,250	924,106
Transactions with settlement in progress	7	269,609	-	170,868	-	3,711	4,175	38	241	557	869	450,068
Financial derivative contracts	8	5,163,196	-	-	-	-	-	-	-	-	-	5,163,196
Debt financial instruments	8	30,213	230,811	5,100	-	-	-	-	-	-	-	266,124
Other financial instruments	8	105,406	-	-	-	-	-	-	-	-	-	105,406
Debt financial instruments	11	1,908,095	199,285	743	-	-	-	-	-	-	-	2,108,123
Financial derivative contracts for accounting hedge	12	305,639	-	-	-	-	-	-	-	-	-	305,639
Rights for repurchase agreements and securities loans	13	125,416	-	-	-	-	-	-	-	-	-	125,416
Owed by banks	13	339,392	-	942	-	-	-	-	-	-	-	340,334
Commercial loans	13	5,926,715	3,650,058	4,139,696	-	-	20,980	-	-	5,357	-	13,742,806
Mortgage loans	13	(33,458)	12,021,070	-	-	-	-	-	-	-	-	11,987,612
Consumer loans	13	3,205,318	18,886	12,276	-	-	-	-	-	-	-	3,236,480
Total Financial Assets		17,771,124	16,120,110	4,773,463	-	8,834	60,235	400	2,150	6,875	12,119	38,755,310
Transactions with settlement in progress	7	405,825	-	107,992	-	3,680	1,609	3	126	8,041	-	527,276
Financial derivative contracts	21	4,983,371	-	-	-	-	-	-	-	-	-	4,983,371
Financial derivative contracts for accounting hedge	12	1,193,006	-	-	-	-	-	-	-	-	-	1,193,006
Deposits and other sight obligations	22	5,420,283	232,850	700,341	-	181	27,344	30	12	860	359	6,382,260
Deposits and other time deposits	21	6,737,312	227,922	3,176,573	-	-	557	-	-	-	-	10,142,364
Obligations for repurchase agreements and securities loans	22	205,885	-	3	-	-	-	-	-	-	-	205,888
Obligations with banks	22	3,029,261	-	2,389,223	-	-	384	-	-	5,452	-	5,424,320
Issued debt financial instruments	22	322,723	6,088,614	136,967	-	-	-	238,881	83,159	-	52,819	6,923,163
Other financial obligations	22	77,236	-	1,222	-	-	-	-	-	-	-	78,458
Obligations for lease contracts	17	155,830	1,303	-	-	-	-	-	-	-	-	157,133
Issued regulatory capital financial instruments	23	-	779,268	-	-	-	-	-	-	-	-	779,268
Total Financial Liabilities		22,530,732	7,329,957	6,512,321	-	3,861	29,894	238,914	83,297	14,353	53,178	36,796,507
Net Financial Position		(4,759,608)	8,790,153	(1,738,858)	-	4,973	30,341	(238,514)	(81,147)	(7,478)	(41,059)	1,958,803

Financial - Assets/Liabilities	Note N°	Balance as at December 31, 2021 - By type of currency in MCh\$										Total MCh\$
		Ch\$ MCh\$	UF MCh\$	US\$ MCh\$	COP MCh\$	GBP MCh\$	EUR MCh\$	CHF MCh\$	JPY MCh\$	CNY MCh\$	Other MX MCh\$	
Cash and deposits in banks	7	857,700	-	568,245	-	6,629	15,958	540	1,962	712	7,876	1,459,622
Transactions with settlement in progress	7	176,312	-	216,935	-	8,153	34,066	-	5,920	-	1,694	443,080
Financial derivative contracts	8	6,334,097	-	-	-	-	-	-	-	-	-	6,334,097
Debt financial instruments	8	135,976	333,195	5,544	-	-	-	-	-	-	-	474,715
Other financial instruments	8	115,889	-	-	-	-	-	-	-	-	-	115,889
Debt financial instruments	11	1,698,702	251,798	-	-	-	-	-	-	-	-	1,950,500
Financial derivative contracts for accounting hedge	12	326,030	-	-	-	-	-	-	-	-	-	326,030
Rights for repurchase agreements and securities loans	13	120,796	-	-	-	-	-	-	-	-	-	120,796
Owed by banks	13	(2)	-	2,998	-	-	-	-	-	-	-	2,996
Commercial loans	13	5,927,647	3,463,081	4,418,370	-	-	21,271	-	121	3,823	-	13,834,313
Mortgage loans	13	(34,131)	11,624,735	-	-	-	-	-	-	-	-	11,590,604
Consumer loans	13	3,053,735	20,097	13,952	-	-	-	-	-	-	-	3,087,784
Total Financial Assets		18,712,751	15,692,906	5,226,044	-	14,782	71,295	540	8,003	4,535	9,570	39,740,426
Transactions with settlement in progress	7	218,314	-	162,191	-	10,447	3,570	-	-	-	1,356	395,878
Financial derivative contracts	21	6,048,514	-	-	-	-	-	-	-	-	-	6,048,514
Financial derivative contracts for accounting hedge	12	831,935	-	-	-	-	-	-	-	-	-	831,935
Deposits and other sight obligations	22	6,134,870	398,195	660,057	-	537	27,323	31	11	-	426	7,221,450
Deposits and other time deposits	21	6,155,657	122,270	3,184,027	-	-	612	-	-	-	-	9,462,566
Obligations for repurchase agreements and securities loans	22	379,967	-	3	-	-	-	-	-	-	-	379,970
Obligations with banks	22	3,029,114	-	2,651,056	-	-	1,260	-	-	3,823	-	5,685,253
Issued debt financial instruments	22	378,657	5,759,505	148,174	-	-	-	261,584	73,304	-	36,814	6,658,038
Other financial obligations	22	80,188	-	3,422	-	-	-	-	-	-	-	83,610
Obligations for lease contracts	17	162,672	1,103	-	-	-	-	-	-	-	-	163,775
Issued regulatory capital financial instruments	23	-	756,368	-	-	-	-	-	-	-	-	756,368
Total Financial Liabilities		23,419,888	7,037,441	6,808,930	-	10,984	32,765	261,615	73,315	3,823	38,596	37,687,357
Net Financial Position		(4,707,137)	8,655,465	(1,582,886)	-	3,798	38,530	(261,075)	(65,312)	712	(29,026)	2,053,069

b) Non- financial assets and liabilities are detailed as follows:

Non-Financial -Assets /Liabilities	Note Nº	Balance as at March 31, 2022 - By type of currency in MCh\$										Total MCh\$
		Ch\$ MCh\$	UF MCh\$	US\$ MCh\$	COP MCh\$	GBP MCh\$	EUR MCh\$	CHF MCh\$	JPY MCh\$	CNY MCh\$	Other MX MCh\$	
Investment in companies	14	22,012	-	-	-	-	10	-	-	-	-	22,022
Intangible Assets	15	224,562	-	-	-	-	-	-	-	-	-	224,562
Property, Plant	16	94,253	-	-	-	-	-	-	-	-	-	94,253
Assets for the right to use leased assets	17	174,088	-	-	-	-	-	-	-	-	-	174,088
Current Taxes	18	5,456	-	-	-	-	-	-	-	-	-	5,456
Deferred Taxes	18	401,266	-	-	-	-	-	-	-	-	-	401,266
Other Assets	19	289,515	32,742	436,904	-	-	268	-	-	-	-	759,429
Non-current assets and disposal groups for sale	20	14,766	-	-	-	-	-	-	-	-	-	14,766
Total Non-Financial Assets		1,225,918	32,742	436,904	-	-	278	-	-	-	-	1,695,842
Allowances for contingencies	24	59,188	-	-	-	-	-	-	-	-	143	59,331
Allowances for dividends, interest payments and appreciation of issued regulatory capital f	25	33,982	-	-	-	-	-	-	-	-	-	33,982
Special allowances for credit risk	26	198,900	-	5,423	16	-	35	9	2	24	-	204,409
Current Taxes	18	39,684	-	-	-	-	-	-	-	-	-	39,684
Deferred Taxes	18	527	-	-	-	-	-	-	-	-	-	527
Other Laibilities	27	190,318	78,333	303,451	450	-	35,533	-	-	-	5,580	613,665
Total non- financial liabilities		522,599	78,333	308,874	466	-	35,568	9	2	24	5,723	951,598
Net Non-Financial Position		703,319	(45,591)	128,030	(466)	-	(35,290)	(9)	(2)	(24)	(5,723)	744,244

Non-Financial -Assets /Liabilities	Note Nº	Balance as at December 31, 2021 - By type of currency in MCh\$										Total MCh\$
		Ch\$ MCh\$	UF MCh\$	US\$ MCh\$	COP MCh\$	GBP MCh\$	EUR MCh\$	CHF MCh\$	JPY MCh\$	CNY MCh\$	Other MX MCh\$	
Investment in companies	14	19,962	-	-	-	-	11	-	-	-	-	19,973
Intangible Assets	15	222,409	-	-	-	-	-	-	-	-	-	222,409
Property, Plant	16	96,122	-	-	-	-	-	-	-	-	-	96,122
Assets for the right to use leased assets	17	181,672	-	-	-	-	-	-	-	-	-	181,672
Current Taxes	18	5,062	-	-	-	-	-	-	-	-	-	5,062
Deferred Taxes	18	401,690	-	-	-	-	-	-	-	-	-	401,690
Other Assets	19	196,806	34,788	684,603	-	-	-	-	-	-	154	916,351
Non-current assets and disposal groups for sale	20	14,190	-	-	-	-	-	-	-	-	-	14,190
Total Non-Financial Assets		1,137,913	34,788	684,603	-	-	11	-	-	-	154	1,857,469
Allowances for contingencies	24	56,592	-	-	-	-	-	-	-	-	216	56,808
Allowances for dividends, interest payments and appreciation of issued regulatory capital f	25	127,315	-	-	-	-	-	-	-	-	-	127,315
Special allowances for credit risk	26	216,986	-	-	-	-	-	-	-	-	-	216,986
Current Taxes	18	85,595	-	-	-	-	-	-	-	-	-	85,595
Deferred Taxes	18	588	-	-	-	-	-	-	-	-	-	588
Other Laibilities	27	252,084	83,430	272,564	364	-	8,690	-	-	-	4,991	622,123
Total non- financial liabilities		739,160	83,430	272,564	364	-	8,690	-	-	-	5,207	1,109,415
Net Non-Financial Position		398,753	(48,642)	412,039	(364)	-	(8,679)	-	-	-	(5,053)	748,054

Note 47 Risk Management and Reporting

1) Introduction

The Bank and its subsidiaries operate in a highly technological, regulated and competitive market exposed to a series of risks, which can have a negative impact on the organization both in financial terms and in corporate image. These risks need to be managed through the use of structures and methodologies consistent with the volumes, complexity of the transactions and levels of automation, in order to ensure that said risks are managed within levels consistent with the risk appetite defined by the Administration and in accordance with the strategy defined by the Corporate Governance. This allows the Bank and subsidiaries to establish a balance between risks and benefits in order to maximize value for shareholders.

As a result of the health emergency caused by COVID-19, since 2020 the Bank and its subsidiaries have seen an increase in their liquidity and exposure to some risks, the impact of which on business and financial position is explained in detail in the notes to accounting changes, relevant events, risk management and provisions, mainly.

Principles

The activities that involve assuming and managing risks in the Bank are guided by the following principles:

- Risk and Benefit balance - Business and risk decisions are consistent with strategies and risk appetite.
- Understand risks - All material risks to which the Bank is exposed, including financial and non-financial risks, are identified and managed.
- Progressive thinking - Emerging risks and potential vulnerabilities are proactively identified and managed.
- Shared responsibility - All employees are responsible for managing risk.
- Customer Focus - Understanding our customers and their needs is essential to all business and risk decision making.
- Protect our brand - All risk-taking activities must be aligned with the Bank's risk appetite, the Code of Conduct, the values and principles of Policies.
- Controls - Maintain a robust and efficient control environment to protect our stakeholders.
- Resilience - Be operationally and financially prepared to respond in a timely manner to negative events.
- Compensation - performance and compensation structures reinforce the Bank's values and promote effective risk-taking behaviors taking into account the regulatory environment related to compensation.

2) Risk Management Structure

• Board

Being the highest part of the Bank's risk management structure, it provides supervision, either directly or through its support Committees, to ensure that decision-making is consistent with strategies and risk appetite. The Board of Directors receives regular updates on the main risks of the Bank, including a summary of the Bank's risk profile, main and emerging risks together with the performance of the portfolio with respect to the defined limits, and approves the key risk policies, the limits and the Risk Appetite Framework.

Decision-making is centralized in several Committees related to risk management, among which the following stand out:

• Risk Committee

It corresponds to a support committee, which helps the Bank's Board of Directors in supervising risk management, which includes institutional risk, credit risk, market risk and operational risk faced by the Bank, to facilitate its monitoring and supervision. Likewise, it provides the Board of Directors with updated information on the Bank's risk management.

• Assets and Liabilities Committee

(ALCO) Its mission is to deliver strategic guidelines that allow the proper management of the Bank's financial structure, in accordance with the objectives set by the Board of Directors and the Bank's policies. This Committee is made up of members of the Senior Management, whose responsibility is to supervise the evolution of the balance sheet and long-term strategies, becoming a focus for discussion and resolution of the various issues concerning growth, funding, products, pricing, risks and Bank results.

• Models Committee

The Model's Committee is a body created to define and approve the preparation, application, monitoring, validation and implementation of the models and strategies defined in the risk management policy, as well as their modifications and relevant changes.

• Committee for the prevention of money laundering and financing of terrorism of the Bank and subsidiaries

Promotes and facilitates in the Bank and subsidiaries the observance of regulations and best practices to prevent, detect and report unusual operations that could be linked to money laundering.

• Liquidity Contingency Committee

The Liquidity Contingency Committee is the highest decision-making body within the institution during a liquidity stress event, being the point of contact and consultation for the different areas of the Bank. The Committee may be convened and activated by the Executive Vice President-Country Head, in his capacity as Chairman and Officer in Charge, or in his absence by the Regional Vice President Treasurer or by resolution of ALCO. Activation can be based on the evaluation of early warnings of a potential liquidity stress event, contemplated in the Liquidity Policy and on all available information. When the liquidity situation does not allow waiting until the next ALCO session, the Chairman and Officer in Charge of the

Committee, or in his absence the Regional Vice President Treasurer, has the authority to convene and activate the Liquidity Contingency Plan.

- **Non-Financial Risk Management Committee of the Bank and subsidiaries**

Provide high-level supervision of Non-Financial Risks (Operational Risks, Information Security, Business Continuity, Risks in Outsourced Services, New Products and Initiatives, Compliance, Regulatory and Reputational Reports), providing a strategic approach and coordinating the development of local internal control programs.

- **Audit Committee**

Corresponds to a support committee for the Board of Banco Scotiabank, which is in charge of the different aspects involving efficiency, maintenance, application and operation of the internal control systems of the Bank and its subsidiaries; closely monitor compliance with the regulatory standards and procedures that govern its practice; have a clear understanding of the risks that the business carried out may result for the institution; reinforce and support the function of the Comptroller's Office, as well as its independence from the administration and serve as a link and coordinator of tasks between the internal audit and the external auditors, also acting as a link between them and the Bank's Board of Directors.

Risk Division

The Risk Division supports the Bank's objectives and must maintain an effective and continuous Risk Management Framework at all levels of the institution. The Risk Division is responsible for providing reasonable assurance to Senior Management, the Board of Directors and Shareholders that risks are actively identified, managed and communicated to all key stakeholders. This is achieved by presenting information in an effective and timely manner. The mission of the Risk Division is to ensure that the results of risk-taking activities are consistent with the Bank's risk appetite and strategies, and that there is an appropriate balance between risk and benefit in order to maximize value for shareholders.

Some key tasks in Risk Management carried out by the risk units are, but are not limited to:

Retail Credit Management

- Evaluation of credit risk, exceptions and other credit operations of the different service channels, for Consumer Finance, Persons, Retail Finance, Micro-enterprises and SMEs.
- Carry out comprehensive strategic collection management hand in hand and aligned with the Bank's policy compliance and lead projects related to automation or improvements in collection systems.

Wholesale Credit Management

- Evaluate the credits, exceptions and other operations of the different Service Channels for portfolios as Business, Large Business, Wholesale, Corporate and Real Estate.

Standardization Companies and BRP

- Manages debtors transferred from the Commercial Areas (Corporate, Large Companies, Wholesale, Real Estate and Companies) including the Leasing and Factoring portfolio, which present problems in meeting

their obligations with the Bank or show impairment in their economic or financial position. It should be noted that this management is also responsible for managing goods received in payment.

Market risk

- Correctly measure and report to Senior Management the risks incurred by Scotiabank group in Chile due to changes in prices and liquidity, so that these are managed in accordance with the Banks risk appetite and expectations.
- In view of the announcement issued by the Financial Conduct Authority (FCA), regarding that LIBOR rates would no longer be published, the Chilean Market is evaluating its replacement by new reference rates such as SOFR, ESTR, SONIA, within the steps followed by Scotiabank we can mention:
 - Bank agreed not to deliver more loans in Libor since January.
 - Bank adapted systems for new reference rates.
 - Customers /Bank must get used to the use of new reference rates.
 - Price changes from Valuation to SOFR curves.

Enterprise Risk Management

Develop and implement methods to identify, assess, measure, and monitor the risk operational models, technological, data, and information security risks, perform a challenge to the First Line of Defense, and report the results to Senior Management and the Board of Directors.

- Business Continuity Management is the process that consists of developing, in advance, the necessary capacities to avoid or mitigate the impact of an event that causes a business interruption.
- Information Technology (IT) and Cybersecurity Risk is the risk of financial loss, disruption, or reputational damage due to certain types of failures in IT systems.
- Data Risk is the exposure to financial or non-financial consequences due to mismanagement of the Bank's Data Assets.
- Operational Risk is the risk of loss derived from persons, from inadequate processes and systems or their failures or from external events. Operational risk includes risk management with third parties and legal risk but excludes strategic risk and reputational risk.
- Model Risk is one that produces adverse financial results (for example, capital, income losses) and reputation, arising from poor specifications, incorrect assumptions, computation errors, lack of controls, among other things, in the design, development, implementation and/or use of models.
- Implement the Risk Management Framework and the Risk Appetite Framework as the monitoring of risk appetite metrics, responsible for the Risk Culture, the Crisis Recovery Plan as well as determining the Bank's risk profile.

Compliance

- Support Management through the application of the compliance program and the implementation of rules issued by regulatory bodies and corporate procedures of the Bank and its subsidiaries; monitor and advise on the application of Scotiabank Code of Conduct; and support Senior Management in the identification and management of the non-compliance risk.
- Collaborate with Management to establish a Crime Prevention Model as required by Law No.20393, on Criminal Liability of Legal Entities and ensure its effective implementation and application.

Prevention of money laundering and financing of terrorism

- Prevent the use of the Bank's products and its subsidiaries for the commission of crimes associated with Money Laundering and Terrorist Financing, reducing the associated reputational risk.

3) Credit Risk

Relates to the risk of financial loss faced by the Bank if a customer or counterparty in a financial instrument does not comply with its contractual obligations. It originates mainly from accounts receivable from customers and investment instruments.

The Bank manages credit risk through a series of tools including procedures, models, validation, controls, behavioral monitoring, etc. This is part of a global strategy. Different limits and models are established based on the features of the customers and the environment in which operates.

The process by which the Bank operates its policies and controls includes the following features and instances:

- Centralized loan process, where all powers are based on the Credit Committees.
- Clearly established discretionary credit limits.
- Credit Committees specialized by business segments.
- Credit Committees specialized by sectors of economic activity.

The main controls established by the Bank include:

- Control and monitoring of credit limits authorized by sector of economic activity.
- Generation of credit management reports.
- Early warnings of the commercial portfolio.
- Calculation and monthly control of allowances.
- Monitoring of impaired portfolio.
- Control of penalties and credits recovery.

The Bank also has differentiated models to establish the appropriate amount of potential losses, based on the following models based on individual and group analysis of debtors:

Individual Evaluation:

Will be considered commercial portfolio individually evaluated all debtors with the following features:

All Wholesale customers, that is, those belonging to the portfolios of the Corporate, Real Estate, Large Companies and Wholesale segments.

Those debtors other than Wholesale, who present any of the following conditions:

- Annual sales equal to or greater than MCh\$1,000.
- Customers whose commercial debts equal or exceed MCh\$500. It is understood by commercial debts, loan operations, contingent credits, leasing and factoring.
- Customers who are part of a business group, register commercial loans and whose total indebtedness, excluding mortgage loans, reaches an amount equal to or greater than UF 20,000.
- All those debtors who register cross-border operations among their credits will be included as individual customers.

In accordance with Chapter B-1 of the Compendium of Accounting Standards of the CMF, the individual evaluation considers the following segments:

- a) Regular Portfolio: Includes those customers whose payment capacity allows them to meet their financial obligations and ranges from category A1 to A6.
- b) Substandard Portfolio: Includes debtors with financial problems or who have been in arrears for more than 30 days. It ranges from category B1 to B4.
- c) Portfolio in Default: Includes debtors with insufficient payment capacity in foreseeable situations. The categories used range from C1 to C6.

Group Evaluation - Group Expected Loss Models:

The Bank has an adequate structure for the administration of credit risk models, with independence of functions in accordance with good practices and local regulations.

On the other hand, exists a Models Committee to which the development of the models, their validation and their follow-up are presented for approval, both from the performance and sufficiency of allowances standpoint, which allows for adequate control of group supplies. The aforementioned validation is carried out by an area different from the area developing said models, carrying out an objective review and without conflicts of interest.

There is a Model Management Policy that has guidelines allowing developments to show a standard defined by the Bank, regardless of the team that performs the work. The guidelines cover different topics such as Group Models Methodology, Monitoring and Control, Data Validation, Model Validation and Model Development, and Sufficiency of Allowances.

In addition, in order to have adequate support and analysis, there are Technical Notes that cover relevant points in the development of models, such as, for example, the recessive period to be considered or the discount rate that should be used in the calculation of the parameter of Loss Given Default.

All models have a risk rating based on their use, maturity, typology, materiality and complexity.

The Group Credit Risk Models are presented below according to the Bank's portfolios:

Bank Portfolio

Non-Retail Group Commercial Model

This Model is applied to single customers, small businesses, separating customers belonging to commercial credit portfolio from customers belonging to retail portfolio (customers with credits other than commercial loans). Commercial customers with sales above MUS\$1 or debt above MCh\$500 are evaluated individually.

Customers are evaluated at Tax Id No. level, which are grouped as follows:
Renegotiated Customer, Non-Renegotiated Customer and Various VDE Debtors.

In addition, the commercial portfolio has a standard model published by CMF that is divided into three sub-matrices: Leasing, Students and Commercial Rest. These matrices are generally double-entry where an Expected Loss (EP) assigned according to the delinquency tranche and guarantee coverage must be applied. The model providing the greatest allowances between the internal or standard model is then applied.

Retail Group Commercial Model

This Model is applied to single customers (natural persons) or micro-enterprises with some classified commercial credit as defined by CMF. There are various business models for the Retail segment and these are applied to each account as appropriate to calculate the Probability of Default (PD) and are:

CAE Education, Corfo Education, Micro-enterprises (for new and old customers), General Purpose Mortgage Loan and Model for Renegotiated Customers.

In addition, the commercial portfolio has a standard model published by CMF that is divided into three sub-matrices: Leasing, Students and Commercial Rest. These matrices are generally double-entry where a PE assigned according to the delinquency tranche and guarantee coverage must be applied. The model providing the greatest allowances between the internal or standard model is then applied.

Mortgage Model

Mortgage model applies to customers with an operation classified as Mortgage loans (for new and old customers). Customers are evaluated at Tax ID No. level. In addition, has a standard model determined by CMF in a double-entry matrix where an EL must be applied by tranches of default and tranches of LTV (Loan To Value) The model that calculates the highest Expected Losses is then applied.

Consumption Model

It applies to customers with an operation classified as consumption. There are various consumption models and they are applied to each account as appropriate, seeking the lowest rating at the customer level for the PD calculation. The models are: Quota Consumption (for new and old customers), Revolving Consumption, Renegotiated Consumption (at customer level) and Agreements.

Allowances are calculated based on the estimated Expected Loss for each product/debtor, which is made up of three elements: Probability of Default (PD), Loss Given Default (LGD) and Exposure or Debt. The PD is defined as the probability that a customer will fail to meet their credit obligations, while the Loss Given Default is the rate of loss that a customer may have in the event of not paying their obligations. In general terms, the formula for calculating the provision is given by:

$EL = PD * LGD * Exposure$

Where:

- EL: Expected loss of product/debtor.
- PD: is the probability of default of some person.
- LGD: Loss due to breach.
- Exposure: is the account debt.

The Expected Loss of the State of Chile is applied to the guaranteed percentage of the Fogape, Fogain and Corfo Reprogramming operations and other types of guarantees are also used, such as Reciprocal Guarantee Companies (SGR) or for School Infrastructure.

Depending on the age of a customer, the customer's PD can be estimated by a model for new customers or a model for Behavior or old customers. The new customer models collect demographic and financial behavior features of the customer, while the Behavior models seek information on the internal behavior of the Bank or its subsidiary, depending on the model, and of the financial institutions. In other words, new customer models look for customer features and Behavior models focus on the customer's internal credit behavior. To determine the PD and the LGD, we seek to group customers with similar features, which allows us to determine that the groups are homogeneous within them and heterogeneous among them.

Allowance Model CAT Subsidiary

The model used for CAT subsidiary uses the same formulation as for the group model, based on a statistical model that is aligned with the Basel II Treaty and that proposes finding a Probability of Default (PD) and a Loss Given Default (LGD). The PD is defined as the probability that a customer will fail to meet their credit obligations, while the Loss Given Default is the rate of loss that a customer may have in the event of not paying their obligations, considering the different CAT recovery and collection strategies.

Credit quality by class of financial asset – Group Assessment – Single Assessment

For single evaluation, credit quality is presented (A1 to C6), tabulating loans according to the class of financial asset.

Single Assessment :	As at March 31, 2022							Total
	Owed by Banks MCh\$	Commercial Loans MCh\$	Commercial Leasing MCh\$	Factoring MCh\$	Consumer Loans MCh\$	Mortgage Loans MCh\$	Contingent Loans MCh\$	
A1	339,393	86,202	-	9,727	-	-	111,509	546,831
A2	685	3,536,524	57,702	6,110	-	-	539,030	4,140,051
A3	257	1,897,644	130,805	21,089	-	-	159,773	2,209,568
A4	-	3,285,434	301,943	136,662	-	-	139,487	3,863,526
A5	-	1,240,350	133,544	37,516	-	-	57,250	1,468,660
A6	-	600,639	64,525	21,436	-	-	19,362	705,962
B1	-	141,882	10,315	947	-	-	1,167	154,311
B2	-	37,945	1,748	12	-	-	48	39,753
B3	-	61,796	9,635	-	-	-	623	72,054
B4	-	22,485	5,245	141	-	-	209	28,080
C1	-	18,760	1,957	-	-	-	3	20,720
C2	-	4,133	1,066	-	-	-	-	5,199
C3	-	4,613	-	-	-	-	-	4,613
C4	-	8,521	1,470	-	-	-	10	10,001
C5	-	10,456	795	5	-	-	-	11,256
C6	-	54,401	263	96	-	-	2,573	57,333
Total	340,335	11,011,785	721,013	233,741	-	-	1,031,044	13,337,918

Single Assessment :	As at December 31, 2021							Total
	Owed by Banks MCh\$	Commercial Loans MCh\$	Commercial Leasing MCh\$	Factoring MCh\$	Consumer Loans MCh\$	Mortgage Loans MCh\$	Contingent Loans MCh\$	
A1	1,371	99,775	-	15,183	-	-	62,752	179,081
A2	1,627	3,687,868	65,575	6,580	-	-	643,849	4,405,499
A3	-	1,761,733	122,152	33,734	-	-	195,889	2,113,508
A4	-	3,317,240	303,324	120,342	-	-	169,768	3,910,674
A5	-	1,316,121	130,160	46,438	-	-	63,896	1,556,615
A6	-	567,253	53,813	17,961	-	-	23,650	662,677
B1	-	137,382	14,605	498	-	-	1,720	154,205
B2	-	33,933	2,422	-	-	-	192	36,547
B3	-	60,808	9,358	14	-	-	697	70,877
B4	-	24,765	2,118	-	-	-	7	26,890
C1	-	17,457	1,182	-	-	-	3	18,642
C2	-	3,970	850	-	-	-	5	4,825
C3	-	4,513	340	-	-	-	-	4,853
C4	-	10,358	514	-	-	-	-	10,872
C5	-	6,769	1,546	-	-	-	-	8,315
C6	-	60,774	315	41	-	-	1,939	63,069
Total	2,998	11,110,719	708,274	240,791	-	-	1,164,367	13,227,149

Credit quality by class of financial asset – Group Assessment

For Group evaluation, credit quality is presented (Normal or Default), tabulating loans according to the class of financial asset.

Group Assessment :	As at March 31, 2022							
	Owed by Banks MCh\$	Commercial Loans MCh\$	Commercial Leasing MCh\$	Factoring MCh\$	Consumer Loans MCh\$	Mortgage Loans MCh\$	Contingent Loans MCh\$	Total MCh\$
Normal	-	1,818,643	31,790	1,145	3,248,675	11,762,242	483,354	17,345,849
Default	-	166,030	1,837	145	166,315	260,253	15,134	609,714
Total	-	1,984,673	33,627	1,290	3,414,990	12,022,495	498,488	17,955,563

Group Assessment :	As at December 31, 2021							
	Owed by Banks MCh\$	Commercial Loans MCh\$	Commercial Leasing MCh\$	Factoring MCh\$	Consumer Loans MCh\$	Mortgage Loans MCh\$	Contingent Loans MCh\$	Total MCh\$
Normal	-	1,812,440	35,326	1,393	3,090,881	11,365,427	1,685,273	17,990,740
Default	-	172,548	2,530	33	156,718	260,776	15,709	608,314
Total	-	1,984,988	37,856	1,426	3,247,599	11,626,203	1,700,982	18,599,054

Financial Assets at Amortized Cost

The following phases are defined for single and group evaluation:

Phase	Description	Single	Group
Phase 1	Assets without a significant increase in credit risk since initial recognition	A1 to A6	Normal
Phase 2	Assets with a significant increase in credit risk since initial recognition but without credit impairment	B1 to B4	
Phase 3	Credit-impaired assets	C1 to C6	Impaired

The classification of financial assets at amortized cost and contingent loans in these phases is as follows:

As at March 31, 2022	Phase 1 MCh\$	Phase 2 MCh\$	Phase 3 MCh\$	Total MCh\$
Single				
Owed by banks	340,335	-	-	340,335
Credits and accounts receivable	12,594,264	294,196	109,123	12,997,583
Group				
Owed by banks	-	-	-	-
Credits and accounts receivable	17,345,850	-	609,713	17,955,563
Total	30,280,449	294,196	718,836	31,293,481

As at December 31, 2021	Phase 1 MCh\$	Phase 2 MCh\$	Phase 3 MCh\$	Total MCh\$
Single				
Owed by banks	2,998	-	-	2,998
Credits and accounts receivable	12,825,057	288,519	110,575	13,224,151
Group				
Owed by banks	-	-	-	-
Credits and accounts receivable	17,994,000	-	605,054	18,599,054
Total	30,822,055	288,519	715,629	31,826,203

Collaterals and Other Credit Enhancements

The amounts of collaterals on loans amounts to approximately:

Portfolio	03/31/2022		12/31/2021	
	Loans MCh\$	Collaterals MCh\$	Loans MCh\$	Collaterals MCh\$
Total	29,423,614	25,571,872	28,957,856	24,242,048

Offset of Financial Assets and Liabilities

In accounting form Scotiabank does not carry out compensation on derivatives.

Credit Limits to Related Groups

Total obligations with Groups related to Scotiabank are within the regulatory limits for the percentage of Effective Equity.

As at March 31, 2022

Art. 85 Related with Scotiabank Chile	Total Obligations	% Effective Equity	
	MCh\$	Secured	Unsecured
BNS Group	616,425	17.5%	2.6%
Said Group	202,813	5.7%	1.5%
Genérico por Gestión Group	130,295	3.7%	0.8%
Paz Group	33,989	1.0%	0.9%
Apoyo al Giro Group	31,238	0.9%	0.9%
Pacal Group	29,805	0.8%	0.0%
Other Realated Groups	110,667	3.1%	1.5%
Total Main Debtors	1,155,232		
	Regulatory Limits	25.0%	5.0%

As at December 31, 2021

Art. 85 Related with Scotiabank Chile	Total Obligations	% Effective Equity	
	MCh\$	Secured	Unsecured
BNS Group	467,395	13.0%	1.7%
Said Group	200,058	5.5%	1.2%
Genérico por Gestión Group	129,569	3.6%	0.7%
Pacal Group	27,725	0.8%	0.0%
Other Realated Groups	123,740	3.4%	1.9%
Total Main Debtors	971,280		
	Regulatory Limits	25.0%	5.0%

Concentrations By Industries

See information on concentration by industry in letter e) “Gross loans and provisions constituted grouped by type of economic activity of debtors and concentration of credit risk” of note 13 “Financial Assets at Amortized Cost”.

Total Allowances on Loans

The total level of allowances on loans reached MCh\$456,716 as at March 31, 2022, which implies an increase of approximately 2.6% compared to the stock of allowances as at December 2021, which reached MCh\$445,155. In this sense and considering the increase in total loans (growth of 1.6% in the same period), the percentage of allowances over total loans rose from 1.54% in December 2021 to 1.55% in March 2022.

Risk rates and allowances	03/31/2022	12/31/2021
	MCh\$	MCh\$
Total allowances on loans	456,716	445,155
Total loans	29,423,614	28,957,856
Allowances / Loans percentage	1.55%	1.54%

The increase in credit risk allowances in the period between January and March 2022 occurs mainly in Retail and CAT Administradora de Tarjeta S.A.

4) Market Risk

It refers to the risk of losses arising from adverse movements in market prices. It is associated with the volatility of the financial market and reflects the uncertainty faced by a financial institution in the face of possible adverse effects on the risk factors (market interest rates, exchange rates and prices) on the value of its assets, liabilities and equity. These are classified into:

- **Interest Rate Risk**

Risk of losses due to adverse movements in the intertemporal structure of the interest rate. This is caused by upward or downward movements of the yield curve.

- **Spread -Base Risk**

Risk of losses associated with adverse movements in spreads that exist after performing different financial assets and liabilities. These may reflect particular liquidity conditions of assets, credit and/or specific prepayment clauses whose exercise may result in a deterioration on the ability to generate future margin.

- **Exchange Rate Risk**

Risk of losses due to adverse movements in exchange rates. This risk originates from financial mismatches between assets and liabilities, both effective and contingent.

- **Optionality Risk**

Risk of financial losses associated with positions in explicit or implicit options, whether purchased or delivered, such as those contained in mortgage loans and education loans.

Balance Sheet Management

The Bank's assets are mainly made up of mortgage loans (mainly denominated at a fixed rate), commercial loans (including those used to finance foreign trade operations), loans for education and consumption.

The Bank manages its balance sheet with the purpose of maximizing its net income from interest and adjustments, maintaining a high proportion of demand deposits for which interest is not paid and of short-term deposits, granting loans for longer periods allowing to take advantage in this way, the slope of the yield curve within an agreed financial risk management context.

The main risks of the Balance are due to the interest rate risk produced by long-term assets financed with short-term liabilities, and the risk of inflation, where the Bank lends in UF and is financed in pesos. To mitigate Balance risks, the Bank has short-term interest and inflation risk limits, as well as long-term interest risk limits to maintain the level of risk desired by the institution.

The Bank also manages a portfolio of non-derivative financial instruments in order to take advantage of the differences in the yield curve, and at the same time maintain positions in liquid instruments in order to meet eventual resource needs.

Additionally, the Bank performs hedging derivatives to manage risks arising from its mortgage portfolio, its deposit portfolio and specific cases.

The portfolio of financial assets to trade at fair value with changes in results of the Individual Bank, has the following detail:

As at March 31, 2022

(Single Bank)

	Purchase Value MCh\$	Purchase Tir %	Market Value MCh\$	Market Tir %	Unrecognized Result MCh\$
Papers Ch \$	2,119,308	3.68	1,913,378	6.22	(205,930)
PDBC	707,434	5.37	708,580	5.94	1,146
BCP	4,723	2.34	4,550	6.90	(173)
BTP	1,407,151	2.84	1,200,248	6.38	(206,903)
Time Deposits Pesos	-	-	-	-	-
Papers UF	196,571	0.24	188,378	1.06	(8,193)
BCU	35,829	(0.24)	35,722	0.33	(107)
BTU	160,742	0.34	152,656	1.24	(8,086)
Time Deposits UF	-	-	-	-	-
Securitized Bonds	-	-	-	-	-
Papers US\$	739	3.30	747	2.57	8
Time Deposits US\$	739	3.30	747	2.57	8
Total Papers	2,316,618	3.39	2,102,503	5.76	(214,115)

As at December 31, 2021

(Single Bank)

	Purchase Value MCh\$	Purchase Tir %	Market Value MCh\$	Market Tir %	Unrecognized Result MCh\$
Papers Ch \$	1,878,871	3.17	1,698,700	5.17	(180,171)
PDBC	445,806	4.43	445,931	3.94	125
BCP	4,833	2.34	4,662	5.65	(171)
BTP	1,403,358	2.80	1,223,277	5.64	(180,081)
Time Deposits Pesos	24,874	1.24	24,830	4.06	(44)
Papers UF	248,581	0.72	240,498	1.03	(8,083)
BCU	61,066	(0.24)	61,234	(0.59)	168
BTU	187,515	1.03	179,264	1.59	(8,251)
Time Deposits UF	-	-	-	-	-
Securitized Bonds	-	-	-	-	-
Papers US\$	-	-	-	-	-
Time Deposits US\$	-	-	-	-	-
Total Papers	2,127,452	2.88	1,939,198	4.66	(188,254)

Trading Activities /Customers

The Bank has a trading area responsible for the active trading of highly liquid instruments, whether these are Central Bank notes, bank and/or corporate papers, interest rate and/or currency derivatives (including UF). This area is responsible for finding profit opportunities in a short-term horizon, taking advantage of transitory no arbitrations in prices and differentials in the yield curve (base and spread), but is also responsible for providing financial solutions to our customers.

Value at Risk

The Bank uses value-at-risk (VaR) tools to quantify the risk associated with the Trading portfolio positions. This includes papers and derivatives classified in the trading portfolio, as well as the exchange risk of mismatches in foreign currency derived from operations with customers and proprietary positions (directional) in currencies.

In line with our Head Office, Market Risk Management uses the historical simulation method with a confidence level: 99% and 300 days of observations.

Complementarily, the Market Risks Department extensively uses comparison tests in order to establish the predictive quality of its value at risk model (excess frequency test).

At the closing date of March 31, 2022, the total VaR (includes rate and currency) reached a value of MCh\$1,900 (MCh\$1,665 as at December 31, 2021).

The impact of the Risk Factor on the VaR at each closing date is shown below:

	03/31/2022	12/31/2021
	MCh\$	MCh\$
Bonds in UF	(26)	(526)
Derivatives UF	(679)	56
Bonds in Ch\$	(293)	(814)
Derivatives in Ch\$	385	(252)
Derivatives in US\$	(3,674)	(962)
Basis US\$/Ch\$	(103)	(68)
Basis L3L6	2,474	10
Other	11	751
FX	5	140
Total	(1,900)	(1,665)

Where others, it corresponds to the diversification effect, product of having books with different risk measurements.

Sensitivity of Equity and Financial Margin

The Bank uses the sensitivity of Equity Value and Financial Margin to quantify the interest rate risk of the balance book. Both measures include all assets and liabilities, except trading portfolios.

Items sensitive to interest rates are represented as:

- At contractual maturity in the case of fixed-rate products.
- Next repricing date in the case of variable rate products.
- Duration as determined by internal models in the case of products without contractual expiration (e.g., chequing accounts, credit cards and lines of credit, among others).

Non-interest-bearing assets and liabilities without cost are recorded as not sensitive to interest rates:

- Cash.
- Other assets and liabilities.
- Past due portfolio.
- Allowances.
- Capital and reserves.

The change in equity value is determined by assuming a parallel movement of 100 bps (basis points) up and down in the interest rate structure. The exercise is done separately for domestic currency (UF+\$) and foreign currency (US\$ and the rest of the currencies). The total risk will be the sum of the impact of the shock that is most negative for the set of currencies.

The impact on present value per currency of a parallel movement of 100 points is illustrated below.

As at March 31, 2022

	VPN	VPN + 1%	VPN - 1%
\$	1,701,426	(112,457)	122,828
UF	1,651,003	(95,358)	71,213
US\$	5,669	3,145	(3,719)
MX	58,626	(2,329)	2,497
Usage	(207,000)		

As at December 31, 2021

	VPN	VPN + 1%	VPN - 1%
\$	1,471,476	(122,361)	134,101
UF	1,917,379	(78,239)	61,985
US\$	(477,670)	1,970	(4,695)
MX	51,674	(1,974)	2,063
Usage	(200,604)		

The impact on the financial margin by currency of a parallel movement of 100 points is illustrated below:

As at March 31, 2022

	Net Present Value				Financial Margin			
	Ch\$ MCh\$	UF MCh\$	US\$ MCh\$	MX MCh\$	Ch\$ MCh\$	UF MCh\$	US\$ MCh\$	MX MCh\$
1 Month	(1,543,791)	38,635	644,618	4,035	14,795	(411)	(1,544)	(10)
2 Months	133,726	149,482	(155,023)	3,374	(1,170)	(1,344)	339	(7)
3 Months	590,147	271,430	(765,232)	3,162	(4,672)	(2,182)	1,515	(6)
4 Months	139,412	6,360	127,449	2,885	(988)	(73)	(226)	(5)
5 Months	85,544	218,227	232,625	794	(535)	(1,388)	(363)	(1)
6 Months	217,416	263,855	254,977	2,096	(1,178)	(1,451)	(345)	(3)
7 Months	125,829	(17,972)	123,677	1,492	(577)	65	(142)	(2)
8 Months	530,967	(131,962)	39,611	416	(1,991)	481	(37)	-
9 Months	215,682	(135,970)	(4,614)	122	(629)	386	3	-
10 Months	357,085	12,690	(5,962)	1,169	(744)	(34)	3	(1)
11 Months	786,162	(349,595)	8,032	23	(983)	433	(3)	-
12 Months	(92,802)	67,224	2,700	-	39	(29)	-	-
					1,367	(5,547)	(800)	(35)

Exposure to inflation

10,091

Usage 15,107

As at December 31, 2021

	Net Present Value				Financial Margin			
	Ch\$ MCh\$	UF MCh\$	US\$ MCh\$	MX MCh\$	Ch\$ MCh\$	UF MCh\$	US\$ MCh\$	MX MCh\$
1 Month	(594,614)	86,521	(480,555)	3,300	5,698	(861)	1,151	(8)
2 Months	(88,706)	83,252	(365,155)	2,193	776	(757)	798	(5)
3 Months	(119,290)	302,170	(417,594)	3,590	944	(2,418)	826	(8)
4 Months	193,687	21,432	348,468	2,989	(1,372)	(174)	(618)	(6)
5 Months	283,587	145,116	388,168	2,681	(1,773)	(926)	(607)	(5)
6 Months	518,305	203,984	448,647	2,536	(2,808)	(1,122)	(608)	(4)
7 Months	113,027	(87,075)	(2,219)	(782)	(519)	385	2	-
8 Months	5,827	159,018	47,930	296	(22)	(608)	(45)	(1)
9 Months	(65,070)	180,858	15,570	236	189	(536)	(12)	(1)
10 Months	48,718	13,037	19,551	1,368	(102)	(33)	(11)	(1)
11 Months	415,018	(43,797)	29,517	449	(519)	51	(10)	(1)
12 Months	52,034	(19,185)	(15,276)	116	(22)	6	1	(1)
					470	(6,993)	867	(41)

Exposure to inflation

10,852

Usage 16,523

Net Present Value, equivalent to the net present value of asset and liability flows.

Stress Tests

The Market Risk Management develops and reports to ALCO and Local Board regularly stress exercises, which include parallel and non-parallel movements of the yield curve, volatility shocks and historical scenarios.

Detail of Exposures

Currency Risk

The Bank is exposed to volatility in the exchange rates in which its financial positions and cash flows are expressed or indexed. On an annual basis, the limits for the levels of net exposure by currencies and the total positions during the day and closing are reviewed at ALCO and Headquarters, which are monitored daily by the Market Risk Management.

The Bank actively takes positions in US\$, in addition to having operations in other currencies due to products required by customers.

The following charts show the exposures to the different currencies, whether of banking products or derivatives in their equivalent in local currency:

	As at March 31, 2022		
	Assets MCh\$	Liabilities MCh\$	Net MCh\$
US\$	50,804,304	50,905,953	(101,649)
CAD	25,799	23,766	2,033
BRL	61,102	61,188	(86)
PEN	82,308	83,093	(785)
AUD	249,122	247,009	2,113
CNY	195,541	194,514	1,027
DKK	-	-	-
JPY	310,126	301,397	8,729
CHF	485,554	481,867	3,687
NOK	3,453	3,359	94
NZD	7	4	3
GBP	185,570	182,211	3,359
SEK	16,111	16,159	(48)
HKD	2,357	2,292	65
ZAR	37	-	37
COP	116,715	117,698	(983)
MXN	115,078	112,882	2,196
EUR	1,215,230	1,212,428	2,802
Other currencies	7,574	7,557	17

	As at December 31, 2021		
	Assets MCh\$	Liabilities MCh\$	Net MCh\$
US\$	55,850,034	56,056,578	(206,544)
CAD	29,218	29,022	196
BRL	16,590	16,592	(2)
PEN	42,036	42,598	(562)
AUD	258,371	253,081	5,290
CNY	198,981	198,111	870
DKK	-	-	-
JPY	286,496	277,697	8,799
CHF	545,083	531,717	13,366
NOK	5,450	5,328	122
NZD	9	-	9
GBP	234,319	229,844	4,475
SEK	20,336	20,332	4
HKD	2,581	2,501	80
ZAR	37	-	37
COP	60,727	61,200	(473)
MXN	141,638	140,992	646
EUR	1,388,910	1,382,454	6,456
Other currencies	8,694	8,665	29

Balance Book interest rate risk

The Bank is exposed to volatility in the structure of market interest rates on its structural exposures. As a result of changes in interest rates, margins can increase, but these can also be reduced and even cause losses in the event of adverse movements.

The Board of Directors sets limits for the effects of mismatches in Banking Book (which includes all those positions that are not for trading) on the financial margin and on the economic value of its equity, compliance with which this must be reported monthly to CMF.

The following chart shows the structural exposure by interest rate of assets and liabilities, considering the terms of change or renewal of rates; otherwise, the expiration dates of the transactions are considered

Range of Days	As at March 31, 2022				As at December 31, 2021			
	Mismatch due to term				Mismatch due to term			
	Ch\$	UF	US\$	MX (*)	Ch\$	UF	US\$	MX (*)
00002-00030	(2,511,011)	(207,731)	300,544	4,034	(1,903,299)	(325,689)	(781,791)	3,300
00031-00060	85,577	147,252	(162,948)	3,373	(131,922)	80,983	(371,011)	2,193
00061-00090	550,685	269,484	(772,798)	3,162	(155,492)	300,171	(424,104)	3,590
00091-00120	103,867	4,534	120,415	2,884	160,673	19,648	342,100	2,989
00121-00150	50,266	216,481	227,604	793	250,496	143,433	383,773	2,681
00151-00180	183,781	262,171	249,637	2,095	486,827	202,336	444,698	2,536
00181-00210	92,500	(19,656)	119,361	1,492	81,550	(88,723)	(5,966)	(782)
00211-00240	496,910	(133,633)	35,548	416	(26,144)	157,016	44,158	296
00241-00270	181,783	(137,611)	(8,768)	121	(96,876)	179,152	13,558	236
00271-00300	320,328	11,055	(10,225)	1,168	13,655	11,387	15,566	1,368
00301-00330	753,498	(351,234)	3,991	23	383,994	(45,476)	25,753	449
00331-00360	(125,212)	65,639	(1,428)	-	21,289	(20,760)	(19,099)	116
00361-00720	(678,014)	30,344	22,714	2,066	1,880,303	210,148	(39,176)	1,131
00721-01080	524,576	1,279,960	(34,961)	1,675	(1,703,823)	647,191	(28,471)	1,131
01081-01440	660,270	(478,784)	(19,706)	1,284	1,001,537	(116,672)	(12,431)	1,131
01441-01800	300,278	(219,869)	(21,929)	19,381	438,972	(322,126)	(16,214)	19,617
01801-02160	203,000	18,081	(26,796)	1,190	227,296	(2,523)	(24,241)	719
02161-02520	(260,884)	308,608	(24,702)	1,190	(297,038)	429,114	(23,569)	621
02521-02880	(222,144)	454,662	(24,134)	1,190	(292,113)	326,242	(23,307)	621
02881-03240	853,903	226,298	(2,106)	1,190	879,777	406,027	(1,985)	621
03241-03600	900,744	(647,980)	403	36,463	898,139	(582,152)	(1)	56,171
03601-05400	179,843	728,579	-	-	227,268	428,042	(1)	(37,139)
05401-07200	219	35,700	-	-	218	33,354	(1)	-
07201-09000	144	(14,331)	-	-	151	(20,036)	(1)	-
09001-10800	120	1,422	-	-	122	774	(1)	-
10800->>>>>	70	21	-	-	71	23	-	-
NRS	(1,018,338)	(5,562)	(409,174)	-	(1,273,741)	(3,529)	(288,253)	-

(*) MX Any foreign currency other than US Dollar

Regulatory Limits

The following chart shows the normative measurement of interest rate risk and readjustments of banking book for the short and long term.

	Amount 03/31/2022 MCh\$	Amount 12/31/2021 MCh\$
SHORT-TERM (Margin)		
Short-term interest rate risk	40,145	93,631
Readjustability risk	19,159	25,751
Lower income due to commissions (sens)	-	-
Total Short-term Risk	59,304	119,382
Short-term risk limit (35% of the margin)	293,956	280,404
Short -Term Limit Usage Percentage	20.17%	42.57%
LONG-TERM (Value)		
Long-term interest rate risk	691,244	681,448
Interest rate optionality risk	861	863
Total long-term risk	692,105	682,311
Long-term limit (30% of Capital)	1,058,399	1,082,216
Long -Term Limit Usage Percentage	65.39%	63.05%

Balance Book Exposure (Bank)

Market risks arise from exposures to interest rate and price risks on trading positions and currency risk on its global positions.

The Central Bank of Chile establishes a regulatory limit for the sum of interest rate risks in trading positions (including derivatives) and currency risk. The Bank, at an individual level, must permanently observe these limits and report weekly to the CMF on its positions at risk and compliance with these limits. It must also report monthly to this Commission on the positions at risk consolidated with the subsidiaries and branches abroad. The regulatory limit establishes that the effective equity must be sufficient to cover the sum of 8% of the weighted assets for credit risk and market risk.

The following charts show the normative measure of risks on the trading book

	Amount 03/31/2022 MCh\$	Amount 12/31/2021 MCh\$
Interest Rate Risk	209,919	236,071
Currency Risk	8,359	17,260
Shares Risk	-	370
Currency option Risk	572	-
Consolidated risk-weighted assets	27,327,351	27,804,005
Credit risk regulatory capital (8% APR)	1,799,842	1,814,894
Regulatory market risk capital (8% APRM)	218,850	253,700
Regulatory capital operational risk (8% APRO)	167,496	155,726
Total regulatory capital	2,186,188	2,224,320
Consolidated effective equity	3,527,996	3,607,387
Consumption % (includes CR and RM)	61.97%	61.66%
Basel ratio (including market risk)	12.91%	12.97%

5) Enterprise Risk Management (Operational Risk, Models Risk, Cybersecurity & IT Risk, Business Continuity and Risk Management)

The Bank recognizes Cybersecurity & IT, Data, Operational, Continuity and Models Risks as the main risks for the Bank. Within Enterprise Risk Management are the Cybersecurity & IT, Data Risk, Model Risk Management, Business Continuity, Operational Risk Management and lastly the Enterprise Risk Management Governance Management, which is in charge of managing all the risks that the Bank defined as Main Risks.

Cybersecurity & IT Risk

The Risk of Information Technology (IT) and cybersecurity relates to the risk of financial loss, disruption or reputational damage due to some type of failure in IT systems. Cybersecurity risks are a subset of the unique IT risks that the Bank faces as a result of the use of interconnected systems and digital technologies. The Bank has essential policies and frameworks to control IT and cybersecurity risk management. These frameworks cover a comprehensive set of organizational resources such as policies, risk management processes, practices, and key roles and responsibilities. In that context, IT refers to the digital assets, networks, equipment, software, personnel and processes used by the Bank (internally or through external service providers) in order to acquire, develop, maintain and operate technological services that support the provision of financial services to their customers and other stakeholders.

Operational Risk

Operational risk relates to the risk of loss arising from people, from inadequate processes and systems or their failures or from external events. Operational risk includes risk management with third parties and legal risk but excludes strategic risk and reputational risk.

Operational Risk exists, in a certain way, in each of the business and support activities of the Bank and its subsidiaries, and could give rise to financial losses, regulatory sanctions or damage to the reputation of the institution.

Operational Risk Management is a continuous process that goes across the organization, carried out by people at all levels of the Bank and its subsidiaries.

The process is designed to identify, evaluate, monitor and report risks and events, current and potential, mitigate the effects, as well as to provide reasonable assurance to the Board of Directors and Senior Management, on the status of exposure and management of Operational Risk. of the Bank and its subsidiaries.

The Bank and its subsidiaries adopted the “three lines of defense model”, consistent with the Risk Management Framework, which establishes the respective responsibilities for managing Operational Risk.

The Bank manages its operational risks with a governance structure made up of the Board of Directors in its highest-ranking role in approving strategies and risk management, the Enterprise Risk Management Department, the Non-Financial Risk Management Committee, the Risks and Control Areas (Second Lines). In addition, the Bank has policies, processes and evaluation methodologies to ensure that Operational Risk is properly identified and managed through effective controls.

As at March 31, 2022, the Bank and its subsidiaries have recognized MCh\$2,948 for operational risk expenses (MCh\$10,294 as at December 31, 2021).

Gross Loss Expense and Expense Recoveries for Operational Risk Events	03/31/2022 MCh\$	12/31/2021 MCh\$
Net Loss Expenses for Operational Risk events	2,948	10,294
Gross Loss Expenses for Operational Risk events	3,243	12,472
Gross Loss Expenses Incurred by Operational Risk Events	3,056	11,908
Expenses of External Costs Incurred with a Direct Relationship to Operational Risk Events	187	564
Allowances expenses due to Operational Risk	-	-
Recoveries of Expenses for Operational Risk Events	(296)	(2,178)
Recoveries of Expenses for Operational Risk Events through Compensation from Insurance Companies	(4)	(437)
Other Recoveries of Expenses for Operational Risk Events Other than Compensation from Insurance Companies	(292)	(1,741)

How does the Bank approach "Operational Incident Management"?

The management on operational incidents begins with the identification of an incident by one of the operational risk coordinators present in each division of the Bank, they will be responsible for consolidating, preparing and communicating its information. Each incident is subject to an impact analysis and the need to generate an action plan to mitigate the impact and/or frequency of the incident and prevent its future occurrence. Operational incidents are reported to the Non-Financial Risks Committee with their respective statements and action plans and according to RAN 20-8 to the CMF.

Data Risk

Data risk is the exposure to adverse financial and nonfinancial consequences (for example, loss of revenue, reputational risk, regulatory risk, suboptimal management decisions) caused by mismanagement, misinterpretation, or misuse of the Bank's assets data. This risk can arise from a lack of knowledge on the risk of the data; insufficient oversight, governance and data risk controls; inadequate data management and poor data quality; inferior security and data protection; and inappropriate, unintentional, or unethical use of data. The Data Risk Management is in charge of managing the Bank's Data Risk.

The Data Risk Management Framework describes the general principles and governance structure, on which the Bank's capacity is managed to generate the availability of quality and secure data in order to create value for the business, adopt the best practices of the industry and, most importantly, increasing data accountability across the Bank. Scotiabank's Data Governance and Management Policy establishes the data life cycle based on governance principles for all Lines of Business, Corporate Functions and countries or regions with which it must comply; and highlights an engagement model including multiple forums for stakeholders to communicate and resolve data-related observations/findings. The Policy also identifies the main functions and responsibilities for the management and governance of the Bank's data, creating responsibility by bringing a positive impact on the quality and security of the data.

Model Risk

Model risk is that type of risk that produces adverse financial results (eg of capital, loss, income) and reputational consequences arising from the design, development, implementation or use of models. This can originate from inadequate specifications, incorrect parameter assumptions, false assumptions or hypothesis, mathematical computation errors, inaccurate, inadequate, or missing information, improper use, and lack of monitoring or controls. The Model Risk Management Department is in charge of Managing Model Risk within the Bank and presenting it to the Non-Financial Risk Committees and the Models Committee.

The Bank's Model Risk Management Policy describes the general principles, policies and procedures that provide the framework for managing model risk. All models, whether produced by the Bank or supplied by vendors, that meet the Bank's definition of a model, are within the scope of this Policy. Likewise, it clearly defines the roles and responsibilities of the key stakeholders involved in the model's risk management cycle. The organizational units involved in model's risk management cycle have procedures at the unit level, where appropriate, which regulate the stages of the cycle for which they are responsible. The Models Committee, the Non-Financial Risk Committee and the Board of Directors supervise the Bank's reference framework for model risk management and approve the Policy.

Risk and Control Self-Assessment Program

The Bank and its subsidiaries have a process map that considers the existing business and support functions within the entity, which is subject to an annual criticality assessment using qualitative variables.

The definition of the processes for which risk assessments and specific controls will be carried out each year, are prioritized according to said criticality, which is reviewed and approved by the Non-Financial Risk Committee. Notwithstanding the foregoing, this Committee may suggest and approve changes to the defined annual program depending on relevant situations that have impacted processes, systems, people or external events during said period, such as regulatory changes, materialization of incidents, operational losses, among other aspects that said Committee determines, which will imply an update on evaluation of risks and controls of one or more specific processes.

The Risk and Control Self-Assessment (RCSA) program forms an integral element of the Bank's Operational Risk Management Framework and Policy.

The purpose of the RCSA program is to identify, document and assess relevant operational risks in a significant process, entity or business unit. The risk and control self-assessment process provides a systematic approach to identify risks and related internal controls, as well as deficiencies that affect the achievement of defined business objectives. Likewise, this process is supervision mean on actions of Management to eliminate deficiencies identified and measure efficiency of the measures.

Cloud Computing

In compliance with the CISO Directive on Cloud Outsourcing, TPRM has adopted the definition of Cloud Computing published in the National Institute of Standards and Technology (NIST) "NIST Definition of Cloud Computing - Special Publication No. 800-145". Cloud Computing refers to the practice of using a network of remote servers hosted on the Internet to store, manage, and process data, rather than a local server or personal computer.

Cloud Computing is a model for enabling convenient, on-demand network access to a shared pool of configurable computing resources (for example, networks, servers, storage, applications, and services) that can be rapidly provisioned and released with minimal management effort service of the provider and interaction management.

Outsourcing of strategic and non-strategic services

A service is strategic for the Bank when it has the greatest potential to impact or have a significant influence (either quantitative or qualitative), on the Bank's operations or reputation. The services that are not classified in the previous category correspond to non-strategic services.

Business Continuity

The Bank is committed to take reasonably necessary steps to ensure business continuity during conditions that could disrupt the operations of the workplace or its environment. To achieve this, all business units must incorporate business continuity management practices to create resilient, alternative and/or redundant mechanisms to guarantee the continuity of operations based on the criticality classification established by the business unit itself.

6) Liquidity Risk

Liquidity Risk refers to the impossibility for:

- Comply in a timely manner with contractual obligations and adjusted behavior, if applicable.
- Liquidate positions without significant losses caused by abnormal trading volumes.
- Avoid regulatory sanctions for non-compliance with regulatory indices.
- Competitively finance commercial and treasury activities.

Two sources of risk are determined:

(i) Endogenous: risk situations derived from controllable corporate decisions.

- High liquidity achieved by a reduced base of liquid assets or mismatches of significant assets and liabilities.
- Low diversification or high concentration of financial and commercial assets in terms of issuers, terms and risk factors.
- Deficient management of value hedges, flows or credit in terms of hedge efficiency, correlation of changes in value, sensitivity ratios of the item hedged and the derivative, among others.
- Adverse corporate reputational effects that translate into non-competitive access to financing or lack thereof.

(ii) Exogenous: Risk situations resulting from uncontrollable financial market movements.

- Extreme movements or unexpected corrections /events in the international and local markets.
- Regulatory changes, interventions by the monetary authority, among others.

Liquidity risk management for the Bank and its subsidiaries is the process that aims to identify, measure, limit and control this risk, based on a policy framework that sets the criteria, defines the metrics, organizes activities and imposes procedures that the institution must follow to achieve an effective management

The Bank's Board of Directors approves this Liquidity Management Policy and supervises its compliance through the Bank's Audit Division. Likewise, is responsible for defining the appetite for liquidity risk and periodically reviewing the Institution's liquidity strategy.

The CEO, as the main person responsible for managing the Bank's liquidity risk, must conduct the business within the current legal framework and in accordance with established policies, limits and procedures. He chairs the Assets and Liabilities Committee, a body in which he actively participates in liquidity risk management. The CEO delegates authority to manage liquidity risk to other members of the Senior Management, Committees and appropriate Divisions.

The daily management of liquidity falls on Treasury, particularly on ALM Management, who must implement efficient investment and financing strategies with respect to our relevant competitors. To do this, it must adjust the liability maturity profile taking into account income, capital and liquidity presented by the current and forecast scenarios, minimizing the risk caused by an excessive mismatch or high concentration of liabilities.

The tools used to measure and control liquidity risk are:

- a) Accumulated mismatches at different terms.
- b) Proportion of Liquid Assets/Receivable Liabilities.
- c) Concentration of depositors.
- d) Liquidity stress tests.
- e) Measurement of liquidity ratios such as the liquidity coverage index and net stable financing.

Finally, and based on continuous monitoring, the Bank reviews all aspects of the Liquidity Management process in light of the potential risks to which it is exposed in this matter. Liquidity contingency planning is an integral component of this review, and its objective is to provide a framework to establish appropriate actions in the face of liquidity crisis events. For this purpose, the Bank has a "Liquidity Contingency Plan" that is reviewed and approved annually by the Local Board of Directors and has the recommendation of our Headquarters.

To know and quantify the risk profile, management focuses on the maturity flows, the concentration of financing, the maintenance of sufficient liquid assets, the quantification of committed assets and liquidity stress tests. The development, implementation and quantification of metrics is carried out by the Market Risk Management with A&C of Global Risk Management Market Risk Management (GRM MRM).

The established limit structure and its daily control ensure that liquidity management falls within the margins established by ALCO and approved by the Board of Directors. Strengthens the foregoing, the adequate separation of functions, accountability and control by opposition defined in the organizational structure of the Bank and its subsidiaries, allowing liquidity management to be carried out without conflict of interest.

Complementarily to the Liquidity Management, Liquidity Stress Tests are carried out. Indeed, this test estimates the impact that the different internal, systemic and global illiquidity scenarios have on the financing of the Bank and its subsidiaries, through the analysis of liquidity gaps, coverage of liquid assets, amount of additional financing, horizon of survival, state of internal and normative limits.

Scotiabank Chile controls its exposure to liquidity risks at the individual and consolidated level through a tight term mismatch approach, which is complemented by the measurement of liquid assets, concentration indicators and liquidity ratios. In addition, it has complementary tools that allow managing the concentration in assets and liabilities with respect to sources, counterparties, terms and currencies.

Regarding the measurement of adjusted term mismatches, Scotiabank separates its exposures into two large groups of currencies.

- **Local Currency:** include operations designated in domestic currency, including revalued currencies under local adjustability units.
- **Foreign Currency:** refers to operations designated in some foreign currency or whose settlement is in foreign currency.

These measurements report mismatches up to a horizon of 120 days, including the flows from operations with financial derivatives. Additionally, the institution projects the movements of income and expense flows to determine mismatches on the next 10 days.

As at March 31, 2022		Mismatches				Available Margin			
	7 Days	15 Days	30 Days	90 Days	7 Days	15 Days	30 Days	90 Days	
Consolidated Bank	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	
Domestic Currency									
Expenses	(4,731,023)	(5,335,964)	(6,312,948)	(8,304,843)					
Income	3,029,163	3,634,157	4,905,271	7,199,070					
Mismatch	(1,701,860)	(1,701,807)	(1,407,677)	(1,105,773)					
Foreign Currencies									
Expenses	(1,073,078)	(1,393,788)	(2,039,874)	(4,191,621)					
Income	815,951	950,811	1,319,401	2,298,057					
Mismatch	(257,127)	(442,977)	(720,473)	(1,893,564)			2,015,424		
Consolidated Currencies									
Expenses	(5,804,101)	(6,729,752)	(8,352,823)	(12,496,464)					
Income	3,845,114	4,584,967	6,224,672	9,497,128					
Mismatch	(1,958,987)	(2,144,785)	(2,128,151)	(2,999,336)			607,746	2,472,459	
					Basic Capital			2,703,047	
					2 Basic Capital			5,406,094	

As at December 31, 2021		Mismatches				Available Margin			
	7 Days	15 Days	30 Days	90 Days	7 Days	15 Days	30 Days	90 Days	
Consolidated Bank	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	
Domestic Currency									
Expenses	(4,839,199)	(5,416,691)	(6,098,678)	(9,759,948)					
Income	2,632,795	3,473,587	4,578,060	7,482,931					
Mismatch	(2,206,404)	(1,943,104)	(1,520,618)	(2,277,017)					
Foreign Currencies									
Expenses	(892,531)	(1,384,248)	(2,153,234)	(4,168,393)					
Income	1,151,980	1,329,207	1,639,705	2,449,644					
Mismatch	259,449	(55,041)	(513,529)	(1,718,749)			2,253,270		
Consolidated Currencies									
Expenses	(5,731,730)	(6,800,939)	(8,251,912)	(13,928,341)					
Income	3,784,775	4,802,794	6,217,765	9,932,575					
Mismatch	(1,946,955)	(1,998,145)	(2,034,147)	(3,995,766)			732,652	1,537,834	
					Basic Capital				2,801,123
					2 Basic Capital				5,602,246

Volume and Composition of Liquid Assets

	03/31/2022	12/31/2021
	MCh\$	MCh\$
Available Funds	362,873	172,046
Exchange and Overnight	830,336	527,325
Escrow fund	91,813	793,387
Financial investments	2,367,330	2,411,228
Total Liquid Assets	3,652,352	3,903,985

Composition of Main Sources of Financing

	03/31/2022	12/31/2021
	%	%
Deposits and other sight obligations	18%	19%
Deposits and Term Loans	28%	26%
Obligation with banks	15%	15%
Issued Debt Instruments	21%	20%
Other Financial obligations	18%	20%
Total	100%	100%

Maturities of assets and liabilities reported as at March 31, 2022 and December 31, 2021 are detailed as follows:

As at March 31, 2022	Up to 1 month MCh\$	Up to 3 months MCh\$	Up to 1 year MCh\$	Until maturity MCh\$
Available	1,374,174	-	-	-
Effective loans	1,076,832	1,300,405	3,137,400	27,622,895
Loans in LCHR	1,720	3,138	13,107	101,602
Leased contracts	7,896	48,471	167,697	669,801
Covenants	109,655	-	15,198	-
Financial investments	1,788,107	28,535	39,706	523,687
Other asset accounts	673,075	-	-	545,639
TOTAL ASSET	5,031,459	1,380,549	3,373,108	29,463,624

Sight obligations	(2,951,758)	-	(2,305,220)	(1,152,610)
Time deposits, Bonds and other	(2,856,554)	(2,061,000)	(5,395,365)	(8,556,286)
Covenants	(202,834)	(2,118)	-	(3,030,487)
Obligations due to LCHR	(4,733)	(398)	(15,168)	(105,524)
Obligations within the country	(1)	-	-	-
Obligations abroad	(8,662)	(208,651)	(1,724,071)	(476,756)
Other liability accounts	(753,479)	(6,164)	(20,765)	(505,466)
TOTAL LIABILITY	(6,778,021)	(2,278,331)	(9,460,589)	(13,827,129)

As at December 31, 2021	Up to 1 month MCh\$	Up to 3 months MCh\$	Up to 1 year MCh\$	Until maturity MCh\$
Available	1,459,622	-	-	-
Effective loans	902,899	1,430,611	2,902,904	27,044,096
Loans in LCHR	1,691	3,107	13,429	104,777
Leased contracts	24,179	45,836	160,682	671,214
Covenants	49,673	15,161	55,662	-
Financial investments	1,749,803	593,232	43,464	34,877
Other asset accounts	592,897	-	-	525,347
TOTAL ASSET	4,780,764	2,087,947	3,176,141	28,380,311

Sight obligations	(3,359,302)	-	(2,589,067)	(1,294,534)
Time deposits, Bonds and other	(2,120,572)	(2,969,366)	(4,643,943)	(8,041,568)
Covenants	(379,401)	(578,783)	-	(2,451,400)
Obligations due to LCHR	(4,967)	(401)	(14,988)	(108,200)
Obligations within the country	(1)	-	-	-
Obligations abroad	(5,764)	(225,043)	(1,830,955)	(612,056)
Other liability accounts	(601,467)	(326)	(6,184)	(645,664)
TOTAL LIABILITY	(6,471,474)	(3,773,919)	(9,085,137)	(13,153,422)

7) Counterparty Risk

As a result of the activity with customers, the Bank has counterparty exposures due to the probability that its debtors could not comply with payments generated due to financial derivative contracts. The Bank limits credit risk levels by setting exposure limits in terms of individual debtors, which in turn are aggregated into groups of debtors, industry segments and countries. Such risks are permanently monitored by the Risk Division and the limits by debtor, debtor groups, products, industry and country are reviewed at least once a year and approved by the Board of Directors and the Senior Risk Committee.

Exposure to credit risks is managed through regular analysis on the capacity of debtors and potential debtors to meet payments in accordance with the contractual terms of the loans and is mitigated by obtaining admissible guarantees.

The Bank controls its positions in derivative contracts with its counterparties. This exposure to credit risk is managed as part of the limits on loans to customers, together with potential exposures due to market fluctuations. Likewise, it adjusts the valuation of the contracts according to the credit quality of the counterparty and the expected credit risk exposure given the current contracts.

3/31/2022	Fair value Asset	Credit Risk Adjustment
	MCh\$	MCh\$
Total	(699,883)	6,930

12/31/2021	Fair value Asset	Credit Risk Adjustment
	MCh\$	MCh\$
Total	(213,063)	6,678

Note 48 Disclosure on regulatory capital and capital adequacy ratios

The Bank has a Capital and Basel Management Department, reporting to the CFO, who is responsible for monitoring and carry out a permanent control of capital adequacy. This unit is responsible for ensuring capital levels which allow the sustained and profitable growth of business units.

All relevant aspects of capital management are contained in the Capital Management Policy, which includes an internal process on permanent evaluation of capital adequacy, definition of standards for performing stress tests and calculation of regulatory and internal capital.

In accordance with the General Banking Law, the Bank must maintain a minimum ratio of effective equity to risk-weighted consolidated assets of 8%, net of required provisions, and a minimum basic capital ratio of 4.5% over risk-weighted assets and 3% on total consolidated assets, net of required provisions. For these purposes, effective equity is determined from capital and reserves or basic capital with the following adjustments:

- a) Non-maturity bonds and/or preferred shares that meet the requirements and conditions of RAN 21-2, if any, are added.
- b) The subordinated bonds that meet the requirements established in RAN 21-3 with a cap of 50% of the Basic Capital are added.
- c) Additional provisions are added with a cap of 1.25% of weighted assets for credit risk.

It is important to point out that, regarding the equity adjustments, described in RAN 21-1, it applies at 0% until December 1, 2022.

As at December 1, 2021, in accordance with the implementation calendar of the CMF, and in accordance with the regulatory convergence process towards the Basel III standards, the new determination of the calculation of Risk-Weighted Assets (RWA) begins to apply.), as described in the following regulations, RAN 21-6 for Assets Weighted by Credit Risk, RAN 21-7 for Assets Weighted by Market Risk and RAN 21-8 for Assets Weighted by Operational Risk.

All derivative instruments traded outside the stock market are considered in the determination of risk assets with a conversion factor on the notional values, thus obtaining the amount of exposure to credit risk (or "credit equivalent"), adding these credit equivalents and deducting the assets corresponding to these instruments. Also considered is the "credit equivalent" of contingent loans, corresponding to the exposure to credit risk, resulting from multiplying these by a percentage defined according to the type of contingent, to subsequently carry out their weighting according to the corresponding category, less the amounts of the provisions constituted on these operations.

The levels of Basic Capital and Effective Equity at each closing date details as follows:

Information on regulatory capital and capital adequacy indicators

Total assets , risk-weighted assets and components of effective equity as per Basel III	Local	Local
	Consolidated	Consolidated
	03/31/2022	12/31/2021
	MCh\$	MCh\$
Total assets as per the statement of financial position	40,451,152	41,597,895
Investment in subsidiaries not subject to consolidation	-	-
Assets discounted from regulatory capital , other than item 2	-	-
Credit equivalent	(3,459,457)	(3,985,722)
Contingent loans	1,529,874	1,509,712
Assets generated by the intermediation of financial instruments	-	-
Total Assets for regulatory purposes	38,521,569	39,121,885
Assets weighted by credit risk, estimated according to standard methodologies (APRC)	22,498,022	22,686,175
Assets weighted by credit risk, estimated according to internal methodologies (APRC)	-	-
Assets weighted by market risk (APRM)	2,735,621	3,171,256
Assets weighted by operational risk (APRO)	2,093,708	1,946,574
Risk-weighted Assets (APR)	27,327,351	27,804,005
Risk-weighted Assets, after application of the output floor (APR)	27,327,351	27,804,005
Owner's equity	2,583,711	2,673,703
Non-controlling interest	119,336	127,420
Goodwill	-	-
Excess minority investments	-	-
Common equity level 1 equivalent (CET1)	2,703,047	2,801,123
Additional deductions to common capital level 1, other than item 2	-	-
Common equity level 1 (CET1)	2,703,047	2,801,123
Voluntary provisions (Additional) imputed as additional equity level 1 (AT1)	-	-
Subordinated bonds imputed as additional equity level 1 (AT1)	273,274	278,040
Preferred share imputed to additional equity level 1 (AT1)	-	-
Bonds without a fixed term of maturity imputed to additional equity level 1 (AT1)	-	-
Discounts applied to AT1	-	-
Additional equity level 1 (AT1)	273,274	278,040
Equity level 1	2,976,321	3,079,163
Voluntary provisions (Additional) imputed as additional equity level 2 (AT2)	185,762	185,762
Subordinated bonds imputed as equity level 2 (AT2)	365,914	342,462
Equivalent level 2 equity (T2)	551,676	528,224
Discounts applied to AT2	-	-
Equity Level 2 (T2)	551,676	528,224
Effective equity	3,527,996	3,607,387
Additional Basic Capital required for the constitution of the conservation reserve	170,796	173,775
Additional Basic Capital required to set up the countercyclical reserve	-	-
Additional Basic Capital required for banks qualified as systemic	-	-
Additional capital required for the evaluation on the adequacy of effective equity (Pillar 2)	-	-

Information on regulatory capital and capital adequacy indicators

Item N°	Solvency indicators and regulatory compliance indicators according to Basel III (In % with two decimals)	Local Consolidated
		03/31/2022
		%
1	Leverage indicator (T1_I18/T1_I7)	7.02%
1.a	Leverage indicator that the bank must meet , considering the minimum requirements	3.00%
2	Common equity indicator (T1_I18/T1_I11.b)	9.89%
2.a	Indicator of common equity that the bank must meet, considering the minimum requirements	4.50%
2.b	Equity reserves deficit	0.00%
3	Equity indicator level 1 (T1_I25/T1_I11.b)	10.89%
3a	Level 1 Equity indicator that the bank must meet , considering minimum requirements	6.00%
4	Effective equity indicator (T1_I31/T1_I11.b)	12.91%
4.a	Effective Equity Indicator that the bank mus meet , considering the minimum requirements	8.00%
4.b	Effective equity indicator that the bank must meet , considering the charge due to article 35 bis, if applicable	8.00%
4.c	Effective equity indicator that the bank must meet, considering the minimum requirements, conservation reserve and countercyclical reserve .	8.63%
5	Solvency Rating	A
	<i>Regulatory compliance indicators for solvency</i>	
6	Voluntary provisions (additional) imputed in level 2 capital (T2) in relation to APRC (T1_I26/(T1_I8.a or 8.b))	0.83%
7	Subordinated bonds imputed in Level 2 capital (T2) in relation to Common Equity Level - 1 (CET1)	13.54%
8	Additional capital level 1 (AT1) in relation to basic capital (T1_I24/T1_I18)	10.11%
9	Voluntary provisions (additional) and subordinated bonds that are charged to additional Level 1 capital (AT1) in relation to RWAs ((T1_I19+T1_I20)/T1_I11.b)	1.00%

Capital requirements as per addendum N°5 of Chapter C-1 of CNC

As at December 31, 2021

Balance Assets (net of provisions)	Consolidated Assets MCh\$	Risk-weighted assets MCh\$
Cash and deposits in banks	1,459,622	-
Transactions with settlement in progress	443,080	254,340
Instruments for trading	590,604	210,856
Repurchase agreement and securities loan	120,796	73,819
Financial Derivative Contracts	2,216,335	1,727,523
Owed by banks	2,996	599
Loans and accounts receivable from customers	28,512,700	22,900,992
Investment instruments available for sale	1,953,979	149,829
Investment instruments until maturity	-	-
Investment in companies	16,494	16,494
Intangible	222,409	222,409
Property and equipment	96,122	96,122
Assets for right to use leased assets	181,672	181,672
Current taxes	5,062	506
Deferred taxes	401,690	40,169
Other assets	263,882	221,913
Off-Balance sheet Assets		
Contingent loans	2,834,367	1,698,947
Total risk-weighted assets		27,796,190

	Amount MCh\$	Ratio %
Basic equity	2,801,123	7.12%
Effective equity	3,607,387	12.98%

Note 49 Subsequent Events

The Interim Consolidated Financial Statements were approved by the Audit Committee of Scotiabank Chile on April 28, 2022.

Dated April 8, 2022 in accordance with the provisions of articles 9 and 10 of Law No.18045, on the Securities Market, and in Chapter 18-10 of the Updated Compilation of Regulations of the Financial Market Commission, the resignation submitted as at this same date by Mr. Arturo Tagle Quiroz to the position of Director of Scotiabank Chile is communicated as essential information.

In the opinion of the Bank's Management and its subsidiaries, between April 1, 2022 and the date of issuance of these Interim Consolidated Financial Statements, no other subsequent events have occurred that could have a significant effect on the figures presented therein nor on the economic and financial situation of the Bank and its subsidiaries.

CHRISTIAN HURTADO F.
Chief Accounting

MARIA VICTORIA DOBERTI D.
Chief Financial Officer

DIEGO MASOLA
Chief Executive Officer