



Scotiabank

SCOTIABANK CHILE AND SUBSIDIARIES

Interim Consolidated Financial Statements
as at June 30, 2024 and 2023 and December 31, 2023

(With the Independent Auditors' Review Report Thereon)

SCOTIABANK CHILE AND SUBSIDIARIES**CONTENTS**

| |
|---|
| Interim Consolidated Statements of Financial Position |
| Interim Consolidated Statements of Income |
| Interim Consolidated Statements of Other Comprehensive Income |
| Interim Consolidated Statements of Cash Flows |
| Interim Consolidated Statements of Changes In Equity |
| Notes to the Interim Consolidated Financial Statements |

| | |
|--------|---|
| Ch\$ | Amounts expressed in Chilean pesos |
| MCh\$ | Amounts expressed in millions of Chilean pesos |
| UF | Amounts expressed in (Chilean inflation-adjusted units) |
| 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 |



Independent Auditor's Review Report

To the Shareholders and Directors of
Scotiabank Chile:

Results from the review of the interim consolidated financial statements

We have reviewed the accompanying interim consolidated financial statements of Scotiabank Chile and its Subsidiaries, which comprise: the interim consolidated statement of financial position as at June 30, 2024, and the interim consolidated statements of income, other comprehensive income for the six-month and three-month periods ended June 30, 2024 and 2023; statements of changes in equity and cash flows for the six-month periods then ended, and the related notes to the interim consolidated financial statements (as a whole referred to as the interim consolidated financial statements).

Based on our review, we are not aware of any material modifications that should be made to the accompanying interim consolidated financial statements referred to above, in order for them to be in accordance with the Accounting Standards and Instructions issued by the *Financial Market Commission (CMF)*.

Basis for the results from the interim review

We conducted our review in accordance with *Auditing Standards Generally Accepted* in Chile applicable to reviews of interim consolidated financial statements. A review of interim consolidated financial statements consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. A review of interim consolidated financial statements is substantially less in scope than an audit conducted in accordance with *Auditing Standards Generally Accepted* in Chile, the objective of which is the expression of an opinion on the interim consolidated financial statements taken as a whole. Accordingly, we do not express such an opinion. In accordance with the ethical requirements relevant to our review, we are required to be independent of Scotiabank Chile and its Subsidiaries and to meet our other ethical responsibilities in accordance with the relevant ethical requirements related to our reviews. We believe that the results from the review procedures performed provide a reasonable basis for our conclusion.

Management's responsibility for the interim consolidated financial statements

Management of Scotiabank Chile and its Subsidiaries is responsible for the preparation and fair presentation of these interim consolidated financial statements in accordance with the Accounting Standards and Instructions issued by the *Financial Market Commission (CMF)*; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of interim consolidated financial statements that are free from material misstatement, whether due to fraud or error.



Report on the Consolidated statement of financial position as at December 31, 2023

On January 25, 2024, we issued an unmodified opinion on the consolidated financial statements as at December 31, 2023 and 2022 of Scotiabank Chile and its Subsidiaries, which include the consolidated statement of financial position as at December 31, 2023, which is presented in the accompanying interim consolidated financial statements and its related notes.

A handwritten signature in black ink, appearing to read 'Jorge Maldonado G.', with a large, stylized flourish below it.

Jorge Maldonado G.

KPMG Ltda.

Santiago, August 9, 2024

SCOTIABANK CHILE AND SUBSIDIARIES

| | |
|--|-----|
| Interim Consolidated Statements of Financial Position..... | 2 |
| Interim Consolidated Statements of Income | 4 |
| Interim Consolidated Statements of Other Comprehensive Income..... | 6 |
| Interim Consolidated Statements of Cash Flows | 7 |
| Interim Consolidated Statements of Changes In Equity | 9 |
| Note 1 General information | 10 |
| Note 2 Significant accounting policies..... | 11 |
| Note 3 New accounting pronouncements issued and adopted, or issued but not yet adopted | 40 |
| Note 4 Changes in accounting policies | 49 |
| Note 5 Significant events..... | 49 |
| Note 6 Business Segments | 49 |
| Note 7 Cash and cash equivalents..... | 52 |
| Note 8 Financial assets held for trading at fair value through profit or loss | 53 |
| Note 9 Financial assets not held for trading mandatorily measured at fair value through profit or loss | 55 |
| Note 10 Financial assets and financial liabilities designated at fair value through profit or loss..... | 55 |
| Note 11 Financial assets at fair value through other comprehensive income..... | 55 |
| Note 12 Derivative instruments for accounting hedge | 60 |
| Note 13 Financial assets at amortized cost..... | 66 |
| Note 14 Investment in companies. | 89 |
| Note 15 Intangible assets..... | 91 |
| Note 16 Property and equipment | 93 |
| Note 17 Right-of-use lease assets and lease liabilities under lease contracts | 94 |
| Note 18 Taxes | 96 |
| Note 19 Other assets..... | 101 |
| Note 20 Non-current assets and disposal groups held for sale and liabilities included in disposal groups held for sale | 102 |
| Note 21 Financial liabilities held for trading at fair value through profit or loss | 104 |
| Note 22 Financial liabilities at amortized cost | 105 |
| Note 23 Regulatory capital financial instruments issued..... | 110 |
| Note 24 Provisions for contingencies | 113 |
| Note 25 Provisions for dividends, interest payments and repricing of issued regulatory capital financial instruments | 116 |
| Note 26 Special allowances for credit losses | 117 |
| Note 27 Other liabilities | 118 |
| Note 28 Equity | 119 |
| Note 29 Contingencies and commitments..... | 125 |
| Note 30 Interest income and expenses..... | 130 |

| | | |
|---------|--|-----|
| Note 31 | Indexation income and expenses | 132 |
| Note 32 | Fee and commission income and expenses | 135 |
| Note 33 | Net financial result | 136 |
| Note 34 | Gain or loss from investments in companies | 137 |
| Note 35 | Gain or loss from non-current assets and disposal groups not qualifying as discontinued operations.... | 138 |
| Note 36 | Other operating income and expenses..... | 139 |
| Note 37 | Expenses for employee benefit obligations | 140 |
| Note 38 | Administrative expenses | 141 |
| Note 39 | Depreciation and amortization | 142 |
| Note 40 | Impairment of non-financial assets | 143 |
| Note 41 | Credit loss expense | 143 |
| Note 42 | Gain or loss from discontinued operations | 145 |
| Note 43 | Related party disclosures | 146 |
| Note 44 | Fair Value of financial assets and liabilities | 152 |
| Note 45 | Maturity per remaining balances of financial assets and liabilities | 157 |
| Note 46 | Financial and non-financial assets and liabilities by currency | 159 |
| Note 47 | Risk Management and Reporting | 161 |
| Note 48 | Disclosure on regulatory capital and capital adequacy ratios | 195 |
| Note 49 | Subsequent events | 199 |

SCOTIABANK CHILE AND SUBSIDIARIES

Interim Consolidated Statements of Financial Position

As at June 30, 2024 and December 31, 2023

| | Notes | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|---|-------|--------------------|---------------------|
| ASSETS | | | |
| Cash and deposits in banks | 7 | 1,264,539 | 1,209,884 |
| Transactions pending settlement | 7 | 837,201 | 389,141 |
| Financial assets held for trading at fair value through profit or loss | | | |
| Derivative instruments | 8 | 5,956,281 | 5,694,324 |
| Financial debt securities | 8 | 289,535 | 193,820 |
| Other | 8 | 67,490 | 56,197 |
| 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 | 1,460,831 | 2,188,905 |
| Other | 11 | - | - |
| Derivative instruments for accounting hedge | 12 | 302,019 | 317,308 |
| Financial assets at amortized cost | | | |
| Rights under resale agreements and securities lending agreements | 13 | 304,003 | 226,394 |
| Financial debt securities | 13 | 870,481 | 1,387,601 |
| Loans and advances to banks | 13 | 19,077 | 25,223 |
| Loans and accounts receivable from customers - Commercial Loans | 13 | 13,668,017 | 13,738,775 |
| Loans and accounts receivable from customers - Mortgage Loans | 13 | 13,924,575 | 13,846,343 |
| Loans and accounts receivable from customers - Consumer Loans | 13 | 3,919,093 | 3,814,689 |
| Investments in companies | 14 | 35,674 | 34,220 |
| Intangible Assets | 15 | 258,902 | 255,425 |
| Property and equipment | 16 | 80,119 | 84,327 |
| Right-of-use assets under lease contracts | 17 | 148,676 | 159,569 |
| Current taxes | 18 | 1,095 | 2,413 |
| Deferred tax assets | 18 | 372,082 | 360,658 |
| Other assets | 19 | 859,880 | 708,531 |
| Non-current assets and disposal groups held for sale | 20 | 20,750 | 19,734 |
| TOTAL ASSETS | | 44,660,320 | 44,713,481 |

SCOTIABANK CHILE AND SUBSIDIARIES

Interim Consolidated Statements of Financial Position

As at June 30, 2024 and December 31, 2023

| | Notes | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|--|-------|--------------------|---------------------|
| LIABILITIES | | | |
| Transactions pending settlement | 7 | 827,825 | 333,372 |
| Financial liabilities held for trading at fair value through profit or loss | | | |
| Derivative instruments | 21 | 5,162,718 | 4,606,750 |
| Other | 21 | - | - |
| Financial liabilities designated at fair value through profit or loss | 10 | - | - |
| Derivative instruments for accounting hedge | 12 | 1,442,966 | 1,455,656 |
| Financial liabilities at amortized cost | | | |
| Deposits and other on-demand liabilities | 22 | 5,057,184 | 4,850,696 |
| Term and other on-demand deposits | 22 | 13,594,083 | 13,181,368 |
| Liabilities under repurchase agreements and securities lending | 22 | 309,071 | 163,647 |
| Bank borrowings | 22 | 3,450,858 | 5,368,647 |
| Debt financial instruments issued | 22 | 8,326,189 | 8,186,492 |
| Other financial liabilities | 22 | 148,414 | 156,392 |
| Lease liabilities | 17 | 140,149 | 149,308 |
| Regulatory capital financial instruments issued | 23 | 1,212,041 | 1,201,214 |
| Provisions for contingencies | 24 | 61,230 | 55,274 |
| Provisions for dividends, interest payments and repricing of issued regulatory capital financial instruments | 25 | 69,722 | 122,388 |
| Special allowances for credit losses | 26 | 187,895 | 193,134 |
| Current taxes | 18 | 15,000 | 63,222 |
| Deferred tax liabilities | 18 | 842 | 795 |
| Other liabilities | 27 | 929,239 | 1,050,148 |
| Liabilities included in disposal groups held for sale | 20 | - | - |
| TOTAL LIABILITIES | | 40,935,426 | 41,138,503 |
| EQUITY | | | |
| Capital | 28 | 1,368,421 | 1,368,421 |
| Reserves | 28 | 381,405 | 381,405 |
| Accumulated other comprehensive income | | | |
| Items that will not be reclassified to profit or loss | 28 | 4,223 | 5,044 |
| Items that can be reclassified to profit or loss | 28 | (44,442) | (41,189) |
| Retained earnings from previous years | 28 | 1,722,476 | 1,436,903 |
| Profit for the period | 28 | 232,406 | 407,961 |
| Less: Provisions for dividends, payment of interest and repricing of issued regulatory capital financial instruments | 28 | (69,722) | (122,388) |
| Attributable to the owners of the Bank: | 28 | 3,594,767 | 3,436,157 |
| Non-controlling interest | 28 | 130,127 | 138,821 |
| TOTAL EQUITY | | 3,724,894 | 3,574,978 |
| TOTAL LIABILITIES AND EQUITY | | 44,660,320 | 44,713,481 |

SCOTIABANK CHILE AND SUBSIDIARIES
Interim Consolidated Statements of Income
for the periods ended June 30, 2024 and 2023

| | Notes | 6- month period ended as at 6/30/2024 MCh\$ | 6- month period ended as at 6/30/2023 MCh\$ | 3- month period ended as at 6/30/2024 MCh\$ | 3- month period ended as at 6/30/2023 MCh\$ |
|---|-------|--|--|--|--|
| Interest income | | 1,152,479 | 1,205,188 | 575,226 | 589,461 |
| Interest expense | | (691,295) | (818,472) | (328,318) | (422,626) |
| Net interest income | 30 | 461,184 | 386,716 | 246,908 | 166,835 |
| Indexation income | | 427,337 | 411,202 | 221,894 | 228,124 |
| Indexation expense | | (237,112) | (226,438) | (143,533) | (116,036) |
| Net indexation income | 31 | 190,225 | 184,764 | 78,361 | 112,088 |
| Fee and commission income | 32 | 155,406 | 141,870 | 80,087 | 71,393 |
| Fee and commission expense | 32 | (53,607) | (48,125) | (26,627) | (23,602) |
| Net fee and commission income | 32 | 101,799 | 93,745 | 53,460 | 47,791 |
| <i>Net financial result for :</i> | | | | | |
| Financial assets and liabilities held for trading | 33 | 169,238 | (2,926) | (15,813) | 56,839 |
| 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 | (548) | 876 | 293 | 69 |
| Foreign currency translation differences, indexation and accounting hedge of foreign currencies | 33 | (113,046) | 58,803 | 25,762 | (7,688) |
| Reclassifications of financial assets due to change in business model | 33 | - | - | - | - |
| Other financial result | 33 | (918) | (1,665) | (620) | (668) |
| Net financial result | 33 | 54,726 | 55,088 | 9,622 | 48,552 |
| Equity in net income of investees | 34 | 2,436 | 3,136 | 1,758 | 1,377 |
| Gain or loss from non-current assets and disposal groups not qualifying as discontinued operations | 35 | (1,651) | 1,024 | (812) | 478 |
| Other operating income | 36 | 32,629 | 34,170 | 24,321 | 26,651 |
| TOTAL OPERATING INCOME | | 841,348 | 758,643 | 413,618 | 403,772 |
| Expenses for employee benefit obligations | 37 | (151,235) | (153,833) | (75,999) | (76,089) |
| Administrative expenses | 38 | (128,589) | (117,466) | (63,903) | (57,469) |
| Depreciation and amortization | 39 | (35,985) | (33,124) | (18,097) | (16,604) |
| Impairment of non-financial assets | 40 | (338) | (170) | - | (137) |
| Other operating expenses | 36 | (17,103) | (17,272) | (8,338) | (8,286) |
| TOTAL OPERATING EXPENSES | | (333,250) | (321,865) | (166,337) | (158,585) |
| OPERATING INCOME BEFORE CREDIT LOSSES | | 508,098 | 436,778 | 247,281 | 245,187 |

SCOTIABANK CHILE AND SUBSIDIARIES
Interim Consolidated Statements of Income
for the periods ended June 30, 2024 and 2023

| | Notes | 6- month period ended as at 6/30/2024 MCh\$ | 6- month period ended as at 6/30/2023 MCh\$ | 3- month period ended as at 6/30/2024 MCh\$ | 3- month period ended as at 6/30/2023 MCh\$ |
|--|-------|--|--|--|--|
| <i>Credit loss expenses for:</i> | | | | | |
| Allowances for credit losses on loans and advances to banks and loans and accounts receivable from customers | 41 | (258,210) | (223,457) | (119,418) | (106,291) |
| Special allowances for credit losses | 41 | 6,164 | (6,289) | 865 | (5,186) |
| Recovery of written-off loans | 41 | 41,872 | 36,863 | 22,917 | 21,978 |
| Impairment for credit risk on other financial assets at amortized cost and financial assets at fair value through other comprehensive income | 41 | 165 | (234) | 237 | 71 |
| Credit loss expense | 41 | <u>(210,009)</u> | <u>(193,117)</u> | <u>(95,399)</u> | <u>(89,428)</u> |
| OPERATING INCOME | | 298,089 | 243,661 | 151,882 | 155,759 |
| Profit or loss from continuing operations before taxes | | 298,089 | 243,661 | 151,882 | 155,759 |
| Income tax expense | 18 | (56,986) | (42,194) | (27,691) | (28,107) |
| Profit or loss from continuing operations after taxes | | 241,103 | 201,467 | 124,191 | 127,652 |
| Profit or loss from discontinued operations before taxes | 42 | - | - | - | - |
| Taxes from discontinued operations | 18 | - | - | - | - |
| Income from discontinued operations after taxes | 42 | - | - | - | - |
| CONSOLIDATED PROFIT FOR THE PERIOD | | 241,103 | 201,467 | 124,191 | 127,652 |
| Attributable to: | | | | | |
| Owners of the Bank | 28 | 232,406 | 194,801 | 118,487 | 123,120 |
| Non-controlling interest | | 8,697 | 6,666 | 5,704 | 4,532 |
| Earnings per share attributable to equity owners: | | | | | |
| Basic and diluted earnings | 28 | \$18.98 | \$15.91 | \$9.68 | \$10.05 |

SCOTIABANK CHILE AND SUBSIDIARIES

Interim Consolidated Statements of Other Comprehensive Income
for the periods ended June 30, 2024 and 2023

| | 6- month period ended as at 6/30/2024 MCh\$ | 6- month period ended as at 6/30/2023 MCh\$ | 3- month period ended as at 6/30/2024 MCh\$ | 3- month period ended as at 6/30/2023 MCh\$ |
|--|--|--|--|--|
| CONSOLIDATED PROFIT FOR THE PERIOD | 241,103 | 201,467 | 124,191 | 127,652 |
| Other comprehensive income for the period from : | | | | |
| ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS | | | | |
| Remeasurements of the net defined benefit liability (asset) and actuarial results for other employee benefit plans | (51) | (158) | - | (136) |
| Changes in the fair value of equity instruments designated at fair value through other comprehensive income | (784) | 356 | (826) | 356 |
| 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 | - | - | - | - |
| Other | - | - | - | - |
| OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS BEFORE TAX | (835) | 198 | (826) | 220 |
| 'Income tax on other comprehensive income that will not be reclassified to profit or loss | 14 | 42 | - | 36 |
| TOTAL OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS AFTER TAX | (821) | 240 | (826) | 256 |
| ITEMS THAT CAN BE RECLASSIFIED TO PROFIT OR LOSS | | | | |
| Changes in the fair value of financial assets at fair value through other comprehensive income | 6,808 | 28,557 | 6,641 | 6,688 |
| Translation differences for foreign entities | - | - | - | - |
| Accounting hedges of net investments in foreign entities | - | - | - | - |
| Cash flow hedge accounting | (10,850) | 79,299 | 24,502 | 166,625 |
| Undesignated items of hedging accounting instruments | - | - | - | - |
| Other | (221) | (5) | (330) | 58 |
| OTHER COMPREHENSIVE INCOME THAT CAN BE RECLASSIFIED TO PROFIT OR LOSS BEFORE TAXES | (4,263) | 107,851 | 30,813 | 173,371 |
| Income tax on other comprehensive income that can be reclassified to profit or loss | 1,007 | (29,591) | (8,530) | (47,191) |
| TOTAL OTHER COMPREHENSIVE INCOME THAT CAN BE RECLASSIFIED TO PROFIT OR LOSS AFTER TAXES | (3,256) | 78,260 | 22,283 | 126,180 |
| OTHER TOTAL COMPREHENSIVE INCOME FOR THE PERIOD | (4,077) | 78,500 | 21,457 | 126,436 |
| CONSOLIDATED COMPREHENSIVE INCOME FOR THE PERIOD | 237,026 | 279,967 | 145,648 | 254,088 |
| Attributable to: | | | | |
| Owners of the Bank | 228,332 | 273,307 | 139,948 | 249,561 |
| Non-controlling interest | 8,694 | 6,660 | 5,700 | 4,527 |

SCOTIABANK CHILE AND SUBSIDIARIES

Interim Consolidated Statements of Cash Flows
for the periods ended June 30, 2024 and 2023

| | Notes | 6/30/2024 MCh\$ | 6/30/2023 MCh\$ |
|---|-------|--------------------|--------------------|
| A) CASH FLOWS FROM OPERATING ACTIVITIES: | | | |
| CONSOLIDATED INCOME BEFORE TAXES FOR THE PERIOD | | 298,089 | 243,661 |
| Debit (credit) to profit or loss not representing movements in cash flows: | | | |
| Income tax expense | 18 | (70,167) | (78,951) |
| Changes in deferred tax assets and liabilities | 18 | 13,181 | 36,757 |
| Depreciation and amortization | 39 | 35,985 | 33,124 |
| Impairment of assets | 40-41 | 173 | 404 |
| Allowances for credit losses | 41 | 252,046 | 229,746 |
| Net income from assets received in lieu of payment or awarded in legal auction | 35 | 1,651 | (928) |
| Net gain (loss) from non-current assets held for sale | 35 | (475) | (395) |
| Net gain (loss) from disposal groups held for sale | 35 | - | - |
| Net interest income | 30 | (461,184) | (386,716) |
| Net indexation income | 31 | (190,225) | (184,764) |
| Net fee and commission income | 32 | (101,799) | (93,745) |
| Equity share of profit (loss) from investments in related companies | 34 | (2,436) | (3,136) |
| Effect of fair value adjustment on derivative instruments | | (124,614) | 12,702 |
| Other operating income | 36 | (19,566) | (20,162) |
| Other debits (credits) to profit or loss not representing movements in cash flows | | 36,556 | 121,113 |
| Changes due to increase / decrease of assets and liabilities affecting the operating flow: | | | |
| (Increase) decrease in financial debt securities | | 448,204 | 39,428 |
| (Increase) decrease in loans and advances to banks | | 5,091 | (259,886) |
| (Increase) decrease under resale agreements and securities lending agreements | | (56,131) | (7,947) |
| (Increase) decrease in loans and advances to customers | | (136,297) | 1,114,725 |
| Increase (decrease) in other assets | | (145,074) | 28,931 |
| (Increase) decrease in non-current assets and disposal groups held for sale | | (1,040) | (1,936) |
| Net change in financial derivative contracts / financial derivative contracts for hedge | | 421,224 | (241,286) |
| Net variation on deposits and other on-demand liabilities | | (1,926,946) | (32,624) |
| Net variation on debt financial instruments issued | | 84,896 | (107,549) |
| Net variation on regulatory capital financial instruments issued | | 50,953 | 117,566 |
| Net change in other financial obligations | | (7,621) | 11,396 |
| (Decrease) increase in deposits and other on-demand liabilities | | 205,799 | (428,848) |
| (Decrease) increase in liabilities under repurchase agreements and securities lending | | 145,863 | (102,280) |
| (Decrease) increase in term and other on-demand deposits | | 422,754 | (350,751) |
| (Decrease) increase in other liabilities | | (110,361) | 69,675 |
| Interest received | | 1,224,847 | 1,166,599 |
| Interest paid | | (708,123) | (831,180) |
| Indexation received | | 264,825 | 150,872 |
| Indexation paid | | (187,412) | (141,372) |
| Fees and commissions received | 32 | 155,406 | 141,870 |
| Fees and commissions paid | 32 | (53,607) | (48,125) |
| Taxes and fines paid | 38 | (106) | (25) |
| Collection of remaining balance of taxes from previous years | | 4,315 | - |
| Total net cash flows generated from (used in) operating activities | | (231,326) | 195,963 |

SCOTIABANK CHILE AND SUBSIDIARIES
Interim Consolidated Statements of Cash Flows
for the periods ended June 30, 2024 and 2023

| | Notes | 6/30/2024 MCh\$ | 6/30/2023 MCh\$ |
|---|-------|--------------------|--------------------|
| B) CASH FLOWS FROM INVESTING ACTIVITIES: | | | |
| Acquisitions of investments in companies | 14 | - | - |
| Disposals of investments in companies | 14 | - | - |
| Dividends received from investments in companies | 34 | 193 | 382 |
| Acquisitions of Property and equipment | 16 | (2,105) | (2,941) |
| Disposals of Property and equipment | | 1 | 938 |
| Acquisitions of intangible assets | 15 | (26,709) | (24,705) |
| Disposals of intangible assets | | - | - |
| Disposal of assets received in lieu of payment or awarded | | 6,699 | 6,670 |
| Net change in investment securities | | 675,831 | (182,632) |
| Total net cash flows generated from (used in) investing activities | | 653,910 | (202,288) |
| 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 | | 346,295 | 717,076 |
| Redemption and payment of interest / principal on current bonds | | (544,099) | (543,373) |
| Issuance of mortgage bonds | | - | - |
| Redemption and payment of interest / principal on mortgage bonds | | - | - |
| Payment of interest/principal on lease contracts | 17 | (7,385) | (7,787) |
| Subordinated bonds issuance | | - | - |
| Payment of interest and principal on subordinated bonds | 23 | (35,440) | (31,568) |
| Issuance of bonds with no fixed maturity date | | - | - |
| Redemption and payment of interest of bonds with no fixed maturity date | | - | - |
| Issuance of preference shares | | - | - |
| Redemption of preference shares and payment of preference shares dividends | | - | - |
| Increase in paid-in capital by issuance of ordinary shares | | - | - |
| Payment of ordinary shares dividends | 28 | (122,388) | (146,260) |
| Attributable to non-controlling interest | | | |
| Payment of dividends an/or withdrawals of paid-in capital made with respect to subsidiaries related to non-controlling interest | | (17,388) | (10,007) |
| Total net cash flows generated from (used in) financing activities | | (380,405) | (21,919) |
| D) INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS FOR THE PERIOD | | 42,179 | (28,244) |
| EFFECT OF EXCHANGE RATE FLUCTUATIONS ON CASH HELD | | (9,532) | (10,884) |
| INITIAL BALANCE OF CASH AND CASH EQUIVALENTS | | 1,539,860 | 2,241,570 |
| FINAL BALANCE OF CASH AND CASH EQUIVALENTS | | 1,572,507 | 2,202,442 |

The Interim Consolidated Statements of Cash Flows as at June 30, 2024 and 2023 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 June 30, 2024 and 2023

Equity attributable to owners

| | Capital | Reserves | Accumulated other comprehensive income | Retained earnings from previous years and profit for the period | Total | Non-controlling interest | Total equity |
|---|------------------|----------------|---|---|------------------|-----------------------------|------------------|
| Opening balances as at January 1, 2024 | 1,368,421 | 381,405 | (36,145) | 1,722,476 | 3,436,157 | 138,821 | 3,574,978 |
| Payment of ordinary shares dividends | - | - | - | (122,388) | (122,388) | (17,388) | (139,776) |
| Provision for payment of ordinary shares dividends | - | - | - | 52,666 | 52,666 | - | 52,666 |
| Subtotal: Transactions with the owners for the period | 1,368,421 | 381,405 | (36,145) | 1,652,754 | 3,366,435 | 121,433 | 3,487,868 |
| Profit for the period | - | - | - | 232,406 | 232,406 | 8,697 | 241,103 |
| Other comprehensive income (loss) for the period | - | - | (4,074) | - | (4,074) | (3) | (4,077) |
| Subtotal: Comprehensive income (loss) for the period | - | - | (4,074) | 232,406 | 228,332 | 8,694 | 237,026 |
| Closing balances as at June 30, 2024 | 1,368,421 | 381,405 | (40,219) | 1,885,160 | 3,594,767 | 130,127 | 3,724,894 |
| Opening balances as at January 1, 2023 | 1,368,421 | 381,405 | (139,638) | 1,436,903 | 3,047,091 | 140,227 | 3,187,318 |
| Payment of ordinary shares dividends | - | - | - | (146,260) | (146,260) | (10,007) | (156,267) |
| Provision for payment of ordinary shares dividends | - | - | - | 87,820 | 87,820 | - | 87,820 |
| Subtotal: Transactions with the owners for the period | 1,368,421 | 381,405 | (139,638) | 1,378,463 | 2,988,651 | 130,220 | 3,118,871 |
| Profit for the period | - | - | - | 194,801 | 194,801 | 6,666 | 201,467 |
| Other comprehensive income (loss) for the period | - | - | 78,506 | - | 78,506 | (6) | 78,500 |
| Subtotal: Comprehensive income (loss) for the period | - | - | 78,506 | 194,801 | 273,307 | 6,660 | 279,967 |
| Closing balances as at June 30, 2023 | 1,368,421 | 381,405 | (61,132) | 1,573,264 | 3,261,958 | 136,880 | 3,398,838 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Note 1 General information

Scotiabank Chile (hereinafter the "Bank") is the Parent of a group of entities, constituted in Chile as a closely-held corporation. Its original incorporation was authorized via Supreme Decree issued by the Ministry of Finance No. 1389 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.

The current ownership structure is composed of Nova Scotia Inversiones Limitada (99.80%) and non-controlling interests (0.20%). 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.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

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

The Interim Consolidated Financial Statements, 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 Cash Flows and Interim Consolidated Statements of Changes in Equity and of the Bank and its subsidiaries, have been prepared in accordance with accounting criteria issued by the Comisión para el Mercado Financiero (hereinafter, the "CMF"), and in relation to all issues not addressed in them and as long as they are not opposed to its instructions, must apply the generally accepted accounting principles, which relate to 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 June 30, 2024 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 June 30, 2024 and December 31, 2023 for the Interim Consolidated Statements of Financial Position, and in addition, the cumulative periods as at June 30, 2024 and 2023 for the Interim Consolidated Statements of Income, Interim Consolidated Statements of Other Comprehensive Income, Interim Consolidated Statements of Cash Flows and Interim Consolidated Statements of Changes in Equity, in addition to presenting the cumulative periods, is disclosed in the last quarter ended June 30, 2024 and 2023.

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 International Financial Reporting Standard (IFRS) 10 "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.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

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 owner either 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 | Indirect | Direct | Indirect |
|---|--------|----------|----------|----------|
| | June | June | December | December |
| | 2024 | 2024 | 2023 | 2023 |
| | % | % | % | % |
| 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 | - |
| Scotia Operadora de Tarjetas S.A. (*) | 99.90 | 0.10 | 99.90 | 0.10 |

(*) On August 1, 2023, Scotia Operadora de Tarjetas S.A. was incorporated. This company will be exclusively engaged in the operation of credit cards, debit cards and payment cards with provision of funds, in accordance with the provisions in the standards issued by the Banco Central de Chile and the CMF.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

On September 4, 2023, through Exempt Resolution No. 6443, issued by the Board of the CMF, Scotiabank was authorized to incorporate Scotia Operadora de Tarjetas de Pago S.A. as a banking support company in accordance with Article 74 a) of the General Banking Law.

ii) 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.

iii) 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 and its Subsidiaries have defined the Chilean peso as their 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 accounting representation exchange rate of Ch\$942.46 per US\$1 as at June 30, 2024 (Ch\$801.21 as at June 30, 2023 and Ch\$873.93 as at December 31, 2023).

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

The "accounting representation exchange rate" means those exchange rates that must be applied to reflect in Chilean pesos the assets and liabilities that are recorded in foreign currencies, and to make the adjustments to the equivalent accounts in Chilean currency. The accounting representation exchange rate of the different currencies relates to the Bank's best estimate of market prices at the accounting close date.

The loss of MCh\$113,046 as at June 30, 2024, related to "Foreign currency translation differences, indexation and hedge of foreign currencies" (gain of MCh\$58,803 as at June 30, 2023), 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 net gain or loss from derivatives in accounting hedges for foreign currency risk 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 IFRS 8 "Operating Segments." Such standard requires that the Bank provides information on the different 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 significant related parties are detailed in Note 43, in accordance with IAS24 "Related Party Disclosures" 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 Bank'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 include movements in Equity occurred between January 1 and June 30, 2024 and 2023.

The Interim Consolidated Statements of Changes in Equity include all movements in net equity, including those arising from changes in the accounting policies.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

(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 period, 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:

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

(j) Financial assets and financial 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:

- Financial assets held for trading at fair value through profit or loss (letter (l)).
- Financial assets at fair value through other comprehensive income (letter (m)).
- Financial derivative contracts and financial derivative contracts for accounting hedge (letter (n)).
- Financial assets at amortized cost (letter (o)).
- Special allowances for credit losses (letter (aa)).

At initial recognition, the bank classifies its financial assets as subsequently measured at amortized cost, fair value through 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.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

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 the consideration received (including any new asset obtained less any new liability assumed) plus any cumulative gain and loss that has been recognized in other comprehensive income is recognized in profit and loss.

The Bank derecognizes from the Interim 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.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

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, incorporating 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, which segregates the inputs and/or assumptions of the valuation techniques used in measuring the fair value of financial instruments.

7. Identification and measurement of impairment

The Bank assesses at each closing date of the Interim 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 that can be estimated reliably on the future cash flows of the asset.

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.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

For financial assets "Loans and advances to banks" and "Loans and advances to customers", impairment is applied in accordance with Chapter B-1 "Provisions for credit risk" of the CNC for Banks, which are described in Note 2 letter (aa).

For financial assets at fair value through other comprehensive income, debt financial instruments at amortized cost and Rights under resale agreements and securities lending agreements, impairment determined by a model of expected credit losses according to IFRS 9: This impairment model measures credit loss allowances using a three-stage approach based on the extent of credit deterioration since origination:

- **Stage 1:** Where there has not been a significant increase in credit risk since initial recognition of a financial instrument, an amount equal to 12 months expected credit loss is recorded. The expected credit loss is computed using a probability of default estimated for the next 12 months. If the financial instrument has a remaining term of less than a year, probability of default is computed using the remaining term to maturity.
- **Stage 2:** When financial instrument experiences a significant increase in credit risk subsequent to origination but is not considered to be in default, it is included in this Stage. This requires the computation of expected credit loss based on the probability of default over the remaining estimated life of the financial instrument.
- **Stage 3:** This stage includes financial instruments classified as in default. The allowance for credit losses is made based on the instrument's lifetime expected credit losses.

The measurement of expected credit loss is estimated using inputs like probability of default, exposure at default, and loss given default. Details of these parameters are as follows:

- **Probability of default:** Is an estimate of the likelihood of default over a given time horizon. A default may only happen at certain time over the remaining estimated life if the facility has not been previously derecognized and is still in the portfolio.
- **Exposure at Default:** The exposure at default is an estimate of the exposure at a future default date, considering expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments.
- **Loss given default:** The loss given default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realization of any collateral. It is usually expressed as percentage of the exposure at default.

The Bank has a model that allows characterizing the risk profile of a customer, assigning an internal rating to each debtor. To determine impairment, the rating is applied to the valuation of each instrument in accordance with the model defined by the Market Risk unit.

Impairment losses on financial assets at fair value through other comprehensive income are recognized in "Impairment of financial assets at fair value through other comprehensive income" in the Interim Consolidated Statements of Income for the period.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

 As at June 30, 2024 and 2023 and December 31, 2023

Impairment losses on debt financial instruments at amortized cost and Rights under resale agreements and securities lending agreements are recognized in "Credit-impaired financial assets at amortized cost" in the Interim Consolidated Statements of Income for the period.

(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, debt financial instruments, 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 90 days 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, where cash flows are determined from the Bank's profit or loss for the period and then incorporates 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.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

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 result" in the Interim 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, Unidad de Fomento, 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 June 30, 2024 and 2023, 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 financial derivative contracts held for trading are included in "Financial gain (loss) from financial assets held for trading at fair value through profit or loss" in the Interim Consolidated Statements of Income.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

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 (see Note 12.d.2); and
- the hedge is highly effective in relation to the hedged risk, on a continuous basis throughout the entire 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 the measures in the fair value, both for the hedged item and the hedging derivative, are recognized in profit or loss for the period. 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 through profit or loss for the period. Gains or losses from the measurement of the hedging derivative at fair value are also recognized through profit or loss for the period. 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 period.

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 period. 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.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

(o) Financial assets at amortized cost

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.

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 these captions 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).

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 and included as assets that are measured in accordance with the interest rate in the agreement.

In addition, through its subsidiary Scotia Corredora de Bolsa Chile Ltda., the Bank performs simultaneous transactions granting term financing to the buyer (through the delivery of shares as collateral), in exchange for an interest rate agreed upon in accordance with the contract.

ii) Financial debt securities

Financial debt securities include the balances of debt instruments of Government and Banco Central de Chile and Other financial debt securities issued in Chile and abroad.

iii) Loans and advances to banks

This caption includes balances of transactions with domestic and foreign banks, including the Banco Central de Chile and foreign Central Banks.

iv) Loans and accounts receivable from customers

This caption comprises balances related to transactions conducted in the commercial, mortgage and consumption portfolios with individuals other than 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.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

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.

v) *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 obtained for transactions written-off will be credited to profit or loss in the line item "Recovery of loans written off" in the caption "Credit loss expense" in the Interim Consolidated Statements of Income (see Note 41 b)).

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

- a) on the basis of information available the Bank reaches the conclusion that it will not obtain any flows from the loan recorded in assets.
- b) when a debt owed to the Bank without an enforcement order reaches 90 days past due since being recorded in assets.
- 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 a transaction reaches the term limit for write-off as set forth 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.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Assets related to financial lease transactions must be written off under the following circumstances, whichever occurs first:

- a) the Bank reaches the conclusion that there is no likelihood of recovery of rentals and that the value of the asset cannot be considered for contract recovery purposes, whether because it is no longer in the possession of the lessor, due to its condition, as a result of expenses involved in its recovery, transfer and maintenance for technological obsolescence or because there is no information about its current location and condition.
- b) upon completion of the prescription period for the collection procedures or at the moment of the rejection or abandonment of the execution of the contract through legal judgment.
- c) when the period in which a contract has been maintained in delinquency reaches the term indicated below.

| Type of contract | Term |
|--|-----------|
| Consumer Leasing | 6 months |
| Other non-real estate leasing operations | 12 months |
| Real estate Leasing (commercial or housing) | 36 months |

The period corresponds to the time elapsed from the date on which the payment past due amounts became payable.

vi) Renegotiations of transactions written-off

Any renegotiation of a loan written-off will not give rise to revenue as long as the transaction continues to be impaired, and the actual payments received will be treated as recoveries of loans written-off.

Consequently, the renegotiated loan will be re-entered as an asset if it ceases to be impaired and the criteria defined by the Bank are complied with, also recognizing the income from the activation as recovery of loans written-off. The same criterion is used in the event that a loan is granted to repay a loan written-off.

(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.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

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 or foreign companies, recorded at their acquisition cost and subsequently at fair value through Other Comprehensive Income 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 generated.

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 under "Depreciation and amortization" in the Interim Consolidated Statements of Income on a straight-line basis over the estimated useful life of IT software from the date on which they are available for use. Estimated useful lives of computer programs have been set from 5 to 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. Amortization is recognized in profit or loss under "Depreciation and amortization" in the Interim Consolidated Statements of Income on a straight-line basis over the estimated useful life of identifiable intangible assets. The estimated useful life of these intangible assets is up to 3 years.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

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 under "Depreciation and amortization" in the Interim Consolidated Statements of Income on a straight-line basis over the estimated useful life of intangible assets generated in 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 and other property and plant | Between 2 and 10 years |
| Computer equipment | Between 3 and 10 years |
| Facilities, improvements in own properties | Between 3 and 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 contracts 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 contract.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

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

- short-term leases (less than 12 months); and
- 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;
- 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) above 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.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

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 and its subsidiaries measure 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 period, 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.**i) Non-current assets for sale 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.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

In order to classify these assets as "Non-current assets held for sale and discontinued operations", in accordance with IFRS 5, the Bank should ensure it complies with the following requirements:

- 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 in the caption "Gain or loss from non-current assets and disposal groups not qualifying as discontinued operations."

ii) Assets received in lieu of payment or awarded

Assets received in lieu of payment or awarded in legal auction of loans 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 "Gain or loss from non-current assets and disposal groups not qualifying as discontinued operations." in the Interim Consolidated Statement of Income. Assets received in lieu of payment or awarded in a legal auction are classified in the caption "Non-current assets and disposal groups held for sale" and are presented net of provisions.

In general, the Bank believes assets received in lieu of payment or awarded in legal auction 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 "Financial assets and liabilities held for trading" in the Consolidated Statements of Income.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

(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.
- Obligations under repurchase agreements and securities lending(1).
- Bank borrowings.
- Debt securities issued.
- Other financial liabilities.

(1) 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. The financial cost for the application of the effective interest method corresponds to transaction costs, including issuance costs and interests.

Transaction costs for bonds with no fixed maturity date and preference shares may be deferred for up to 5 years from the date of issuance and will be prorated and recorded in the Interim Consolidated Statements of Income.

They are subsequently measured at amortized cost using the effective interest method. Bonds with no fixed maturity should also consider the effects of a possible amendment of the issuance conditions and/or the amount paid for a possible partial redemption of the principal after 5 years of issuance, the differences of which between the carrying amount and the payment made should be recorded in the Interim Consolidated Statements of Income.

For preference shares, subsequent to their initial recognition, they should be measured at their initial fair value, less any remaining balance of transaction costs that have not been expensed, also considering the effects of a possible amendment of the issuance conditions and/or the amount paid for a possible partial redemption of principal owed after 5 years of issue, the differences of which between the carrying amount and the payment made should be recorded in the Interim Consolidated Statements of Income.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

(y) Provisions and contingent liabilities

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:

- a) as a result of a past event, the Bank has a present legal or constructive obligation;
- b) 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
- c) 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, which 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 and merits for customers, 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 loss risk for contingent loans, country risk, additional allowances for loans and others).

(z) Provisions for minimum dividends

In Article 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 for dividends, payment of interest payments and repricing of issued regulatory capital financial instruments" 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.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

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.

Allowances 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 with operations different to those 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 UF20,000, 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 | Allowance (%) |
|-------------------|------------|-------------------------|---------------|
| In default | C1 | Up to 3% | 2 |
| | C2 | More than 3% up to 20% | 10 |
| | C3 | More than 20% up to 30% | 25 |
| | C4 | More than 30% up to 50% | 40 |
| | C5 | Más de 50% hasta 80% | 65 |
| | C6 | More than 80% | 90 |

To determine the amount of allowances for the normal and substandard portfolio, the first step is to determine the exposure affected by allowances, which comprises the carrying amount of loans plus

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

contingent loans, less the amounts that would be recovered through the execution of the guarantees, financial guarantee or collateral, supporting the transactions. The related loss percentages are applied to such exposure, which are composed of the probability of default (PD) and the loss given default (LGD) established for the category in which the debtor and/or its qualified guarantor is classified, as applicable. In the case of collateral, the Bank must demonstrate that the value assigned to this deduction reasonably reflects the value it would obtain on the disposal of the assets or equity instruments.

Collateral and sureties may be considered to the extent that the documentation evidencing the surety explicitly refers to specific loans, so that the scope of coverage is clearly defined and the claim against the guarantor or co-debtor is unquestionable. The credit quality of the direct debtor or group of debtors, as the case may be, may be substituted, in the proportion related to the exposure supported, by the credit quality of the guarantor or co-debtor.

For the substitution of the debtor's credit risk for the credit quality of the guarantor or co-debtor, this methodology will only be applicable when the guarantor or co-debtor is an entity rated in a category similar to investment grade by a local or international rating agency recognized by the CMF. The substitution method also applies when the guarantor or co-debtor is:

- The Chilean Treasury, CORFO or FOGAPE, assigning them category A1 for such purpose. For loans granted for the financing of higher education studies, granted in accordance with Law No. 20027, the Government may be considered as a qualified guarantor for 90% of the loan.
- Indirect debtors, other than those mentioned in the preceding point, that have audited financial statements and have been classified by the Bank, strictly applying the provisions of No. 2 of Chapter B-1 of the Compendium of accounting standards issued by the CMF, in a category up to A3 and above that of the direct debtor.

Notwithstanding the above-mentioned, the Bank should keep a minimum allowance percentage of 0.50% on loans and contingent loans from the Normal portfolio. This minimum ratio must be met for the Bank considered individually and for the local consolidated report (the Bank and its subsidiaries in Chile).

For the purposes of establishing the allowance for loan losses in default, an expected loss rate is first determined, deducting the amounts recoverable through execution of guarantees and, if specific information is available, the present value of the recoveries obtained through collection actions, net of associated expenses. Once the expected loss range has been determined, the related allowance percentage is applied to the exposure amount comprising the loans plus the contingent loans of the same debtor.

Allowances 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 UF20,000 (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.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

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.

To determine the allowances, the related group evaluations require the creation of groups of loans with homogeneous characteristics in terms of type of debtors and conditions agreed, in order to establish, through technically based estimates and following prudential criteria, both the payment behavior of the related group and the recoveries of its defaulted loans. Banks may use two alternative methods to determine allowances for retail loans that are assessed on a group basis.

Under the first method, the Bank will use the experience gathered that explains the payment behaviour shown by each group of debtors sharing similar characteristics and recovery through the execution of guarantees and collection actions where applicable, to directly estimate a percentage of expected losses that will be applied to the amount of the loans of the related group.

Under the second, banks will segment debtors into homogeneous groups, as indicated above, associating with each group a certain probability of default and a recovery percentage based on a substantiated historical analysis. The amount of allowances to be made will be obtained by multiplying the total amount of loans of the related group by the estimated default and loss given default percentages.

In both methods, the estimated losses must be related to the type of portfolio and the term of the operations. For consumer loans, guarantees will not be considered for purposes of estimating the expected loss.

Notwithstanding the foregoing, for purposes of making allowances, the Bank should recognize minimum allowances in accordance with the standard method established by the CMF. The use of this minimum prudential basis for allowances in no case exempts the Bank from its responsibility for having its own methodologies to determine allowances that are sufficient to safeguard the credit risk of each of its portfolios, and it must therefore have both methods available.

Allowances will be recorded considering the higher value obtained between the related standard method and the internal method.

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

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Allowances for consumption loans 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. PD is defined as the probability that a customer will fail to meet their loan obligations, whereas the loss given default is the rate of loss that a customer may have in the event of not paying their obligations. In general, 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 an individual.
- LGD: Loss given default.
- Exposure: is the account debt.

The expected loss of the Chilean Government is applied to the guaranteed percentage of the FOGAPE, FOGAIN and CORFO reprogramming loan operations and other types of guarantees are also used, such as reciprocal guarantee companies (RGC) 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.

Special allowances for credit losses**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.

Additional allowances are followed-up on a bimonthly basis to assess maintaining or amending the volume of allowances made.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

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, loans for higher education under Law No.20027 (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 irrevocable 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 for credit losses' '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" in the Interim Consolidated Statements of Financial Position.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

 As at June 30, 2024 and 2023 and December 31, 2023

(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 41 : Allowances for credit risk.
- 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\$37,571.86 as at June 30, 2024 (Ch\$36,089.48 as at June 30, 2023).

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 Statements of Income, unless they are effectively received.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

(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

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.

Expenses detailed in the preceding paragraph are calculated using actuarial methods and assumptions, which are based on Management's best estimate and are reviewed and approved on an annual basis. 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 Banco Central de Chile is used).

Gains and losses arising from changes in actuarial variables for employment contract termination benefits are recognized in the Interim Consolidated Statements of 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.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

(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.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

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

Exempt Resolution No.368 dated January 8, 2024: The CMF released General Standard No.501, which establishes the minimum information to be included in the policies for regular transactions and regulates the public disclosure of transactions with related parties performed. The topics contained in these regulations will become effective beginning on September 1, 2024.

Circular No.2346, March 6, 2024: This Circular amends Chapters B-1 and E of the Compendium of Accounting Standards for Banks (CNC) including a standardized methodology for calculating allowances for consumption loans, based on the identification of risk factors in the probability of default and loss given default parameters related to delinquency in prior months both in the Bank and in the system, and that the customer holds a mortgage loan. These new regulations will become effective beginning in the new accounting close of January 2025. Through the present date, banks will continue to estimate the allowances of this portfolio solely through their internal methodologies.

Based on the information available at the date of issuance of the Interim Consolidated Financial Statements, the application exercise of the new methodology for estimating allowances (standard method), results in an impact between MCh\$125,000 and MCh\$135,000 at consolidated level. To address this impact, the Bank is assessing the use of additional allowances prepared for these purposes, among other actions.

ii) New pronouncements introduced by the IASB
Current accounting pronouncements

The following amended accounting pronouncements are mandatory for periods beginning on January 1, 2024:

| Amendments to IFRS (New IFRS) | Mandatory application date |
|--|---|
| Classification of Liabilities as Current or Non Current (Amendments to IAS1) | Annual periods beginning on or after January 1, 2024. Early adoption is permitted |
| Lease Liability in a Sale and Leaseback (Amendments to IFRS16) | Annual periods beginning on or after January 1, 2024. Early adoption is permitted |
| Non-current Liabilities with Covenants (Amendments to IAS1) | Annual periods beginning on or after January 1, 2024. |
| Supplier Finance Arrangements (Amendments to IFRS7 and IAS7) | Annual periods beginning on or after January 1, 2024. |

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.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

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, 2024. 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 assessed the impact of adopting this Standard and concluded that there are no impacts on its Interim Consolidated Financial Statements as the Financial Statements are prepared and presented under the accounting instructions issued by the CMF, which do not include the classification of balances as current and non-current.

Lease Liability on a Sale and Leaseback (Amendments to IFRS 16)

In September 2022, the Board issued amendments to IFRS 16 "Leases – Lease liability on a Sale and Leaseback", which sets out the requirements for how an entity should account for a sale and leaseback after the date of the transaction.

While IFRS 16 includes requirements on how to account for a sale and leaseback at the date the transaction takes place, the standard does not specify how the subsequent measurement of this transaction would be. The amendments issued by the Board are additional to the requirements established in IFRS 16 for leaseback sales, which support the consistent application of the standard.

The Bank's Management assessed the impact of adopting this Standard and determined there are no effects on its Interim Consolidated Financial Statements because through the present date, we do not have these types of transactions.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Non-current Liabilities with Covenants (Amendments to IAS1)

The International Accounting Standards Board issued in October 2022 the amendment to IAS1 Presentation of Financial Statements, in which it indicates that only covenants that a company must meet on or before the reporting date affect the classification of a liability as current or non-current.

Covenants with which the Company must comply after the reporting date (i.e., future covenants) do not affect the classification of a liability at that date. However, when non-current liabilities are subject to covenants, companies will now be required to disclose information to help users understand the risk that those liabilities may become repayable within 12 months after the reporting date.

The Bank's Management assessed the impact of the adoption of this Standard and determined there are no effects on its Interim Consolidated Financial Statements.

Supplier Finance Arrangements (Amendments to IAS7 and IFRS7)

In May 2023, the International Accounting Standards Board issued amendments to IAS7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures, which establish additional disclosure requirements to be included in the notes related to Supplier Finance Arrangements, which will supplement the requirements currently established in IFRS Standards and will provide information that will allow the users (investors) to assess the effects of these arrangements on the entity's liabilities and cash flows, as well as its exposure to liquidity risk.

Amendments include the requirement to disclose the type and effect of non-cash changes in the carrying amounts of financial liabilities that are part of a supplier finance arrangement.

The amendments are applicable to supplier finance arrangements that have all the following characteristics:

- The finance supplier pays the amounts owed by a company (the buyer) to its suppliers.
- The company agrees to pay in accordance with to the terms and conditions of the arrangements on the same date or at a later date than its suppliers are paid.
- The company has extended payment terms or suppliers benefit from early payment terms, compared to the due date for payment of the related invoice.

No amendments are included regarding the classification and presentation of the related liabilities and cash flows and are not applicable to finance arrangements related to accounts receivable or inventories.

The Bank's Management assessed the impact of the adoption of this Standard and determined there are no effects on its Interim Consolidated Financial Statements.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Accounting pronouncements issued but not yet effective

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

| Amendments to IFRS (New IFRS) | Mandatory application date |
|--|---|
| IFRS 18 Presentation and Disclosure of Financial Statements | Annual periods beginning on or after January 1, 2027. Early adoption permitted. |
| IFRS 19 Subsidiaries without Public Accountability: Disclosures | Annual periods beginning on or after January 1, 2027. Early adoption permitted. |
| Amendments to IFRS | Mandatory application date |
| Sale or contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28) | Effective date deferred indefinitely. |
| Lack of Exchangeability (Amendment to IAS 21) | Annual periods beginning on or after January 1, 2025. Early adoption permitted. |
| Classification and measurement of financial instruments (Amendments to IFRS 9 and IFRS 7 - Post-implementation review) | Annual periods beginning on or after January 1, 2027. Early adoption permitted. |

New standard
IFRS18 Presentation and Disclosure in Financial Statements

On April 9, 2024, the IASB issued IFRS18 "Presentation and Disclosure in Financial Statements" which supersedes IAS1 "Presentation of Financial Statements."

Main changes in the new standard compared to the previous requirements in IAS1 include:

- Introducing new categories and subtotals defined in the statement of income with the purpose of obtaining additional significant information and provide a structure for the statement of income that is more comparable between entities. In particular:
 - Income and expense items are required to be classified in the following categories in the statement of income:
 - Operating
 - Investing
 - Financing
 - Income taxes
 - Discontinued operations

The classification is different in certain cases for entities which, as main line of business, provide financing to customers or make investments in assets

- Entities must present the following new subtotals:
 - Operating profit or loss
 - Profit (loss) before financing and income tax

These subtotals structure the statement of income in categories without the need to present headings of categories.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

- The above categories should be presented unless doing so would reduce the effectiveness of the statement of income in providing a useful structured summary of the entity's income and expenses.
- The introduction of requirements to improve aggregation and disaggregation that aim to obtain additional significant information and ensure that material information is not hidden. In particular:
 - IFRS18 provides guidance on whether the information should be in the primary financial statements (the function of which is to provide a useful structured summary) or in the notes.
 - Entities should identify assets, liabilities, equity and income and expenses arising from individual transactions or other events, and classify them into groups based on shared characteristics, resulting in items in the primary financial statements that share at least one characteristic. These groups are then separated based on other different characteristics, resulting in separate disclosure of material items in the notes. It may be necessary to aggregate immaterial items with different characteristics to avoid obscuring relevant information. Entities should use a descriptive label or, if that is not possible, provide information in the notes on the detail of such aggregated items.
 - Stricter guidelines are introduced as to whether the analysis of operating expenses is by nature or by function. The presentation should be made in a manner that provides the most useful structured summary of operating expenses considering several factors. The presentation of one or more operating expense items classified by function requires disclosure of amounts for five specific types of expenses, such as raw materials, employee benefits, depreciation and amortization.
- The introduction of disclosures on Management Performance Measures (MPM) in the notes to the financial statements aiming at transparency and discipline in the use of such measures and disclosures in one place. In particular:
 - MPMs are defined as subtotals of revenues and expenses that are used in public communications with financial statement users and are outside the financial statements, supplement the totals or subtotals included in IFRS and communicate management's view of an aspect of an entity's financial performance.
 - The accompanying disclosures are required to be provided in a single note that includes:
 - A description of why the MPM provides management's view of performance.
 - A description of how the MPM has been calculated
 - A description of how the measure provides useful information about an entity's financial performance
 - A reconciliation of the MPM to the most directly comparable subtotal or total specified by IFRS Accounting Standards
 - A statement that the MPM provides management's view of an aspect of the entity's financial performance
 - The effect of taxes and non-controlling interests separately for each of the differences between the MPM and the most directly comparable subtotal or total specified by IFRS Accounting Standards.
 - For a change in how the MPM is calculated, an explanation of the rationale for and the impact of the change

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Specific improvements to IAS7 aim to improve comparability between entities. Changes include:

- Using operating profit subtotal as the single starting point for the indirect method of reporting cash flows from operating activities; and
- Eliminating the option of presenting interest and dividends as cash flows from operating activities.

IFRS18 is effective for annual periods beginning on or after January 1, 2027. Early adoption is permitted. An entity is required to apply the amendments retrospectively, in accordance with IAS8 Accounting Policies, Changes in Accounting Estimates and Errors, with specific transition provisions.

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

IFRS19 Subsidiaries without Public Accountability: Disclosures

On May 9, 2024, the IASB issued IFRS19 "Subsidiaries without Public Accountability: Disclosures."

IFRS19 specifies the minimum disclosure requirements that an entity may apply instead of the extensive disclosure requirements required by other IFRSs.

An entity may apply this standard only when it is a subsidiary without public accountability and its ultimate or intermediate parent prepares consolidated financial statements available for public use that comply with IFRS Accounting Standards (eligible entity).

A subsidiary is required to be publicly accountable if its debt or equity instruments are traded in a public market or it is in the process of issuing such instruments for trading in a public market (a domestic or foreign stock exchange or an over-the-counter market, including local and regional markets), or it holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses (e.g., banks, credit unions, insurance companies, securities brokers/dealers, mutual funds, and investment banks often meet this second criterion).

Eligible entities may, but are not required to, apply IFRS 19 in their consolidated, separate or stand-alone financial statements.

An entity should consider whether to provide additional disclosures when compliance with the specific requirements of the standard is insufficient to enable users of the financial statements to understand the effect of transactions and other events and conditions on the entity's financial position and financial performance.

IFRS19 is effective for annual periods beginning on or after January 1, 2027. Early adoption is permitted. If an entity elects to early adopt the standard, it should disclose that fact. If an entity applies it in the current reporting period but not in the immediately previous period, it should provide comparative information (i.e., prior period information) for all amounts reported in the current period's financial statements, unless otherwise permitted or required by this standard or another IFRS.

An entity that opts to apply this standard for a reporting period before the reporting period in which it first applies IFRS18 shall apply the disclosure requirements set out in Appendix B of IFRS19.

If an entity applies the standard for an annual reporting period beginning before January 1, 2025 and has not applied the Amendments to IAS21 "Lack of Exchangeability", it is not required to make the disclosures in IFRS19 related to those amendments.

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

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Amendments to IFRS**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 IFRS 3 “Business Combinations.” This amendment establishes strong 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.

Lack of Exchangeability (Amendment to IAS21)

On August 15, 2023, the IASB issued the amendment to IAS21 — The Effects of Changes in Foreign Exchange Rates, “Lack of Exchangeability” to respond to commentary from stakeholders and concerns on the diversity in practice when accounting for the lack of exchangeability between currencies. These amendments establish criteria that will allow companies to assess whether a currency is exchangeable into another currency and when it is not, so that they can determine the exchange rate to be used and the disclosures to be provided, in the event that the currency is not exchangeable.

The amendments establish that a currency is exchangeable into another currency at a measurement date when an entity can exchange that currency into another currency within a timeframe that includes a normal administrative delay and through a market or exchange mechanism in which the exchange transaction would create enforceable rights and obligations. If an entity can only obtain an insignificant amount of the other currency at the measurement date for the specified purpose, such currency is not exchangeable into the other currency.

The assessment of whether a currency is exchangeable into another currency depends on an entity's ability to obtain the other currency and not on its intention or decision to do so.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

When a currency is not exchangeable into another currency at a measurement date, an entity is required to estimate the spot exchange rate at that date. An entity's purpose when estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under economic conditions prevailing. The amendments do not specify how an entity estimates the spot exchange rate to meet such objective. An entity may use an observable exchange rate without adjustment or another estimation technique. Examples of an observable exchange rate include:

- A spot exchange rate for a purpose other than that for which an entity assesses exchangeability.
- The first exchange rate at which an entity can obtain the other currency for the specified purpose after currency exchangeability is restored (first subsequent exchange rate).

An entity using another estimation technique may use any observable exchange rate (including rates of exchange transactions in foreign exchange markets or mechanisms that do not create enforceable rights and obligations) and adjust that exchange rate, as required, to meet the objective established previously.

An entity is required to apply the amendments for annual reporting periods beginning on or after January 1, 2025. Early adoption is permitted. If an entity applies the amendments for an earlier period, it is required to disclose that fact.

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

Classification and Measurement of Financial Instruments (Amendments to IFRS9 and IFRS7 – Post-implementation Review)

On May 30, 2024, the IASB has issued this amendment to address issues identified during the post-implementation review of the classification and measurement requirements of IFRS9 "Financial Instruments" and the disclosure requirements in IFRS7 "Financial Instruments: Disclosures."

The IASB issued amendments to IFRS9 that address the following topics:

- Derecognition of a financial liability settled through electronic transfer
- Classification of financial assets: contractual terms that are consistent with a basic lending agreement
- Classification of financial assets: assets with non-recourse features
- Classification of financial assets: contractually linked instruments

The IASB also issued the following amendments to IFRS7:

- Disclosures: investments in equity instruments designated at fair value through other comprehensive income.
- Disclosures: contractual terms that could change the timing or amount of contractual cash flows on the occurrence (or non-occurrence) of a contingent event.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

The need for these amendments was identified as a result of the IASB's post-implementation review of the classification and measurement requirements of IFRS9.

Amendments are effective for annual periods beginning on January 1, 2026. Early adoption is permitted. An entity is required to apply the amendments retrospectively, in accordance with IAS8 "Accounting Policies, Changes in Accounting Estimates and Errors" in its following annual financial statements unless otherwise specified. An entity is not required to restate prior periods.

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

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Note 4 Changes in accounting policies

During the six-month period ended June 30, 2024, there have been no significant changes in accounting policies that affect the interpretation of these Interim Consolidated Financial Statements.

Note 5 Significant events

On March 28, 2024, in conformity with Articles 9 and 10 of Law No.18045 on the Securities Market and Chapter No.18-10 of the Updated Compilation of Standards issued by the CMF, the Company communicates as essential information that on such date the shareholders at the Ordinary Shareholders' Meeting of Scotiabank Chile (the "Bank") agreed, among other matters, to distribute 30% of the profit obtained during 2023; i.e., MCh\$122,388, equivalent to a dividend of Ch\$9.99505 per share and destine the remaining balance to the reserve fund for undistributed profits.

Note 6 Business Segments

Scotiabank Chile is a universal bank offering a great 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 IFRS 8 "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.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

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. 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 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.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

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.

The segment includes revenue associated with the management of the investment portfolio and gains or losses from the management of interest rate and inflation risks.

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 abovementioned segments:

| | As at June 30, 2024 | | | | | |
|--|---------------------|--------------------|----------------|-------------------|----------------|----------------|
| | Retail MCh\$ | Wholesale MCh\$ | CAT MCh\$ | Treasury MCh\$ | Other MCh\$ | Total MCh\$ |
| Net interest income | 284,644 | 170,980 | 158,009 | (152,544) | 95 | 461,184 |
| Other income | 66,329 | 95,165 | 41,692 | 160,706 | 13,836 | 377,728 |
| Equity in net income of investees | - | - | - | - | 2,436 | 2,436 |
| Total operating income | 350,973 | 266,145 | 199,701 | 8,162 | 16,367 | 841,348 |
| Operating expenses | (161,127) | (65,136) | (64,719) | (3,121) | (3,162) | (297,265) |
| Depreciation and amortization | (23,529) | (4,866) | (7,466) | (105) | (19) | (35,985) |
| Credit losses expense | (80,598) | (26,638) | (106,086) | - | 3,313 | (210,009) |
| Segment operating profit (loss) | 85,719 | 169,505 | 21,430 | 4,936 | 16,499 | 298,089 |
| Income tax expense | (17,630) | (41,186) | (3,810) | (1,333) | 6,973 | (56,986) |
| Profit (loss) for the period | 68,090 | 128,320 | 17,620 | 3,604 | 23,470 | 241,103 |
| Spot Volumes | | | | | | |
| Assets (loans) | 18,893,728 | 10,924,968 | 1,680,101 | - | 12,888 | 31,511,685 |
| Liabilities (Core and Term deposits) | 7,034,155 | 5,431,404 | - | 5,708,622 | 477,086 | 18,651,267 |
| | As at June 30, 2023 | | | | | |
| | Retail MCh\$ | Wholesale MCh\$ | CAT MCh\$ | Treasury MCh\$ | Other MCh\$ | Total MCh\$ |
| Net interest income | 263,844 | 153,880 | 136,067 | (167,391) | 316 | 386,716 |
| Other income | 58,918 | 100,061 | 44,590 | 147,426 | 17,796 | 368,791 |
| Equity in net income of investees | - | - | - | - | 3,136 | 3,136 |
| Total operating income | 322,762 | 253,941 | 180,657 | (19,965) | 21,248 | 758,643 |
| Operating expenses | (153,716) | (63,015) | (63,971) | (4,253) | (3,786) | (288,741) |
| Depreciation and amortization | (18,046) | (5,404) | (5,807) | (457) | (3,410) | (33,124) |
| Credit losses expense | (83,352) | (13,994) | (95,965) | - | 194 | (193,117) |
| Segment operating profit (loss) | 67,648 | 171,528 | 14,914 | (24,675) | 14,246 | 243,661 |
| Income tax expense | (13,974) | (41,313) | (1,484) | 6,662 | 7,915 | (42,194) |
| Profit (loss) for the period | 53,673 | 130,214 | 13,430 | (18,013) | 22,163 | 201,467 |
| Spot Volumes | | | | | | |
| Assets (loans) | 18,747,465 | 11,416,599 | 1,587,790 | - | 85,984 | 31,837,838 |
| Liabilities (Core and Term deposits) | 6,322,584 | 6,053,924 | - | 5,654,665 | 224,081 | 18,255,254 |

For decision-making purposes, senior management is provided with information on net interest income and provisions to assess the performance of the segments and allocate resources to them.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Note 7 Cash and cash equivalents

The detail of cash and cash equivalents is as follows:

| | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|--|--------------------|---------------------|
| Cash and deposits in banks | | |
| Cash | 165,273 | 160,130 |
| Deposits in Banco Central de Chile (i) | 638,782 | 670,316 |
| Deposits in foreign Central Banks | - | - |
| Deposits in domestic Banks | 10,900 | 12,316 |
| Deposits in foreign Banks | 449,584 | 367,122 |
| Subtotal - Cash and deposits in Banks | <u>1,264,539</u> | <u>1,209,884</u> |
| Net trading operations pending settlement (ii) | 9,376 | 55,769 |
| Other cash equivalents (iii) | 298,592 | 274,207 |
| Total cash and cash equivalents | <u>1,572,507</u> | <u>1,539,860</u> |

- (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 Banco Central de Chile or in banks in foreign countries, normally within a period ranging between 12 and 24 working hours, and are detailed as follows:

| | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|--|--------------------|---------------------|
| Assets | | |
| Notes in charge of other banks (exchange) | 33,521 | 33,243 |
| Transfer of funds pending receipt | 803,680 | 355,898 |
| Subtotal assets | <u>837,201</u> | <u>389,141</u> |
| Liabilities | | |
| Transfer of funds pending delivery | (827,825) | (333,372) |
| Subtotal liabilities | <u>(827,825)</u> | <u>(333,372)</u> |
| Net trading operations pending settlement | <u>9,376</u> | <u>55,769</u> |

- (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.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

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:

| | 6/30/2024 | 12/31/2023 |
|--|------------------|------------------|
| | MCh\$ | MCh\$ |
| Derivative instruments | | |
| Forwards | 694,668 | 780,562 |
| Swaps | 5,261,307 | 4,913,421 |
| Call options | 220 | 298 |
| Put options | 86 | 43 |
| Forwards | - | - |
| Other | - | - |
| Financial debt securities | | |
| Government and Banco Central de Chile | 141,080 | 34,446 |
| Other debt financial instruments issued in Chile | 136,314 | 147,934 |
| Debt financial instruments issued abroad | 12,141 | 11,440 |
| Other debt financial instruments | | |
| Investments in mutual funds | 55,973 | 48,839 |
| Equity instruments | 11,517 | 7,358 |
| Loans originated and acquired by the entity | - | - |
| Other | - | - |
| Total | 6,313,306 | 5,944,341 |

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

| Product | Notional amounts of contracts with final maturity (1) | | | | | | | Fair Value Assets |
|-------------------------|---|-------------------|----------------------------|-----------------------------|---------------------------|---------------------------|-------------------|-------------------|
| | On-demand | Up to 1 month | More than 1 up to 3 months | More than 3 up to 12 months | More than 1 up to 3 years | More than 3 up to 5 years | More than 5 years | |
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | |
| Forward | | | | | | | | |
| Future arbitration | 42,649 | 363,653 | 393,046 | 829,466 | 184,916 | 14,291 | - | 43,383 |
| Paper forward | - | 3,583 | - | - | - | - | - | 21 |
| Exchange insurance | 496,020 | 10,391,449 | 7,909,177 | 6,331,912 | 2,057,786 | 553,622 | 749,767 | 509,882 |
| Inflation insurance | 55,458 | 525,032 | 1,358,376 | 4,357,772 | 3,680,399 | 1,693,805 | 3,774,301 | 141,382 |
| Subtotal forward | 594,127 | 11,283,717 | 9,660,599 | 11,519,150 | 5,923,101 | 2,261,718 | 4,524,068 | 694,668 |
| Options | | | | | | | | |
| Call option | - | - | 2,401 | - | - | - | - | 220 |
| Put Option | - | - | 955 | 2,754 | - | - | - | 86 |
| Subtotal options | - | - | 3,356 | 2,754 | - | - | - | 306 |
| Swap | | | | | | | | |
| Cross currency swap | 18,597 | 431,013 | 1,365,561 | 8,885,767 | 13,240,289 | 9,458,985 | 13,857,246 | 3,423,041 |
| Rate Swap | 330,927 | 8,384,754 | 17,682,378 | 38,645,957 | 27,013,568 | 14,071,012 | 20,291,799 | 1,838,266 |
| Subtotal swap | 349,524 | 8,815,767 | 19,047,939 | 47,531,724 | 40,253,857 | 23,529,997 | 34,149,045 | 5,261,307 |
| Total | 943,651 | 20,099,484 | 28,711,894 | 59,053,628 | 46,176,958 | 25,791,715 | 38,673,113 | 5,956,281 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

| Product | Notional amounts of contracts with final maturity (1) | | | | | | | Fair Value Assets |
|-------------------------|---|-------------------|----------------------------|-----------------------------|---------------------------|---------------------------|-------------------|-------------------|
| | On-demand | Up to 1 month | More than 1 up to 3 months | More than 3 up to 12 months | More than 1 up to 3 years | More than 3 up to 5 years | More than 5 years | |
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | |
| Forward | | | | | | | | |
| Future arbitration | - | 469,274 | 684,558 | 498,664 | 229,805 | 17,530 | - | 29,937 |
| Paper forward | - | - | - | - | - | - | - | - |
| Exchange insurance | - | 12,664,619 | 7,165,032 | 6,463,092 | 1,719,169 | 508,657 | 832,142 | 540,366 |
| Inflation insurance | - | 1,215,589 | 1,660,201 | 3,254,867 | 3,298,199 | 1,440,015 | 3,972,265 | 210,259 |
| Subtotal forward | - | 14,349,482 | 9,509,791 | 10,216,623 | 5,247,173 | 1,966,202 | 4,804,407 | 780,562 |
| Options | | | | | | | | |
| Call option | - | 1,098 | 7,952 | 9,044 | - | - | - | 298 |
| Put Option | - | 1,092 | - | - | - | - | - | 43 |
| Subtotal options | - | 2,190 | 7,952 | 9,044 | - | - | - | 341 |
| Swap | | | | | | | | |
| Cross currency swap | - | 1,120,657 | 2,098,402 | 6,479,584 | 14,643,182 | 8,215,231 | 13,510,074 | 3,058,845 |
| Rate Swap | - | 4,782,210 | 10,090,550 | 32,661,452 | 21,343,124 | 11,915,337 | 17,034,500 | 1,854,576 |
| Subtotal swap | - | 5,902,867 | 12,188,952 | 39,141,036 | 35,986,306 | 20,130,568 | 30,544,574 | 4,913,421 |
| Total | - | 20,254,539 | 21,706,695 | 49,366,703 | 41,233,479 | 22,096,770 | 35,348,981 | 5,694,324 |

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

| As at June 30, 2024 | Notional amount of contracts with final maturity (1) | | | | | | | Fair Value |
|--|--|---------------|----------------------------|-----------------------------|---------------------------|---------------------------|-------------------|----------------|
| | On-demand | Up to 1 month | More than 1 up to 3 months | More than 3 up to 12 months | More than 1 up to 3 years | More than 3 up to 5 years | More than 5 years | |
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | |
| Debt financial instruments | | | | | | | | |
| Debt financial instruments issued by Banco Central de Chile | - | 17,000 | - | - | - | - | - | 16,987 |
| Bonds or promissory notes issued by the Treasury | - | - | - | 17,875 | 20,675 | 9,818 | 82,336 | 124,093 |
| Other Treasury debt financial instruments | - | - | - | - | - | - | - | - |
| Government and Banco Central de Chile: | - | 17,000 | - | 17,875 | 20,675 | 9,818 | 82,336 | 141,080 |
| Debt financial instruments issued by other domestic banks | | | | | | | | |
| Domestic corporate bonds and commercial paper | - | 2,183 | 1,400 | 140,156 | 40 | 1,224 | 14,795 | 134,034 |
| Other debt financial instruments issued in Chile | - | - | - | - | 5,109 | 902 | - | 2,280 |
| Other debt financial instruments issued in Chile | - | 2,183 | 1,400 | 140,156 | 5,149 | 2,126 | 14,795 | 136,314 |
| Debt financial instruments issued by foreign Central Banks | | | | | | | | |
| Debt financial instruments of foreign governments and fiscal entities abroad | - | - | - | - | 6,597 | - | 5,655 | 12,141 |
| Debt financial instruments of other foreign banks | - | - | - | - | - | - | - | - |
| Bond and commercial paper of companies abroad | - | - | - | - | - | - | - | - |
| Other debt financial instruments issued abroad | - | - | - | - | - | - | - | - |
| Debt financial instruments issued abroad | - | - | - | - | 6,597 | - | 5,655 | 12,141 |
| Other financial instruments | | | | | | | | |
| Investments in mutual funds | 50,183 | 5,790 | - | - | - | - | - | 55,973 |
| Equity instruments | 11,518 | - | - | - | - | - | - | 11,517 |
| Loans originated and acquired by the entity | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - |
| Investments in mutual funds | 61,701 | 5,790 | - | - | - | - | - | 67,490 |
| Total | 61,701 | 24,973 | 1,400 | 158,031 | 32,421 | 11,944 | 102,786 | 357,025 |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

| As at December 31, 2023 | Notional amount of contracts with final maturity (1) | | | | | | | Fair Value MCh\$ |
|--|--|---------------|----------------------------|-----------------------------|---------------------------|---------------------------|-------------------|---------------------|
| | On-demand | Up to 1 month | More than 1 up to 3 months | More than 3 up to 12 months | More than 1 up to 3 years | More than 3 up to 5 years | More than 5 years | |
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | |
| Debt financial instruments | | | | | | | | |
| Debt financial instruments issued by Banco Central de Chile | - | 1,999 | - | 19,534 | - | - | - | 21,533 |
| Bonds or promissory notes issued by the Treasury | - | 195 | 350 | 230 | 5,998 | 3,801 | 2,567 | 12,913 |
| Other Treasury debt financial instruments | - | - | - | - | - | - | - | - |
| Government and Banco Central de Chile: | - | 2,194 | 350 | 19,764 | 5,998 | 3,801 | 2,567 | 34,446 |
| Debt financial instruments issued by other domestic banks | - | - | 1,973 | 124,823 | 9,065 | 5,081 | 3,031 | 143,972 |
| Domestic corporate bonds and commercial paper | - | - | - | - | 1,915 | 883 | 1,435 | 3,962 |
| Other debt financial instruments issued in Chile | - | - | - | - | - | - | - | - |
| Other debt financial instruments issued in Chile | - | - | 1,973 | 124,823 | 10,980 | 5,964 | 4,466 | 147,934 |
| Debt financial instruments issued by foreign Central Banks | - | - | - | - | - | - | - | - |
| Debt financial instruments of foreign governments and fiscal entities abroad | - | - | - | 2,622 | - | - | 8,739 | 11,440 |
| Debt financial instruments of other foreign banks | - | - | - | - | - | - | - | - |
| Bond and commercial paper of companies abroad | - | - | - | - | - | - | - | - |
| Other debt financial instruments issued abroad | - | - | - | - | - | - | - | - |
| Debt financial instruments issued abroad | - | - | - | 2,622 | - | - | 8,739 | 11,440 |
| Other financial instruments | | | | | | | | |
| Investments in mutual funds | 38,588 | 10,251 | - | - | - | - | - | 48,839 |
| Equity instruments | 7,358 | - | - | - | - | - | - | 7,358 |
| Loans originated and acquired by the entity | - | - | - | - | - | - | - | - |
| Other | - | - | - | - | - | - | - | - |
| Investments in mutual funds | 45,946 | 10,251 | - | - | - | - | - | 56,197 |
| Total | 45,946 | 12,445 | 2,323 | 147,209 | 16,978 | 9,765 | 15,772 | 250,017 |

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

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

As at June 30, 2024 and December 31, 2023, the Bank has no such operations.

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

As at June 30, 2024 and December 31, 2023, 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:

| | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|----------------------------|--------------------|---------------------|
| Debt financial instruments | 1,460,831 | 2,188,905 |
| Other | - | - |
| Total | 1,460,831 | 2,188,905 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

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

| As at June 30, 2024 | Nominal amounts | | | | | | | Fair Value MCh\$ |
|--|--------------------|---------------------------|---|--|--|---------------------------------------|-------------------------------|---------------------|
| | On-demand MCh\$ | Up to 1 month MCh\$ | More than 1 up to 3 months MCh\$ | More than 3 up to 12 months MCh\$ | More than 1 up to 3 years MCh\$ | More than 3 up to 5 years MCh\$ | More than 5 years MCh\$ | |
| Debt financial instruments | | | | | | | | |
| Debt financial instruments issued by Banco Central de Chile | - | - | - | - | - | - | - | - |
| Bonds or promissory notes issued by the Treasury | - | - | - | 496,223 | 156,072 | 99,572 | 761,391 | 1,450,609 |
| Other Treasury debt financial instruments | - | - | - | 739 | 4,213 | 3,965 | 15,377 | 10,222 |
| Government and Banco Central de Chile: | - | - | - | 496,962 | 160,285 | 103,537 | 776,768 | 1,460,831 |
| Debt financial instruments issued by other domestic banks | - | - | - | - | - | - | - | - |
| Domestic corporate bonds and commercial paper | - | - | - | - | - | - | - | - |
| Other debt financial instruments issued in Chile | - | - | - | - | - | - | - | - |
| Other debt financial instruments issued in Chile | - | - | - | - | - | - | - | - |
| Debt financial instruments issued by foreign central banks | - | - | - | - | - | - | - | - |
| Debt financial instruments of foreign governments and fiscal entities abroad | - | - | - | - | - | - | - | - |
| Debt financial instruments of other banks abroad | - | - | - | - | - | - | - | - |
| Bond and commercial paper of companies abroad | - | - | - | - | - | - | - | - |
| Other debt financial instruments issued abroad | - | - | - | - | - | - | - | - |
| Debt financial instruments issued abroad | - | - | - | - | - | - | - | - |
| Other financial instruments | - | - | - | - | - | - | - | - |
| Total | - | - | - | 496,962 | 160,285 | 103,537 | 776,768 | 1,460,831 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

| As at December 31, 2023 | Nominal amounts | | | | | | | Fair Value MCh\$ |
|--|-----------------|---------------|----------------------------|-----------------------------|---------------------------|---------------------------|-------------------|---------------------|
| | On-demand | Up to 1 month | More than 1 up to 3 months | More than 3 up to 12 months | More than 1 up to 3 years | More than 3 up to 5 years | More than 5 years | |
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | |
| Debt financial instruments | | | | | | | | |
| Debt financial instruments issued by Banco Central de Chile | - | - | - | 406,000 | - | - | - | 395,919 |
| Bonds or promissory notes issued by the Treasury | 761 | - | 50,000 | 110,000 | 855,598 | 63,789 | 755,073 | 1,782,154 |
| Other Treasury debt financial instruments | - | - | 1 | 9 | 1,024 | 1,171 | 8,627 | 10,832 |
| Government and Banco Central de Chile: | 761 | - | 50,001 | 516,009 | 856,622 | 64,960 | 763,700 | 2,188,905 |
| Debt financial instruments issued by other domestic banks | - | - | - | - | - | - | - | - |
| Domestic corporate bonds and commercial paper | - | - | - | - | - | - | - | - |
| Other debt financial instruments issued in Chile | - | - | - | - | - | - | - | - |
| Other debt financial instruments issued in Chile | - | - | - | - | - | - | - | - |
| Debt financial instruments issued by foreign central banks | - | - | - | - | - | - | - | - |
| Debt financial instruments of foreign governments and fiscal entities abroad | - | - | - | - | - | - | - | - |
| Debt financial instruments of other banks abroad | - | - | - | - | - | - | - | - |
| Bond and commercial paper of companies abroad | - | - | - | - | - | - | - | - |
| Other debt financial instruments issued abroad | - | - | - | - | - | - | - | - |
| Debt financial instruments issued abroad | - | - | - | - | - | - | - | - |
| Other financial instruments | - | - | - | - | - | - | - | - |
| Total | 761 | - | 50,001 | 516,009 | 856,622 | 64,960 | 763,700 | 2,188,905 |

As at June 30, 2024, the Financial assets at fair value through other comprehensive income portfolio includes a net unrealized loss of MCh\$113,488 (loss of MCh\$110,969 as at December 31, 2023) recorded as valuation adjustments in equity and a net realized loss of MCh\$509 (gain of MCh\$868 as at June 30, 2023) recorded in the caption "Gain or loss from derecognition of financial assets and liabilities at amortized cost and financial assets at fair value through other comprehensive income."

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

c) Movements in financial assets at fair value through other comprehensive income are detailed as follows:

| As at June 30, 2024 | Amortized cost | Fair Value | Unrealized gains/(losses), gross |
|---|-------------------|------------------|--|
| | MCh\$ | MCh\$ | MCh\$ |
| Government and Banco Central de Chile | | | |
| Debt financial instruments issued by Banco Central de Chile | - | - | - |
| Bonds and promissory notes issued by the Treasury | 1,563,925 | 1,450,609 | (113,316) |
| Other treasury debt financial instruments | 10,394 | 10,222 | (172) |
| Other debt financial instruments issued in Chile | | | |
| Debt financial instruments issued by other domestic banks | - | - | - |
| Domestic corporate bonds and commercial paper | - | - | - |
| Other debt financial instruments issued in Chile | - | - | - |
| Debt financial instruments issued abroad | | | |
| | - | - | - |
| Total | 1,574,319 | 1,460,831 | (113,488) |

| As at December 31, 2023 | Amortized cost | Fair Value | Unrealized gains/(losses), gross |
|---|-------------------|------------------|--|
| | MCh\$ | MCh\$ | MCh\$ |
| Government and Banco Central de Chile | | | |
| Debt financial instruments issued by Banco Central de Chile | 393,433 | 395,919 | 2,486 |
| Bonds and promissory notes issued by the Treasury | 1,895,604 | 1,782,154 | (113,450) |
| Other treasury debt financial instruments | 10,837 | 10,832 | (5) |
| Other debt financial instruments issued in Chile | | | |
| Debt financial instruments issued by other domestic banks | - | - | - |
| Domestic corporate bonds and commercial paper | - | - | - |
| Other debt financial instruments issued in Chile | - | - | - |
| Debt financial instruments issued abroad | | | |
| | - | - | - |
| Total | 2,299,874 | 2,188,905 | (110,969) |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

d) The table below shows the fair values of debt financial instruments detailing unrealized gains and losses.

| As at June 30, 2024 | Amortized cost | Fair Value | Unrealized gains/(losses), gross |
|---|-------------------|------------------|--|
| | MCh\$ | MCh\$ | MCh\$ |
| Government and Banco Central de Chile | | | |
| Debt financial instruments issued by Banco Central de Chile | - | - | - |
| Bonds and promissory notes issued by the Treasury | 1,563,925 | 1,450,609 | (113,316) |
| Other treasury debt financial instruments | 10,394 | 10,222 | (172) |
| Other debt financial instruments issued in Chile | | | |
| Debt financial instruments issued by other domestic banks | - | - | - |
| Domestic corporate bonds and commercial paper | - | - | - |
| Other debt financial instruments issued in Chile | - | - | - |
| Debt financial instruments issued abroad | | | |
| | - | - | - |
| Total | 1,574,319 | 1,460,831 | (113,488) |

| As at December 31, 2023 | Amortized cost | Fair Value | Unrealized gains/(losses), gross |
|---|-------------------|------------------|--|
| | MCh\$ | MCh\$ | MCh\$ |
| Government and Banco Central de Chile | | | |
| Debt financial instruments issued by Banco Central de Chile | 393,433 | 395,919 | 2,486 |
| Bonds and promissory notes issued by the Treasury | 1,895,604 | 1,782,154 | (113,450) |
| Other treasury debt financial instruments | 10,837 | 10,832 | (5) |
| Other debt financial instruments issued in Chile | | | |
| Debt financial instruments issued by other domestic banks | - | - | - |
| Domestic corporate bonds and commercial paper | - | - | - |
| Other debt financial instruments issued in Chile | - | - | - |
| Debt financial instruments issued abroad | | | |
| | - | - | - |
| Total | 2,299,874 | 2,188,905 | (110,969) |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

Note 12 Derivative instruments for accounting hedge

a) Balances by type of hedge are detailed as follows:

| | 6/30/2024 | | 12/31/2023 | |
|--|----------------|--------------------|----------------|--------------------|
| | Asset | Liability | Asset | Liability |
| | (in favor) | (against) | (in favor) | (against) |
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Designated derivatives in fair value hedging relationships | 62,108 | (27,546) | 90,533 | (56,982) |
| Designated derivatives in cash flow hedging relationships | 239,911 | (1,415,420) | 226,775 | (1,398,674) |
| Total derivatives designated in hedging relationships | 302,019 | (1,442,966) | 317,308 | (1,455,656) |

b) The derivative instrument portfolio for accounting hedge purposes is detailed as follows:

| As at June 30, 2024 | Product | Notional amounts of contracts with final maturity | | | | | | Carrying amount | | |
|---------------------------------------|---------------------|---|---------------|----------------------------|-----------------------------|---------------------------|---------------------------|-------------------|----------------|--------------------|
| | | On-demand | Up to 1 month | More than 1 up to 3 months | More than 3 up to 12 months | More than 1 up to 3 years | More than 3 up to 5 years | More than 5 years | Assets | Liabilities |
| | | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Fair value hedging derivatives | | | | | | | | | | |
| | Future arbitration | - | - | - | - | - | - | - | - | - |
| | Inflation insurance | - | - | - | - | - | - | - | - | - |
| | Call option | - | - | - | - | - | - | - | - | - |
| | Put option | - | - | - | - | - | - | - | - | - |
| | Cross currency swap | - | - | - | 93,164 | 62,858 | 64,686 | 126,339 | 57,513 | (25,944) |
| | Rate Swap | - | - | - | 439,865 | 100,000 | - | 141,630 | 4,595 | (1,602) |
| | Subtotal | - | - | - | 533,029 | 162,858 | 64,686 | 267,969 | 62,108 | (27,546) |
| Cash flow hedge derivative | | | | | | | | | | |
| | Future arbitration | - | - | - | - | - | - | - | - | - |
| | Inflation insurance | - | 18,782 | - | 236,655 | 150,257 | - | - | 350 | (3,167) |
| | Call option | - | - | - | - | - | - | - | - | - |
| | Put option | - | - | - | - | - | - | - | - | - |
| | Cross currency swap | - | 52,221 | 145,341 | 1,623,205 | 2,618,542 | 1,399,470 | 1,706,291 | 229,303 | (1,406,088) |
| | Rate Swap | - | - | - | - | - | 283,405 | 384,909 | 10,258 | (6,165) |
| | Subtotal | - | 71,003 | 145,341 | 1,859,860 | 2,768,799 | 1,682,875 | 2,091,200 | 239,911 | (1,415,420) |
| | Total | - | 71,003 | 145,341 | 2,392,889 | 2,931,657 | 1,747,561 | 2,359,169 | 302,019 | (1,442,966) |

| As at December 31, 2023 | Product | Notional amounts of contracts with final maturity | | | | | | Carrying amount | | |
|---------------------------------------|---------------------|---|----------------|----------------------------|-----------------------------|---------------------------|---------------------------|-------------------|----------------|--------------------|
| | | On-demand | Up to 1 month | More than 1 up to 3 months | More than 3 up to 12 months | More than 1 up to 3 years | More than 3 up to 5 years | More than 5 years | Assets | Liabilities |
| | | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Fair value hedging derivatives | | | | | | | | | | |
| | Future arbitration | - | - | - | - | - | - | - | - | - |
| | Inflation insurance | - | - | - | - | - | - | - | - | - |
| | Call option | - | - | - | - | - | - | - | - | - |
| | Put option | - | - | - | - | - | - | - | - | - |
| | Cross currency swap | - | 48,733 | - | 123,242 | 205,454 | 142,907 | 358,187 | 89,698 | (49,673) |
| | Rate Swap | - | - | - | 406,000 | 12,850 | - | 157,020 | 835 | (7,309) |
| | Subtotal | - | 48,733 | - | 529,242 | 218,304 | 142,907 | 515,207 | 90,533 | (56,982) |
| Cash flow hedge derivative | | | | | | | | | | |
| | Future arbitration | - | - | - | - | - | - | - | - | - |
| | Inflation insurance | - | 36,773 | 36,773 | 275,796 | 11,032 | - | - | 2,699 | - |
| | Call option | - | - | - | - | - | - | - | - | - |
| | Put option | - | - | - | - | - | - | - | - | - |
| | Cross currency swap | - | 92,883 | 339,628 | 1,110,721 | 2,752,110 | 1,570,213 | 2,007,263 | 220,557 | (1,381,257) |
| | Rate Swap | - | - | - | - | - | 109,650 | 396,363 | 3,519 | (17,417) |
| | Subtotal | - | 129,656 | 376,401 | 1,386,517 | 2,763,142 | 1,679,863 | 2,403,626 | 226,775 | (1,398,674) |
| | Total | - | 178,389 | 376,401 | 1,915,759 | 2,981,446 | 1,822,770 | 2,918,833 | 317,308 | (1,455,656) |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

- c) The detail of the carrying amounts of items under fair value hedges, separated by maturity, is as follows:

| As at June 30, 2024 | Book Value | | | | | | | Total |
|---|------------|----------------|----------------------------|-----------------------------|---------------------------|---------------------------|-------------------|------------------|
| | On-demand | Up to 1 month | More than 1 up to 3 months | More than 3 up to 12 months | More than 1 up to 3 years | More than 3 up to 5 years | More than 5 years | |
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | |
| Hedged item | | | | | | | | |
| Government instruments and Banco Central de Chile | - | 432,303 | - | 200,261 | - | - | - | 632,564 |
| Other instruments issued in Chile | - | - | - | - | - | - | - | - |
| Other instruments issued abroad | - | - | - | - | - | - | - | - |
| Consumption | - | - | - | - | - | - | - | - |
| Mortgage | - | - | - | - | - | - | - | - |
| Commercials | - | - | - | - | - | - | - | - |
| Term deposit | - | - | - | - | - | - | - | - |
| Current bonds | - | - | 62,590 | 645,632 | - | - | - | 708,222 |
| Subordinated bonds | - | - | - | - | - | - | - | - |
| Mortgage bonds | - | - | - | - | - | - | - | - |
| Promissory notes | - | 121,780 | - | - | - | - | - | 121,780 |
| Total | - | 554,083 | 62,590 | 845,893 | - | - | - | 1,462,566 |

| As at December 31, 2023 | Book Value | | | | | | | Total |
|---|------------|---------------|----------------------------|-----------------------------|---------------------------|---------------------------|-------------------|------------------|
| | On-demand | Up to 1 month | More than 1 up to 3 months | More than 3 up to 12 months | More than 1 up to 3 years | More than 3 up to 5 years | More than 5 years | |
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | |
| Hedged item | | | | | | | | |
| Government instruments and Banco Central de Chile | - | - | - | 347,262 | 122,432 | 32,667 | 235,377 | 737,738 |
| Other instruments issued in Chile | - | - | - | - | - | - | - | - |
| Other instruments issued abroad | - | - | - | - | - | - | - | - |
| Consumption | - | - | - | - | - | - | - | - |
| Mortgage | - | - | - | - | - | - | - | - |
| Commercials | - | - | - | - | - | - | - | - |
| Term deposit | - | - | - | - | - | - | - | - |
| Current bonds | - | - | - | - | 57,600 | 109,759 | 332,658 | 500,017 |
| Subordinated bonds | - | - | - | - | - | - | - | - |
| Mortgage bonds | - | - | - | - | - | - | - | - |
| Promissory notes | - | 64,744 | - | 160,861 | 50,023 | - | - | 275,628 |
| Total | - | 64,744 | - | 508,123 | 230,055 | 142,426 | 568,035 | 1,513,383 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

d) Accounting hedge derivatives

As derivative instruments are important tools to manage the exchange rate, interest rate and liquidity risks of the Bank's activities, its designation as hedge accounting allows the recognition, under certain circumstances, of the offsetting effects of economic hedges, which reduce the volatility that may arise in profit or loss and cash flows, as through such hedges the gains and losses of the derivative and hedged item are recognized and offset during the same accounting period.

Balances by risk management are presented below:

| As at June 30, 2024 | Nominal amount of the hedging MCh\$ | Carrying amount of the hedging | |
|---------------------------|---|--------------------------------|----------------------|
| | | Assets MCh\$ | Liabilities MCh\$ |
| Cash flow hedges: | | | |
| Interest rate risk | | | |
| Rate Swap | 668,314 | 10,258 | (6,165) |
| Cross currency swap | - | - | - |
| Exchange rate risk | | | |
| Cross currency swap | 1,644,043 | 163,172 | (38,730) |
| Inflation risk | | | |
| Inflation insurances | 405,694 | 350 | (3,167) |
| Cross currency swap | 5,901,027 | 66,131 | (1,367,358) |
| Subtotal | 8,619,078 | 239,911 | (1,415,420) |
| Fair value hedges: | | | |
| Interest rate risk | | | |
| Rate Swap | 681,495 | 4,595 | (1,602) |
| Inflation risk | | | |
| Cross currency swap | 347,047 | 57,513 | (25,944) |
| Subtotal | 1,028,542 | 62,108 | (27,546) |
| Total | 9,647,620 | 302,019 | (1,442,966) |

| As at December 31, 2023 | Nominal amount of the hedging MCh\$ | Carrying amount of the hedging | |
|---------------------------|---|--------------------------------|----------------------|
| | | Assets MCh\$ | Liabilities MCh\$ |
| Cash flow hedges: | | | |
| Interest rate risk | | | |
| Rate Swap | 506,013 | 3,519 | (17,417) |
| Cross currency swap | - | - | - |
| Exchange rate risk | | | |
| Cross currency swap | 1,606,969 | 142,373 | (44,761) |
| Inflation risk | | | |
| Inflation insurances | 360,374 | 2,699 | - |
| Cross currency swap | 6,265,849 | 78,184 | (1,336,496) |
| Subtotal | 8,739,205 | 226,775 | (1,398,674) |
| Fair value hedges: | | | |
| Interest rate risk | | | |
| Rate Swap | 575,870 | 835 | (7,309) |
| Inflation risk | | | |
| Cross currency swap | 878,523 | 89,698 | (49,673) |
| Subtotal | 1,454,393 | 90,533 | (56,982) |
| Total | 10,193,598 | 317,308 | (1,455,656) |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

d.1) Fair value accounting hedge derivatives

For fair value hedges, changes in fair value of hedge instruments are offset in the Consolidated Statements of Income through fair value of the hedged item attributable to the hedged risk. The Bank uses fair value hedges primarily to translate fixed rate financial instruments to floating rate financial instruments. Hedged items include commercial loans granted at fixed rate in foreign currency and term deposits issued at a fixed rate in pesos.

Additionally, the Bank uses fair value hedges to hedge the effect of inflation of debt instruments held for the sale of the Chilean General Treasury bonds in UF (BTU). Also, to hedge against the effect of the inflation of Bonds issued by the Bank in UF.

Hedging instruments include cross-currency interest rate swaps (CC and IRS).

d.2) Cash flow accounting hedge derivatives

For cash flow hedges, the changes in fair value of the hedging instruments are recorded in equity, to the extent that it is effective, until the corresponding gains or losses associated with the hedged item are recognized in profit or loss. The Bank uses cash flow hedges primarily to hedge the fluctuations in cash flows related to floating rate financial instruments, foreign currency and highly probable projected income. Hedged items include mortgage loans in UF, term deposits at floating rate in Chilean pesos, floating rate foreign currency foreign bank borrowings, available-for-sale securities in Euro, and commercial loans granted at floating rate in foreign currency. Hedging instruments include forward contracts and cross-currency interest rate swaps (CC and IRS).

As at June 30, 2024, the Bank has recorded a gain net of tax of MCh\$35,916 (MCh\$43,815 as at December 31, 2023) in other comprehensive income for the adjustment of cash flow hedging instruments.

As at June 30, 2024, a loss from cash flow hedge derivatives of MCh\$25,153 (MCh\$141,595 as at June 30, 2023) was recognized in profit or loss, which includes the ineffective portion for changes in fair value of the hedge and the effects on profit or loss of the hedge as the hedged item affects profit or loss.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Cash flows of hedged items are expected to occur and impact the gain or loss from cash flow accounting hedges as detailed below.

| As at June 30, 2024 | On-demand | Up to 1 month | More than 1 up to 3 months | More than 3 up to 12 months | More than 1 up to 3 years | More than 3 up to 5 years | More than 5 years | Total |
|---------------------------|-----------|-----------------|----------------------------|-----------------------------|---------------------------|---------------------------|-------------------|--------------------|
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Hedged item | | | | | | | | |
| Inflows | - | 11,478 | 9,943 | 161,784 | 572,006 | 315,407 | 299,907 | 1,370,525 |
| Outflows | - | (503) | (1) | (920) | (24,248) | (29,715) | (11,094) | (66,481) |
| Net flows | - | 10,975 | 9,942 | 160,864 | 547,758 | 285,692 | 288,813 | 1,304,044 |
| Hedging instrument | | | | | | | | |
| Inflows | - | 503 | 1 | 920 | 24,248 | 29,715 | 11,094 | 66,481 |
| Outflows | - | (11,478) | (9,943) | (161,784) | (572,006) | (315,407) | (299,907) | (1,370,525) |
| Net flows | - | (10,975) | (9,942) | (160,864) | (547,758) | (285,692) | (288,813) | (1,304,044) |

| As at December 31, 2023 | On-demand | Up to 1 month | More than 1 up to 3 months | More than 3 up to 12 months | More than 1 up to 3 years | More than 3 up to 5 years | More than 5 years | Total |
|---------------------------|-----------|----------------|----------------------------|-----------------------------|---------------------------|---------------------------|-------------------|--------------------|
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Hedged item | | | | | | | | |
| Inflows | - | 10,167 | 74,350 | 86,967 | 474,718 | 313,318 | 376,976 | 1,336,496 |
| Outflows | - | (856) | (6,860) | (7,868) | (24,039) | (14,796) | (26,464) | (80,883) |
| Net flows | - | 9,311 | 67,490 | 79,099 | 450,679 | 298,522 | 350,512 | 1,255,613 |
| Hedging instrument | | | | | | | | |
| Inflows | - | 856 | 6,860 | 7,868 | 24,039 | 14,796 | 26,464 | 80,883 |
| Outflows | - | (10,167) | (74,350) | (86,967) | (474,718) | (313,318) | (376,976) | (1,336,496) |
| Net flows | - | (9,311) | (67,490) | (79,099) | (450,679) | (298,522) | (350,512) | (1,255,613) |

i) Cash flows forecast for interest rate risk:

| As at June 30, 2024 | On-demand | Up to 1 month | More than 1 up to 3 months | More than 3 up to 12 months | More than 1 up to 3 years | More than 3 up to 5 years | More than 5 years | Total |
|---------------------------|-----------|---------------|----------------------------|-----------------------------|---------------------------|---------------------------|-------------------|-----------------|
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Hedged item | | | | | | | | |
| Inflows | - | - | - | - | 4,166 | 37 | 1,962 | 6,165 |
| Outflows | - | - | - | - | (1,653) | (3,419) | (5,186) | (10,258) |
| Net flows | - | - | - | - | 2,513 | (3,382) | (3,224) | (4,093) |
| Hedging instrument | | | | | | | | |
| Inflows | - | - | - | - | 1,653 | 3,419 | 5,186 | 10,258 |
| Outflows | - | - | - | - | (4,166) | (37) | (1,962) | (6,165) |
| Net flows | - | - | - | - | (2,513) | 3,382 | 3,224 | 4,093 |

| As at December 31, 2023 | On-demand | Up to 1 month | More than 1 up to 3 months | More than 3 up to 12 months | More than 1 up to 3 years | More than 3 up to 5 years | More than 5 years | Total |
|---------------------------|-----------|---------------|----------------------------|-----------------------------|---------------------------|---------------------------|-------------------|-----------------|
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Hedged item | | | | | | | | |
| Inflows | - | - | - | - | 4,746 | 5,265 | 7,406 | 17,417 |
| Outflows | - | - | - | - | (2,054) | (754) | (711) | (3,519) |
| Net flows | - | - | - | - | 2,692 | 4,511 | 6,695 | 13,898 |
| Hedging instrument | | | | | | | | |
| Inflows | - | - | - | - | 2,054 | 754 | 711 | 3,519 |
| Outflows | - | - | - | - | (4,746) | (5,265) | (7,406) | (17,417) |
| Net flows | - | - | - | - | (2,692) | (4,511) | (6,695) | (13,898) |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

ii) Cash flows forecast for inflation risk:

| As at June 30, 2024 | On-demand | Up to 1 month | More than 1 up to 3 months | More than 3 up to 12 months | More than 1 up to 3 years | More than 3 up to 5 years | More than 5 years | Total |
|---------------------------|-----------|-----------------|----------------------------|-----------------------------|---------------------------|---------------------------|-------------------|--------------------|
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Hedged item | | | | | | | | |
| Inflows | - | 11,478 | 9,943 | 161,784 | 572,006 | 315,407 | 299,907 | 1,370,525 |
| Outflows | - | (503) | (1) | (920) | (24,248) | (29,715) | (11,094) | (66,481) |
| Net flows | - | 10,975 | 9,942 | 160,864 | 547,758 | 285,692 | 288,813 | 1,304,044 |
| Hedging instrument | | | | | | | | |
| Inflows | - | 503 | 1 | 920 | 24,248 | 29,715 | 11,094 | 66,481 |
| Outflows | - | (11,478) | (9,943) | (161,784) | (572,006) | (315,407) | (299,907) | (1,370,525) |
| Net flows | - | (10,975) | (9,942) | (160,864) | (547,758) | (285,692) | (288,813) | (1,304,044) |

| As at December 31, 2023 | On-demand | Up to 1 month | More than 1 up to 3 months | More than 3 up to 12 months | More than 1 up to 3 years | More than 3 up to 5 years | More than 5 years | Total |
|---------------------------|-----------|----------------|----------------------------|-----------------------------|---------------------------|---------------------------|-------------------|--------------------|
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Hedged item | | | | | | | | |
| Inflows | - | 10,167 | 74,350 | 86,967 | 474,718 | 313,318 | 376,976 | 1,336,496 |
| Outflows | - | (856) | (6,860) | (7,868) | (24,039) | (14,796) | (26,464) | (80,883) |
| Net flows | - | 9,311 | 67,490 | 79,099 | 450,679 | 298,522 | 350,512 | 1,255,613 |
| Hedging instrument | | | | | | | | |
| Inflows | - | 856 | 6,860 | 7,868 | 24,039 | 14,796 | 26,464 | 80,883 |
| Outflows | - | (10,167) | (74,350) | (86,967) | (474,718) | (313,318) | (376,976) | (1,336,496) |
| Net flows | - | (9,311) | (67,490) | (79,099) | (450,679) | (298,522) | (350,512) | (1,255,613) |

iii) Cash flows forecast for exchange rate risk:

| As at June 30, 2024 | On-demand | Up to 1 month | More than 1 up to 3 months | More than 3 up to 12 months | More than 1 up to 3 years | More than 3 up to 5 years | More than 5 years | Total |
|---------------------------|-----------|----------------|----------------------------|-----------------------------|---------------------------|---------------------------|-------------------|------------------|
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Hedged item | | | | | | | | |
| Inflows | - | - | - | 2,244 | 13,834 | 8,611 | 14,041 | 38,730 |
| Outflows | - | (3,224) | - | (59,805) | (85,810) | (11,667) | (2,666) | (163,172) |
| Net flows | - | (3,224) | - | (57,561) | (71,976) | (3,056) | 11,375 | (124,442) |
| Hedging instrument | | | | | | | | |
| Inflows | - | 3,224 | - | 59,805 | 85,810 | 11,667 | 2,666 | 163,172 |
| Outflows | - | - | - | (2,244) | (13,834) | (8,611) | (14,041) | (38,730) |
| Net flows | - | 3,224 | - | 57,561 | 71,976 | 3,056 | (11,375) | 124,442 |

| As at December 31, 2023 | On-demand | Up to 1 month | More than 1 up to 3 months | More than 3 up to 12 months | More than 1 up to 3 years | More than 3 up to 5 years | More than 5 years | Total |
|---------------------------|-----------|---------------|----------------------------|-----------------------------|---------------------------|---------------------------|-------------------|-----------------|
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Hedged item | | | | | | | | |
| Inflows | - | - | - | - | 10,509 | 19,638 | 14,614 | 44,761 |
| Outflows | - | - | - | (58,336) | (66,324) | (16,292) | (1,421) | (142,373) |
| Net flows | - | - | - | (58,336) | (55,815) | 3,346 | 13,193 | (97,612) |
| Hedging instrument | | | | | | | | |
| Inflows | - | - | - | 58,336 | 66,324 | 16,292 | 1,421 | 142,373 |
| Outflows | - | - | - | - | (10,509) | (19,638) | (14,614) | (44,761) |
| Net flows | - | - | - | 58,336 | 55,815 | (3,346) | (13,193) | 97,612 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Ineffectiveness of accounting hedges

The amounts recorded as ineffectiveness by type of hedge, recorded in the Interim Consolidated Statements of Income, are presented below.

| | 6/30/2024 MCh\$ | 6/30/2023 MCh\$ |
|---|--------------------|--------------------|
| <u>Fair value hedges</u> | | |
| Gain (loss) recorded on the hedged items | 2,774 | 2,548 |
| Gain (loss) recorded on hedging instruments | (3,294) | (8,186) |
| Ineffectiveness | (520) | (5,638) |
| <u>Cash flow hedges</u> | | |
| Ineffectiveness | (918) | (1,665) |

The ineffectiveness and the reclassified amount of the cash flow hedge reserve to the profit or loss for the period, by type of risk management, are presented below.

| As at June 30, 2024 | Hedge ineffectiveness recognized in the result for the period MCh\$ | Amount reclassified from the cash flow hedge reserve to profit for the period MCh\$ |
|---------------------|--|--|
| Interest rate risk | (113) | (22,841) |
| Exchange rate risk | 110 | 11,168 |
| Inflation rate risk | (915) | (13,480) |
| Total | (918) | (25,153) |

| As at June 30, 2023 | Hedge ineffectiveness recognized in the result for the period MCh\$ | Amount reclassified from the cash flow hedge reserve to profit for the period MCh\$ |
|---------------------|--|--|
| Interest rate risk | 113 | (19,454) |
| Exchange rate risk | (200) | (54,058) |
| Inflation rate risk | (1,578) | (68,083) |
| Total | (1,665) | (141,595) |

Note 13 Financial assets at amortized cost

Financial assets at amortized cost are detailed as follows:

| | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|--|--------------------|---------------------|
| Rights under resale agreements and securities lending agreements | 304,003 | 226,394 |
| Debt financial instruments | 870,481 | 1,387,601 |
| Loans and advances to banks | 19,077 | 25,223 |
| Loans and advances to customers | 31,511,685 | 31,399,807 |
| Total | 32,705,246 | 33,039,025 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

a) Rights under resale agreements and securities lending agreements

The detail of this line item is as follows:

| | 6/30/2024 | 12/31/2023 |
|---|----------------|----------------|
| | MCh\$ | MCh\$ |
| Operations with domestic banks | - | - |
| Operations with foreign banks | - | - |
| Operations with other domestic entities | | |
| Repurchase contracts | 304,023 | 226,410 |
| Securities lending rights | - | - |
| Transactions with other entities abroad | - | - |
| Impairment in the accumulated value of financial assets at amortized cost - Rights from resale agreements and securities lending | | |
| Financial assets without a significant increase in credit risk since initial recognition (stage 1) | (20) | (16) |
| Financial assets with a significant increase in credit risk since initial recognition, but without credit impairment (stage 2) | - | - |
| Financial assets with credit impairment (stage 3) | - | - |
| Total | 304,003 | 226,394 |

The detail of the balance of rights for resale agreements and securities lending agreements separated by maturity period is as follows:

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

| As at June 30, 2024 | On-demand | Up to 1 month | More than 1 up to 3 months | More than 3 up to 12 months | More than 1 up to 3 years | More than 3 up to 5 years | More than 5 years | Total |
|--|-----------|----------------|----------------------------|-----------------------------|---------------------------|---------------------------|-------------------|----------------|
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Operations with domestic banks | - | - | - | - | - | - | - | - |
| Operations with foreign banks | - | - | - | - | - | - | - | - |
| Operations with other domestic entities | - | - | - | - | - | - | - | - |
| Repurchase contracts | - | 299,107 | 4,514 | 402 | - | - | - | 304,023 |
| Securities lending rights | - | - | - | - | - | - | - | - |
| Transactions with other entities abroad | - | - | - | - | - | - | - | - |
| Accumulated impairment of financial assets at amortized cost- Rights from resale agreements and securities lending | - | - | - | - | - | - | - | - |
| Financial assets without a significant increase in credit risk since initial recognition (stage 1) | - | (20) | - | - | - | - | - | (20) |
| Financial assets with a significant increase in credit risk since initial recognition, but without credit impairment (stage 2) | - | - | - | - | - | - | - | - |
| Financial assets with credit impairment (stage 3) | - | - | - | - | - | - | - | - |
| Total | - | 299,087 | 4,514 | 402 | - | - | - | 304,003 |

| As at December 31, 2023 | On-demand | Up to 1 month | More than 1 up to 3 months | More than 3 up to 12 months | More than 1 up to 3 years | More than 3 up to 5 years | More than 5 years | Total |
|--|-----------|----------------|----------------------------|-----------------------------|---------------------------|---------------------------|-------------------|----------------|
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Operations with domestic banks | - | - | - | - | - | - | - | - |
| Operations with foreign banks | - | - | - | - | - | - | - | - |
| Operations with other domestic entities | - | - | - | - | - | - | - | - |
| Repurchase contracts | - | 208,964 | 16,589 | 857 | - | - | - | 226,410 |
| Securities lending rights | - | - | - | - | - | - | - | - |
| Transactions with other entities abroad | - | - | - | - | - | - | - | - |
| Accumulated impairment of financial assets at amortized cost- Rights from resale agreements and securities lending | - | - | - | - | - | - | - | - |
| Financial assets without a significant increase in credit risk since initial recognition (stage 1) | - | (16) | - | - | - | - | - | (16) |
| Financial assets with a significant increase in credit risk since initial recognition, but without credit impairment (stage 2) | - | - | - | - | - | - | - | - |
| Financial assets with credit impairment (stage 3) | - | - | - | - | - | - | - | - |
| Total | - | 208,948 | 16,589 | 857 | - | - | - | 226,394 |

The reconciliation of the changes in the caption "Rights under resale agreements and securities lending agreements" is presented below:

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

| | Stage 1 | | Stage 2 | | Stage 3 | | Total | |
|--|-----------------|----------------------|-----------------|----------------------|-----------------|----------------------|-----------------|----------------------|
| | Carrying amount | Expected Credit Loss |
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Balance as at January 1, 2024 | 226,410 | (16) | - | - | - | - | 226,410 | (16) |
| New assets originated or purchased | 7,971,754 | (20) | - | - | - | - | 7,971,754 | (20) |
| Payments and written-off assets | (7,904,461) | 16 | - | - | - | - | (7,904,461) | 16 |
| Transfers to stage 1 | - | - | - | - | - | - | - | - |
| Transfers to stage 2 | - | - | - | - | - | - | - | - |
| Transfers to stage 3 | - | - | - | - | - | - | - | - |
| Impact on ECL of transfers | - | - | - | - | - | - | - | - |
| Rebates on discounts | - | - | - | - | - | - | - | - |
| Accrued interest | 10,320 | - | - | - | - | - | 10,320 | - |
| Year-end remeasurements Expected Credit Losses | - | - | - | - | - | - | - | - |
| Changes in assumptions | - | - | - | - | - | - | - | - |
| Exchange rate adjustments | - | - | - | - | - | - | - | - |
| Balance as at June 30, 2024 | 304,023 | (20) | - | - | - | - | 304,023 | (20) |

| | Stage 1 | | Stage 2 | | Stage 3 | | Total | |
|--|-----------------|----------------------|-----------------|----------------------|-----------------|----------------------|-----------------|----------------------|
| | Carrying amount | Expected Credit Loss |
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Balance as at January 1, 2023 | 216,985 | (9) | - | - | - | - | 216,985 | (9) |
| New assets originated or purchased | 10,721,020 | (16) | - | - | - | - | 10,721,020 | (16) |
| Payments and written-off assets | (10,729,936) | 9 | - | - | - | - | (10,729,936) | 9 |
| Transfers to stage 1 | - | - | - | - | - | - | - | - |
| Transfers to stage 2 | - | - | - | - | - | - | - | - |
| Transfers to stage 3 | - | - | - | - | - | - | - | - |
| Impact on ECL of transfers | - | - | - | - | - | - | - | - |
| Rebates on discounts | - | - | - | - | - | - | - | - |
| Accrued interest | 18,341 | - | - | - | - | - | 18,341 | - |
| Year-end remeasurements Expected Credit Losses | - | - | - | - | - | - | - | - |
| Changes in assumptions | - | - | - | - | - | - | - | - |
| Exchange rate adjustments | - | - | - | - | - | - | - | - |
| Balance as at December 31, 2023 | 226,410 | (16) | - | - | - | - | 226,410 | (16) |

b) Financial debt securities

As at June 30, 2024 and December 31, 2023, the detail of financial debt securities is as follows:

| | 6/30/2024 | 12/31/2023 |
|--|----------------|------------------|
| | MCh\$ | MCh\$ |
| Government and Banco Central de Chile | 842,468 | 1,359,476 |
| Other debt financial instruments issued in Chile | 28,013 | 28,125 |
| Debt financial instruments issued abroad | - | - |
| Total | 870,481 | 1,387,601 |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

The reconciliation of the changes in the caption "Financial debt securities" is presented below:

| | Stage 1 | | Stage 2 | | Stage 3 | | Total | |
|--|-----------------|----------------------|-----------------|----------------------|-----------------|----------------------|-----------------|----------------------|
| | Carrying amount | Expected Credit Loss |
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Balance as at January 1, 2024 | 1,390,382 | (2,781) | - | - | - | - | 1,390,382 | (2,781) |
| New assets originated or purchased | - | (90) | - | - | - | - | - | (90) |
| Payments and written-off assets | (557,528) | - | - | - | - | - | (557,528) | - |
| Transfers to stage 1 | - | - | - | - | - | - | - | - |
| Transfers to stage 2 | - | - | - | - | - | - | - | - |
| Transfers to stage 3 | - | - | - | - | - | - | - | - |
| Impact on ECL of transfers | - | - | - | - | - | - | - | - |
| Rebates on discounts | - | - | - | - | - | - | - | - |
| Accrued interest | 40,498 | - | - | - | - | - | 40,498 | - |
| Year-end remeasurements Expected Credit Losses | - | - | - | - | - | - | - | - |
| Changes in assumptions | - | - | - | - | - | - | - | - |
| Exchange rate adjustments | - | - | - | - | - | - | - | - |
| Balance as at June 30, 2024 | 873,352 | (2,871) | - | - | - | - | 873,352 | (2,871) |

| | Stage 1 | | Stage 2 | | Stage 3 | | Total | |
|--|------------------|----------------------|-----------------|----------------------|-----------------|----------------------|------------------|----------------------|
| | Carrying amount | Expected Credit Loss | Carrying amount | Expected Credit Loss | Carrying amount | Expected Credit Loss | Carrying amount | Expected Credit Loss |
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Balance as at January 1, 2023 | - | - | - | - | - | - | - | - |
| New assets originated or purchased | 1,372,489 | (2,781) | - | - | - | - | 1,372,489 | (2,781) |
| Payments and written-off assets | - | - | - | - | - | - | - | - |
| Transfers to stage 1 | - | - | - | - | - | - | - | - |
| Transfers to stage 2 | - | - | - | - | - | - | - | - |
| Transfers to stage 3 | - | - | - | - | - | - | - | - |
| Impact on ECL of transfers | - | - | - | - | - | - | - | - |
| Rebates on discounts | - | - | - | - | - | - | - | - |
| Accrued interest | 17,893 | - | - | - | - | - | 17,893 | - |
| Year-end remeasurements Expected Credit Losses | - | - | - | - | - | - | - | - |
| Changes in assumptions | - | - | - | - | - | - | - | - |
| Exchange rate adjustments | - | - | - | - | - | - | - | - |
| Balance as at December 31, 2023 | 1,390,382 | (2,781) | - | - | - | - | 1,390,382 | (2,781) |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

c) Detail of "Loans and advances to banks" and "Loans and accounts receivable from customers"
i) Loans and advances to banks

| Owed by banks as at June 30, 2024 (in MCh\$) | Financial assets before provisions | | | | Allowances 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 | 19,084 | - | - | 19,084 | (7) | - | - | (7) | 19,077 |
| Liquidity interbank loans | - | - | - | - | - | - | - | - | - |
| Commercial interbank loans | - | - | - | - | - | - | - | - | - |
| Overdrafts on checking accounts | - | - | - | - | - | - | - | - | - |
| Foreign trade loans Chilean exports | 19,084 | - | - | 19,084 | (7) | - | - | (7) | 19,077 |
| 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 | 19,084 | - | - | 19,084 | (7) | - | - | (7) | 19,077 |
| Banco Central de Chile | - | - | - | - | - | - | - | - | - |
| Checking accounts deposits for derivative transactions with a central counterparty | - | - | - | - | - | - | - | - | - |
| Other deposits not available | - | - | - | - | - | - | - | - | - |
| Other loans | - | - | - | - | - | - | - | - | - |
| Central Banks abroad | - | - | - | - | - | - | - | - | - |
| Deposits in checking accounts in foreign banks due to derivative operations | - | - | - | - | - | - | - | - | - |
| Other deposits not available | - | - | - | - | - | - | - | - | - |
| Other loans | - | - | - | - | - | - | - | - | - |
| Subtotal Banco Central de Chile and Central Banks abroad | - | - | - | - | - | - | - | - | - |
| Total | 19,084 | - | - | 19,084 | (7) | - | - | (7) | 19,077 |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

| Owed by banks as at December 31, 2023(in MCh\$) | Financial assets before provisions | | | | Allowances 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 | 25,238 | - | - | 25,238 | (15) | - | - | (15) | 25,223 |
| Liquidity interbank loans | - | - | - | - | - | - | - | - | - |
| Commercial interbank loans | - | - | - | - | - | - | - | - | - |
| Overdrafts on checking accounts | - | - | - | - | - | - | - | - | - |
| Foreign trade loans Chilean exports | 25,238 | - | - | 25,238 | (15) | - | - | (15) | 25,223 |
| 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 | 25,238 | - | - | 25,238 | (15) | - | - | (15) | 25,223 |
| Banco Central de Chile | - | - | - | - | - | - | - | - | - |
| Checking accounts deposits for derivative transactions with a central counterparty | - | - | - | - | - | - | - | - | - |
| Other deposits not available | - | - | - | - | - | - | - | - | - |
| Other loans | - | - | - | - | - | - | - | - | - |
| Central Banks abroad | - | - | - | - | - | - | - | - | - |
| Deposits in checking accounts in foreign banks due to derivative operations | - | - | - | - | - | - | - | - | - |
| Other deposits not available | - | - | - | - | - | - | - | - | - |
| Other loans | - | - | - | - | - | - | - | - | - |
| Subtotal Banco Central de Chile and Central Banks abroad | - | - | - | - | - | - | - | - | - |
| Total | 25,238 | - | - | 25,238 | (15) | - | - | (15) | 25,223 |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

ii) Loans and accounts receivable from customers

| Loans and accounts receivable from customers As at June 30, 2024 (in MCh\$) | Financial assets before provisions | | | | | | Allowances constituted | | | | | | Subtotal | Deductible guarantees FOGAFE Covid-19 | Total | Net financial asset |
|---|------------------------------------|-------------------|-----------------------|------------------|-------------------|-------------------|------------------------|------------------|-----------------------|------------------|-------------------|------------------|----------------|--|-------|---------------------|
| | Regular portfolio | | Substandard portfolio | | Default portfolio | | Regular portfolio | | Substandard portfolio | | Default portfolio | | | | | |
| | Individual | Evaluation group | Individual | Evaluation group | Individual | Evaluation group | Individual | Evaluation group | Individual | Evaluation group | Individual | Evaluation group | | | | |
| Commercial loans | | | | | | | | | | | | | | | | |
| Commercial loans | 8,033,884 | 1,140,054 | 835,793 | 428,506 | 164,124 | 10,602,361 | (59,789) | (9,365) | (25,982) | (121,556) | (37,899) | (254,591) | (7,527) | (262,118) | | |
| Foreign trade loans - Chilean exports | 1,123,604 | 684 | 24,290 | 6,997 | - | 1,155,575 | (17,125) | (19) | (2,345) | (5,622) | - | (25,111) | - | (25,111) | | |
| Foreign trade loans - Chilean imports | 401,263 | 1,013 | 14,912 | 2,472 | 90 | 419,750 | (12,165) | (28) | (3,382) | (2,089) | (51) | (17,715) | - | (17,715) | | |
| Foreign trade loans between third countries | 343 | - | - | - | - | 343 | (6) | - | - | - | - | (6) | - | (6) | | |
| Debtors in checking accounts | 37,070 | 12,119 | 3,876 | 3,910 | 4,241 | 61,216 | (688) | (472) | (680) | (2,273) | (2,372) | (6,485) | - | (6,485) | | |
| Credit card debtors | 5,351 | 6,299 | 897 | 154 | 106 | 12,807 | (269) | (258) | (151) | (100) | (56) | (834) | - | (834) | | |
| Factoring operations | 267,476 | 764 | 50,577 | 9,568 | 23 | 328,408 | (4,922) | (14) | (3,328) | (1,026) | (8) | (9,298) | - | (9,298) | | |
| Commercial financial leasing operations | 769,272 | 29,483 | 38,990 | 15,641 | 1,841 | 855,227 | (3,330) | (430) | (1,309) | (2,142) | (761) | (7,972) | (204) | (8,176) | | |
| Student loans | - | 486,068 | - | - | 91,204 | 577,272 | - | (6,053) | - | - | (11,286) | (17,339) | - | (17,339) | | |
| Other loans and accounts receivable | 580 | 202 | 19 | 3,810 | 32 | 4,643 | (4) | (11) | (2) | (2,470) | (16) | (2,503) | - | (2,503) | | |
| Subtotal | 10,638,843 | 1,676,686 | 969,354 | 471,058 | 261,661 | 14,017,602 | (98,298) | (16,650) | (37,179) | (137,278) | (52,449) | (341,854) | (7,731) | (349,585) | | 13,668,017 |
| Mortgage loans : | | | | | | | | | | | | | | | | |
| Loans with letters of credit | - | 60,939 | - | - | 7,766 | 68,705 | - | (104) | - | - | (148) | (252) | - | (252) | | |
| Loans with endorsable mortgage mutuals | - | 28,856 | - | - | 2,428 | 31,284 | - | (11) | - | - | (13) | (24) | - | (24) | | |
| Loans with mutual funds financed with mortgage bonds | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| Other mutual loans for housing | - | 13,302,036 | - | - | 458,881 | 13,760,917 | - | (24,825) | - | - | (20,742) | (45,567) | - | (45,567) | | |
| Financial leasing operations for housing | - | 30,046 | - | - | 2,554 | 32,600 | - | (195) | - | - | (309) | (504) | - | (504) | | |
| Other loans and accounts receivable | - | 72,475 | - | - | 5,255 | 77,730 | - | (138) | - | - | (176) | (314) | - | (314) | | |
| Subtotal | - | 13,494,352 | - | - | 476,884 | 13,971,236 | - | (25,273) | - | - | (21,388) | (46,661) | - | (46,661) | | 13,924,575 |
| Consumer loans | | | | | | | | | | | | | | | | |
| Consumer loans in installments | - | 1,540,301 | - | - | 157,147 | 1,697,448 | - | (48,118) | - | - | (63,014) | (111,132) | - | (111,132) | | |
| Debtors in checking accounts | - | 65,049 | - | - | 6,470 | 71,519 | - | (1,379) | - | - | (2,560) | (3,939) | - | (3,939) | | |
| Credit card debtors | - | 2,193,386 | - | - | 302,022 | 2,495,408 | - | (106,707) | - | - | (123,763) | (230,470) | - | (230,470) | | |
| Consumer financial leasing operations | - | - | - | - | - | - | - | - | - | - | - | - | - | - | | |
| Other loans and accounts receivable | - | 260 | - | - | 4 | 264 | - | (4) | - | - | (1) | (5) | - | (5) | | |
| Subtotal | - | 3,798,996 | - | - | 465,643 | 4,264,639 | - | (156,208) | - | - | (189,338) | (345,546) | - | (345,546) | | 3,919,093 |
| Total | 10,638,843 | 18,970,034 | 969,354 | 471,058 | 1,204,188 | 32,253,477 | (98,298) | (198,131) | (37,179) | (137,278) | (263,175) | (734,061) | (7,731) | (741,792) | | 31,511,685 |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

| Loans and accounts receivable from customers As at December 31, 2023 (in MCh\$) | Financial assets before provisions | | | | | | Allowances constituted | | | | | | Deductible guarantees FOGAPE Covid-19 | Total | Net financial asset |
|---|------------------------------------|-------------------|-----------------------|-------------------|------------------|-------------------|------------------------|------------------|-----------------------|-------------------|------------------|------------------|--|------------------|---------------------|
| | Regular portfolio | | Substandard portfolio | Default portfolio | | Total | Regular portfolio | | Substandard portfolio | Default portfolio | | Subtotal | | | |
| | individual | Evaluation group | Evaluation individual | individual | Evaluation group | | individual | Evaluation group | Evaluation individual | individual | Evaluation group | | | | |
| Commercial loans | | | | | | | | | | | | | | | |
| Commercial loans | 8,339,756 | 1,157,924 | 785,866 | 312,190 | 144,076 | 10,739,812 | (60,157) | (9,949) | (25,575) | (105,368) | (32,831) | (233,880) | (11,511) | (245,391) | |
| Foreign trade loans - Chilean exports | 1,028,341 | 238 | 15,651 | 6,752 | - | 1,050,982 | (12,912) | (7) | (2,419) | (5,439) | - | (20,777) | - | (20,777) | |
| Foreign trade loans - Chilean imports | 386,868 | 1,257 | 2,833 | 3,975 | 85 | 395,018 | (12,916) | (35) | (209) | (2,781) | (48) | (15,989) | - | (15,989) | |
| Foreign trade loans between third countries | 289 | - | - | - | - | 289 | (12) | - | - | - | - | (12) | - | (12) | |
| Debtors in checking accounts | 36,409 | 11,980 | 3,694 | 3,662 | 3,574 | 59,319 | (635) | (368) | (675) | (2,123) | (1,997) | (5,798) | - | (5,798) | |
| Credit card debtors | 6,170 | 6,400 | 1,039 | 27 | 93 | 13,729 | (267) | (252) | (183) | (13) | (46) | (761) | - | (761) | |
| Factoring operations | 290,505 | 406 | 29,210 | 3,632 | 136 | 323,889 | (4,181) | (14) | (646) | (1,214) | (48) | (6,103) | - | (6,103) | |
| Commercial financial leasing operations | 757,705 | 28,570 | 37,906 | 14,858 | 1,854 | 840,893 | (3,501) | (709) | (1,476) | (3,681) | (508) | (9,875) | (246) | (10,121) | |
| Student loans | - | 533,833 | - | - | 104,960 | 638,793 | - | (8,017) | - | - | - | (12,943) | - | (20,960) | |
| Other loans and accounts receivable | 329 | 230 | 18 | 4,034 | 32 | 4,643 | (18) | (11) | - | (2,635) | (16) | (2,680) | - | (2,680) | |
| Subtotal | 10,846,372 | 1,740,838 | 876,217 | 349,130 | 254,810 | 14,067,367 | (94,599) | (19,362) | (31,183) | (123,254) | (48,437) | (316,835) | (11,757) | (328,592) | 13,738,775 |
| Mortgage loans : | | | | | | | | | | | | | | | |
| Loans with letters of credit | - | 66,066 | - | - | 8,221 | 74,287 | - | (109) | - | - | (167) | (276) | - | (276) | |
| Loans with endorsable mortgage mutuals | - | 31,132 | - | - | 2,503 | 33,635 | - | (12) | - | - | (15) | (27) | - | (27) | |
| Loans with mutual funds financed with mortgage bonds | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Other mutual loans for housing | - | 13,282,349 | - | - | 388,033 | 13,670,382 | - | (26,855) | - | - | (17,538) | (44,193) | - | (44,193) | |
| Financial leasing operations for housing | - | 32,269 | - | - | 2,803 | 35,072 | - | (199) | - | - | (366) | (565) | - | (565) | |
| Other loans and accounts receivable | - | 73,614 | - | - | 4,722 | 78,336 | - | (152) | - | - | (156) | (308) | - | (308) | |
| Subtotal | - | 13,485,430 | - | - | 406,282 | 13,891,712 | - | (27,127) | - | - | (18,242) | (45,369) | - | (45,369) | 13,846,343 |
| Consumer loans | | | | | | | | | | | | | | | |
| Consumer loans in installments | - | 1,462,079 | - | - | 154,933 | 1,617,012 | - | (48,747) | - | - | (63,561) | (112,308) | - | (112,308) | |
| Debtors in checking accounts | - | 70,057 | - | - | 7,393 | 77,450 | - | (1,438) | - | - | (2,783) | (4,221) | - | (4,221) | |
| Credit card debtors | - | 2,192,441 | - | - | 260,014 | 2,452,455 | - | (107,255) | - | - | (108,770) | (216,025) | - | (216,025) | |
| Consumer financial leasing operations | - | - | - | - | - | - | - | - | - | - | - | - | - | - | |
| Other loans and accounts receivable | - | 325 | - | - | 9 | 334 | - | (7) | - | - | (1) | (8) | - | (8) | |
| Subtotal | - | 3,724,902 | - | - | 422,349 | 4,147,251 | - | (157,447) | - | - | (175,115) | (332,562) | - | (332,562) | 3,814,689 |
| Total | 10,846,372 | 18,951,170 | 876,217 | 349,130 | 1,083,441 | 32,106,330 | (94,599) | (203,936) | (31,183) | (123,254) | (241,794) | (694,766) | (11,757) | (706,523) | 31,399,807 |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

iii) Contingent loans

| Exposure to credit risk for contingent loans As at June 30, 2024 (in MCh\$) | Exposure for contingent loans before allowances | | | | | Allowances constituted | | | | | Net exposure to credit risk of contingent loans | | |
|---|---|----------------|-----------------------|-----------------------|---------------|------------------------|-----------------------|----------------|-----------------------|-----------------------|---|-----------------|------------------|
| | Regular portfolio | | Substandard portfolio | Default portfolio | | Total | Regular portfolio | | Substandard portfolio | Default portfolio | | Total | |
| | Evaluation individual | group | Evaluation individual | Evaluation individual | group | | Evaluation individual | group | Evaluation individual | Evaluation individual | | | group |
| Guarantees and Sureties | 511,297 | - | 1,784 | - | - | 513,081 | (1,506) | - | (755) | - | - | (2,261) | 510,820 |
| Letters of credit for merchandise circulation operations | 37,815 | - | - | - | - | 37,815 | (411) | - | - | - | - | (411) | 37,404 |
| Debt purchase commitments in local currency abroad | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transactions related to contingent events | 346,719 | 72 | 41,070 | 2,711 | - | 390,572 | (2,799) | (2) | (4,332) | (858) | - | (7,991) | 382,581 |
| Lines of credit of free disposal of immediate cancellation | 142,109 | 538,412 | 548 | 487 | 17,493 | 699,049 | (513) | (5,221) | (73) | (161) | (4,996) | (10,964) | 688,085 |
| Lines of credit of free disposal | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Loans for senior studies Law No. 20027 (CAE) | - | 1,963 | - | - | - | 1,963 | - | (30) | - | - | - | (30) | 1,933 |
| Other irrevocable loan commitments | 104,167 | - | - | - | - | 104,167 | (398) | - | - | - | - | (398) | 103,769 |
| Other contingent loans | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Subtotal | 1,142,107 | 540,447 | 43,402 | 3,198 | 17,493 | 1,746,647 | (5,627) | (5,253) | (5,160) | (1,019) | (4,996) | (22,055) | 1,724,592 |

| Exposure to credit risk for contingent loans As at December 31, 2023 (in MCh\$) | Exposure for contingent loans before allowances | | | | | Allowances constituted | | | | | Net exposure to credit risk of contingent loans | | |
|---|---|----------------|-----------------------|-----------------------|---------------|------------------------|-----------------------|----------------|-----------------------|-----------------------|---|-----------------|------------------|
| | Regular portfolio | | Substandard portfolio | Default portfolio | | Total | Regular portfolio | | Substandard portfolio | Default portfolio | | Total | |
| | Evaluation individual | group | Evaluation individual | Evaluation individual | group | | Evaluation individual | group | Evaluation individual | Evaluation individual | | | group |
| Guarantees and Sureties | 524,805 | - | 4,146 | - | - | 528,951 | (2,125) | - | (947) | - | - | (3,072) | 525,879 |
| Letters of credit for merchandise circulation operations | 28,757 | - | - | - | - | 28,757 | (424) | - | - | - | - | (424) | 28,333 |
| Debt purchase commitments in local currency abroad | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transactions related to contingent events | 305,903 | 197 | 19,762 | 1,211 | - | 327,073 | (2,988) | (3) | (4,546) | (815) | - | (8,352) | 318,721 |
| Lines of credit of free disposal of immediate cancellation | 71,453 | 552,503 | 632 | 249 | 25,548 | 650,385 | (553) | (6,038) | (97) | (157) | (8,030) | (14,875) | 635,510 |
| Lines of credit of free disposal | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Loans for senior studies Law No. 20027 (CAE) | - | 2,464 | - | - | - | 2,464 | - | (38) | - | - | - | (38) | 2,426 |
| Other irrevocable loan commitments | 74,585 | - | - | - | - | 74,585 | (446) | - | - | - | - | (446) | 74,139 |
| Other contingent loans | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Subtotal | 1,005,503 | 555,164 | 24,540 | 1,460 | 25,548 | 1,612,215 | (6,536) | (6,079) | (5,590) | (972) | (8,030) | (27,207) | 1,585,008 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

d) Summary of changes in allowances recorded under "Loans and advances to banks" and "Loans and accounts receivable from customers."
i) Loans and advances to banks

| Summary of movement in allowances constituted by category of credit As at June 30, 2024 (in MCh\$) | Movement in provisions constituted by category in the period | | | Total |
|---|--|-----------------------|-------------------|----------|
| | Regular portfolio | Substandard portfolio | Default portfolio | |
| Owed by Banks | | | | |
| Balance as at January 1, 2024 | 15 | - | - | 15 |
| Constitution / (release) of allowances for: | | | | |
| Change in measurement without portfolio reclassification during the period | (43) | - | - | (43) |
| Change in measurement due to portfolio reclassification from the beginning to the end of the financial year portfolio from 1/1/2024 to 6/30/2024: | | | | |
| Regular individual up to Substandard | - | - | - | - |
| Regular 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 | 78 | - | - | 78 |
| New loans for conversion from contingent to loan | - | - | - | - |
| New loans purchased | - | - | - | - |
| Sale or transfers of loans | - | - | - | - |
| Payment of loans | (43) | - | - | (43) |
| Application of provisions due to write-offs | - | - | - | - |
| Recovery of written-off loans | - | - | - | - |
| Exchange differences | - | - | - | - |
| Other changes in provisions | - | - | - | - |
| Balance as at June 30, 2024 | 7 | - | - | 7 |

| Summary of movement in allowances constituted by category of credit As at December 31, 2023 (in MCh\$) | Movement in provisions constituted by category in the period | | | Total |
|--|--|-----------------------|-------------------|-----------|
| | Regular portfolio | Substandard portfolio | Default portfolio | |
| Owed by Banks | | | | |
| Balance as at January 1, 2023 | 7 | - | - | 7 |
| Constitution / (release) of allowances for: | | | | |
| Change in measurement without portfolio reclassification during the period | (13) | - | - | (13) |
| Change in measurement due to portfolio reclassification from the beginning to the end of the financial year portfolio from 1/1/2023 to 12/31/2023: | | | | |
| Regular individual up to Substandard | - | - | - | - |
| Regular 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 | 73 | - | - | 73 |
| New loans for conversion from contingent to loan | - | - | - | - |
| New loans purchased | - | - | - | - |
| Sale or transfers of loans | - | - | - | - |
| Payment of loans | (52) | - | - | (52) |
| Application of provisions due to write-offs | - | - | - | - |
| Recovery of written-off loans | - | - | - | - |
| Exchange differences | - | - | - | - |
| Other changes in provisions | - | - | - | - |
| Balance as at December 31, 2023 | 15 | - | - | 15 |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

ii) Commercial loans

| Summary of the movement in allowances constituted by category of credit risk in the period | As at June 30, 2024 (in MCh\$) | | Movement in allowances constituted by portfolio in the period | | | | | Deductible guarantees FOGAPE Covid-19 | Total |
|---|-----------------------------------|---------------|---|---------------------------------|---------------|----------------|---------------|---|-------|
| | Regular portfolio Evaluation | | Substandard portfolio | Default portfolio Evaluation | | Subtotal | | | |
| | individual | group | | individual | group | | | | |
| Commercial loans | | | | | | | | | |
| Balance as at January 1, 2024 | 94,599 | 19,362 | 31,183 | 123,254 | 48,437 | 316,835 | 11,757 | 328,592 | |
| Constitution / (release) of provisions for: | | | | | | | | | |
| Change in measurement with portfolio reclassification during the period | 9,348 | 4,968 | 7,176 | 8,516 | 18,021 | 48,029 | (441) | 47,588 | |
| Change in measurement due to portfolio reclassification from the beginning to the end of the financial year portfolio from 1/1/2024 to 6/30/2024: | | | | | | | | | |
| Regular individual up to Substandard | (8,996) | - | 13,380 | - | - | 4,384 | - | 4,384 | |
| Regular individual up to individual default | (14) | - | - | 1,006 | - | 992 | - | 992 | |
| Substandard up to individual default | - | - | (9,483) | 24,868 | - | 15,385 | - | 15,385 | |
| Substandard up to Regular individual | 1,659 | - | (3,697) | - | - | (2,038) | - | (2,038) | |
| Individual default up to Substandard | - | - | 48 | (98) | - | (50) | - | (50) | |
| Individual default up to Regular individual | 174 | - | - | (83) | - | 91 | - | 91 | |
| Regular group up to default group | - | (6,708) | - | - | 15,111 | 8,403 | 6 | 8,409 | |
| Group default up to group regular | - | - | - | - | (4,740) | (4,458) | - | (4,458) | |
| Individual (regular, substandard, default) up to group (regular, default) | (313) | 193 | (44) | (697) | 297 | (54) | - | (554) | |
| Group (regular, default) up to individual (regular, substandard, default) | 1,047 | (487) | 58 | 285 | (167) | 736 | - | 736 | |
| New originated loans | 62,733 | 2,440 | 13,334 | 8,015 | 9,222 | 95,744 | 137 | 95,881 | |
| New loans for conversion from contingent to loan | 1,520 | 651 | 417 | 75 | 189 | 2,852 | - | 2,852 | |
| New loans purchased | - | - | - | - | - | - | - | - | |
| Sale or transfers of loans | - | (629) | - | (154) | (5) | (788) | - | (788) | |
| Payment of loans | (67,062) | (3,429) | (16,059) | (11,776) | (10,300) | (108,646) | (3,728) | (112,374) | |
| Application of provisions due to write-offs | - | (10) | - | (18,421) | (23,618) | (42,049) | - | (42,049) | |
| Recovery of written-off loans | - | 9 | - | - | - | 9 | - | 9 | |
| Changes in models and methodologies | - | - | - | - | - | - | - | - | |
| Exchange differences | 3,623 | 8 | 866 | 2,478 | 2 | 6,977 | - | 6,977 | |
| Other changes in provisions | - | - | - | - | - | - | - | - | |
| Balance as at June 30, 2024 | 98,298 | 16,650 | 37,179 | 137,278 | 52,449 | 341,854 | 7,731 | 349,585 | |

| Summary of the movement in allowances constituted by category of credit risk in the period | As at December 31, 2023 (in MCh\$) | | Movement in allowances constituted by portfolio in the period | | | | | Deductible guarantees FOGAPE | Total |
|--|---------------------------------------|---------------|---|---------------------------------|---------------|----------------|---------------|---------------------------------|-------|
| | Regular portfolio Evaluation | | Substandard portfolio | Default portfolio Evaluation | | Subtotal | | | |
| | individual | group | | individual | group | | | | |
| Commercial loans | | | | | | | | | |
| Balance as at January 1, 2023 | 88,279 | 24,775 | 32,388 | 104,225 | 38,548 | 288,215 | 16,557 | 304,772 | |
| Constitution / (release) of provisions for: | | | | | | | | | |
| Change in measurement with portfolio reclassification during the period | 22,855 | 12,062 | 14,012 | 26,867 | 21,863 | 97,659 | (1,240) | 96,419 | |
| Change in measurement due to portfolio reclassification from the beginning to the end of the financial year portfolio from 1/1/2023 to 12/31/2023: | | | | | | | | | |
| Regular individual up to Substandard | (9,385) | - | 22,772 | - | - | 13,387 | - | 13,387 | |
| Regular individual up to individual default | (117) | - | - | 2,439 | - | 2,322 | - | 2,322 | |
| Substandard up to individual default | - | - | (15,270) | 37,882 | - | 22,612 | - | 22,612 | |
| Substandard up to Regular individual | 4,904 | - | (7,483) | - | - | (2,579) | - | (2,579) | |
| Individual default up to Substandard | - | - | 645 | (3,635) | - | (2,990) | - | (2,990) | |
| Individual default up to Regular individual | - | - | - | - | - | - | - | - | |
| Regular group up to default group | - | (14,522) | - | - | 33,762 | 19,240 | - | 19,240 | |
| Group default up to group regular | - | 723 | - | - | (9,280) | (8,557) | - | (8,557) | |
| Individual (regular, substandard, default) up to group (regular, default) | (335) | 278 | (271) | (299) | 345 | (282) | - | (282) | |
| Group (regular, default) up to individual (regular, substandard, default) | 1,620 | (980) | 251 | 794 | (472) | 1,213 | (58) | 1,155 | |
| New originated loans | 104,514 | 5,729 | 16,919 | 21,764 | 5,706 | 154,632 | 44 | 154,676 | |
| New loans for conversion from contingent to loan | 2,641 | 1,245 | 576 | 128 | 384 | 4,974 | - | 4,974 | |
| New loans purchased | - | - | - | - | - | - | - | - | |
| Sale or transfers of loans | - | (1,231) | - | - | (50) | (1,281) | - | (1,281) | |
| Payment of loans | (122,097) | (8,706) | (33,521) | (26,287) | (11,173) | (201,784) | (3,546) | (205,330) | |
| Application of provisions due to write-offs | - | (29) | - | (40,910) | (31,192) | (72,131) | - | (72,131) | |
| Recovery of written-off loans | - | 14 | - | - | 3 | 17 | - | 17 | |
| Changes in models and methodologies | - | - | - | - | - | - | - | - | |
| Exchange differences | 1,720 | 4 | 165 | 286 | (7) | 2,168 | - | 2,168 | |
| Other changes in provisions | - | - | - | - | - | - | - | - | |
| Balance as at December 31, 2023 | 94,599 | 19,362 | 31,183 | 123,254 | 48,437 | 316,835 | 11,757 | 328,592 | |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

iii) Mortgage loans

| Summary of the movement in provisions constituted by category of credit risk in the period As at June 30, 2024 (in MCh\$) | Movement in provisions constituted by portfolio in the period Group evaluation | | Total |
|--|--|-------------------|----------------|
| | Regular portfolio | Default portfolio | |
| Mortgage loans | | | |
| Balance as at January 1, 2024 | 27,127 | 18,242 | 45,369 |
| Constitution/(release) of provisions due to: | | | |
| Change in measurement without portfolio reclassification during the period | 5,607 | (611) | 4,996 |
| Change in measurement due to portfolio reclassification from the beginning to the end of the financial year portfolio from 1/1/2024 to 6/30/2024: | | | |
| Group regular up to group default | (6,801) | 9,095 | 2,294 |
| Group default up to group regular | 106 | (1,133) | (1,027) |
| New originated loans | 572 | 416 | 988 |
| New loans purchased | - | - | - |
| Sale or transfers of loans | - | - | - |
| Payment of loans | (1,338) | (1,713) | (3,051) |
| Application of provisions due to write-offs | - | (2,908) | (2,908) |
| Recovery of written-off loans | - | - | - |
| Changes in models and methodologies | - | - | - |
| Exchange differences | - | - | - |
| Other changes in provisions | - | - | - |
| Balance as at June 30, 2024 | 25,273 | 21,388 | 46,661 |

| Summary of the movement in provisions constituted by category of credit risk in the period As at December 31, 2023 (in MCh\$) | Movement in provisions constituted by portfolio in the period Group evaluation | | Total |
|---|--|-------------------|----------------|
| | Regular portfolio | Default portfolio | |
| Mortgage loans | | | |
| Balance as at January 1, 2023 | 27,489 | 12,161 | 39,650 |
| Constitution/(release) of provisions due to: | | | |
| Change in measurement without portfolio reclassification during the period | 11,885 | 3,675 | 15,560 |
| Change in measurement due to portfolio reclassification from the beginning to the end of the financial year portfolio from 1/1/2023 to 12/31/2023: | | | |
| Group regular up to group default | (11,307) | 14,814 | 3,507 |
| Group default up to group regular | 250 | (2,521) | (2,271) |
| New originated loans | 1,333 | 28 | 1,361 |
| New loans purchased | - | - | - |
| Sale or transfers of loans | - | - | - |
| Payment of loans | (2,517) | (2,008) | (4,525) |
| Application of provisions due to write-offs | (6) | (7,907) | (7,913) |
| Recovery of written-off loans | - | - | - |
| Changes in models and methodologies | - | - | - |
| Exchange differences | - | - | - |
| Other changes in provisions | - | - | - |
| Balance as at December 31, 2023 | 27,127 | 18,242 | 45,369 |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

iv) Consumer loans

| Summary of the movement in allowances constituted by category of credit risk in the period As at June 30, 2024 (in MCh\$) | Movement in provisions constituted by portfolio in the period | | |
|---|---|-------------------|------------------|
| | Group evaluation | | Total |
| | Regular portfolio | Default portfolio | |
| Consumer loans | | | |
| Balance as at January 1, 2024 | 157,447 | 175,115 | 332,562 |
| Constitution/(release) of provisions due to: | | | |
| Change in measurement without portfolio reclassification during the period | 40,991 | 109,369 | 150,360 |
| Change in measurement due to portfolio reclassification from the beginning to the end of the financial year portfolio from 1/1/2024 to 6/30/2024: | | | |
| Group regular up to group default | (41,698) | 102,633 | 60,935 |
| Group default up to group regular | 7,526 | (24,226) | (16,700) |
| New originated loans | 12,582 | 34,714 | 47,296 |
| New loans for conversion from contingent to loan | 33,056 | 8,050 | 41,106 |
| New loans purchased | - | - | - |
| Sale or transfers of loans | - | - | - |
| Payment of loans | (54,211) | (32,376) | (86,587) |
| Application of provisions due to write-offs | (139) | (183,947) | (184,086) |
| Recovery of written-off loans | 622 | - | 622 |
| Changes in models and methodologies | - | - | - |
| Exchange differences | 32 | 6 | 38 |
| Other changes in provisions | - | - | - |
| Balance as at June 30, 2024 | 156,208 | 189,338 | 345,546 |

| Summary of the movement in allowances constituted by category of credit risk in the period As at December 31, 2023 (in MCh\$) | Movement in provisions constituted by portfolio in the period | | |
|--|---|-------------------|------------------|
| | Group evaluation | | Total |
| | Regular portfolio | Default portfolio | |
| Consumer loans | | | |
| Balance as at January 1, 2023 | 146,883 | 105,227 | 252,110 |
| Constitution/(release) of provisions due to: | | | |
| Change in measurement without portfolio reclassification during the period | 80,065 | 229,980 | 310,045 |
| Change in measurement due to portfolio reclassification from the beginning to the end of the financial year portfolio from 1/1/2023 to 12/31/2023: | | | |
| Group regular up to group default | (61,360) | 168,485 | 107,125 |
| Group default up to group regular | 8,642 | (27,428) | (18,786) |
| New originated loans | 24,039 | 41,979 | 66,018 |
| New loans for conversion from contingent to loan | 62,100 | 9,336 | 71,436 |
| New loans purchased | - | - | - |
| Sale or transfers of loans | - | - | - |
| Payment of loans | (104,231) | (48,058) | (152,289) |
| Application of provisions due to write-offs | (292) | (304,408) | (304,700) |
| Recovery of written-off loans | 1,590 | - | 1,590 |
| Changes in models and methodologies | - | - | - |
| Exchange differences | 11 | 2 | 13 |
| Other changes in provisions | - | - | - |
| Balance as at December 31, 2023 | 157,447 | 175,115 | 332,562 |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

v) Contingent loans

| Summary of the movement in allowances constituted by category of credit risk in the period As at June 30, 2024 (in MCh\$) | Movement in allowances constituted by portfolio in the period | | | | | Total |
|---|---|--------------|-----------------------|------------------------------|--------------|---------------|
| | Regular portfolio Evaluation | | Substandard portfolio | Default portfolio Evaluation | | |
| | individual | group | | individual | group | |
| Exposure by contingent loans | | | | | | |
| Balance as at January 1, 2024 | 6,536 | 6,079 | 5,590 | 972 | 8,030 | 27,207 |
| Constitution/(release) of provisions due to: | | | | | | |
| Change in measurement without portfolio reclassification during the period | (2,705) | 9,593 | (13,622) | (578) | 1,466 | (5,846) |
| Change in measurement due to portfolio reclassification from the beginning to the end of the financial year portfolio from 1/1/2024 to 6/30/2024: | | | | | | |
| Regular individual up to Substandard | (16) | - | 47 | - | - | 31 |
| Regular individual up to individual default | (2) | - | - | 81 | - | 79 |
| Substandard up to individual default | - | - | (81) | 449 | - | 368 |
| Substandard up to regular individual | 2 | - | (3) | - | - | (1) |
| Individual default up to Substandard | - | - | - | - | - | - |
| Individual default up to individual regular | - | - | - | - | - | - |
| Group regular up to group default | - | (508) | - | - | 6,426 | 5,918 |
| Group default up to group regular | - | 132 | - | - | (2,773) | (2,641) |
| Individual (regular, substandard, default) up to group (regular, default) | (6) | 3 | (3) | (16) | - | (22) |
| Group (regular, default) up to Individual (regular, substandard, default) | 41 | (14) | 2 | - | - | 29 |
| New contingent loans granted | 3,049 | 913 | 13,544 | 160 | 86 | 17,752 |
| Contingent loans due to conversion to loans | (1,552) | (10,945) | (386) | (49) | (8,239) | (21,171) |
| Changes in models and methodologies | - | - | - | - | - | - |
| Exchange differences | 280 | - | 72 | - | - | 352 |
| Other changes in provisions | - | - | - | - | - | - |
| Balance as at June 30, 2024 | 5,627 | 5,253 | 5,160 | 1,019 | 4,996 | 22,055 |

| Summary of the movement in allowances constituted by category of credit risk in the period As at December 31, 2023 (in MCh\$) | Movement in allowances constituted by portfolio in the period | | | | | Total |
|--|---|--------------|-----------------------|------------------------------|--------------|---------------|
| | Regular portfolio Evaluation | | Substandard portfolio | Default portfolio Evaluation | | |
| | individual | group | | individual | group | |
| Exposure by contingent loans | | | | | | |
| Balance as at January 1, 2023 | 5,720 | 6,094 | 2,706 | 3,903 | 7,072 | 25,495 |
| Constitution/(release) of provisions due to: | | | | | | |
| Change in measurement without portfolio reclassification during the period | (3,847) | 25,818 | (11,833) | (4,535) | (1,464) | 4,139 |
| Change in measurement due to portfolio reclassification from the beginning to the end of the financial year portfolio from 1/1/2023 to 12/31/2023: | | | | | | |
| Regular individual up to Substandard | (491) | - | 1,012 | - | - | 521 |
| Regular individual up to individual default | (5) | - | - | 412 | - | 407 |
| Substandard up to individual default | - | - | (82) | 844 | - | 762 |
| Substandard up to regular individual | 55 | - | (81) | - | - | (26) |
| Individual default up to Substandard | - | - | 421 | (87) | - | 334 |
| Individual default up to individual regular | - | - | - | - | - | - |
| Group regular up to group default | - | (884) | - | - | 17,318 | 16,434 |
| Group default up to group regular | - | 183 | - | - | (5,282) | (5,099) |
| Individual (regular, substandard, default) up to group (regular, default) | (12) | 6 | (4) | - | 1 | (9) |
| Group (regular, default) up to Individual (regular, substandard, default) | 109 | (41) | 8 | 5 | - | 81 |
| New contingent loans granted | 7,667 | 2,075 | 13,895 | 515 | 105 | 24,257 |
| Contingent loans due to conversion to loans | (2,715) | (27,172) | (493) | (89) | (9,720) | (40,189) |
| Changes in models and methodologies | - | - | - | - | - | - |
| Exchange differences | 55 | - | 41 | 4 | - | 100 |
| Other changes in provisions | - | - | - | - | - | - |
| Balance as at December 31, 2023 | 6,536 | 6,079 | 5,590 | 972 | 8,030 | 27,207 |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

e) Gross loans and allowances recorded grouped by type of debtor's economic activity and concentration of credit risk

| Composition of economic activity As at June 30, 2024 (in MCh\$) | Loans and exposure to contingent loans loans within | | | Loans within | | | Allowances constituted | | Total |
|---|--|----------------|-------------------|------------------|--------------|------------------|---|------------------|-------|
| | Country | Abroad | Total | Country | Abroad | Sub-Total | Deductible guarantees FOGAPE Covid 19 | | |
| | | | | | | | | | |
| Owed by banks | - | 19,084 | 19,084 | - | (7) | (7) | - | (7) | |
| Commercial loans | | | | | | | | | |
| Agriculture and Livestock | 365,502 | - | 365,502 | (15,399) | - | (15,399) | (422) | (15,821) | |
| Sowing and harvesting of fruits | - | - | - | - | - | - | - | - | |
| Forestry | 62,204 | - | 62,204 | (1,579) | - | (1,579) | (108) | (1,687) | |
| Fishing | 71,613 | - | 71,613 | (1,551) | - | (1,551) | (83) | (1,634) | |
| Mining | 416,338 | - | 416,338 | (1,584) | - | (1,584) | (82) | (1,666) | |
| Oil and natural gas | 526 | - | 526 | - | - | - | - | - | |
| Product Manufacturing Industry | | | | | | | | | |
| Food, beverages and tobacco | 545,935 | - | 545,935 | (18,650) | - | (18,650) | (290) | (18,940) | |
| Textile, leather and footwear | 19,889 | - | 19,889 | (1,473) | - | (1,473) | (60) | (1,533) | |
| Wood and furniture | 65,032 | - | 65,032 | (2,329) | - | (2,329) | (101) | (2,430) | |
| Cellulose, paper and printing | 113,192 | - | 113,192 | (4,456) | - | (4,456) | (100) | (4,556) | |
| Chemicals and petroleum derivatives | 262,585 | - | 262,585 | (5,279) | - | (5,279) | (446) | (5,725) | |
| Metallic, non-metallic, machinery and others | 674,256 | - | 674,256 | (19,005) | - | (19,005) | (677) | (19,682) | |
| Electricity, gas and water | 1,442,938 | - | 1,442,938 | (3,427) | - | (3,427) | (26) | (3,453) | |
| Home building | 317,628 | - | 317,628 | (5,663) | - | (5,663) | (178) | (5,841) | |
| Non-residential constructions (office, civil works) | 250,599 | - | 250,599 | (5,809) | - | (5,809) | (275) | (6,084) | |
| Wholesale trade | 1,105,771 | 119,377 | 1,225,148 | (63,493) | (279) | (63,772) | (1,836) | (65,608) | |
| Retail trade restaurants and hotels | 434,342 | - | 434,342 | (30,606) | - | (30,606) | (1,184) | (31,790) | |
| Transport and storage | 611,647 | 48,234 | 659,881 | (11,656) | (40) | (11,696) | (574) | (12,270) | |
| Telecommunications | 665,283 | - | 665,283 | (5,707) | - | (5,707) | (22) | (5,729) | |
| Financial Services | 1,156,121 | 22,759 | 1,178,880 | (19,775) | (50) | (19,825) | (118) | (19,943) | |
| Business services | - | - | - | - | - | - | - | - | |
| Real estate services | 2,967,951 | 19,340 | 2,987,291 | (58,282) | (16) | (58,298) | (710) | (59,008) | |
| Student loans | 577,273 | - | 577,273 | (17,339) | - | (17,339) | - | (17,339) | |
| Public administration, defense and police | 15,520 | - | 15,520 | (13) | - | (13) | - | (13) | |
| Social services and other community services | 679,904 | - | 679,904 | (13,679) | - | (13,679) | (435) | (14,114) | |
| Personnel services | 985,843 | - | 985,843 | (34,715) | - | (34,715) | (4) | (34,719) | |
| Subtotal | 13,807,892 | 209,710 | 14,017,602 | (341,469) | (385) | (341,854) | (7,731) | (349,585) | |
| Mortgage loans | 13,971,236 | - | 13,971,236 | (46,661) | - | (46,661) | - | (46,661) | |
| Consumer loans | 4,264,639 | - | 4,264,639 | (345,546) | - | (345,546) | - | (345,546) | |
| Contingent loans exposure | 1,746,647 | - | 1,746,647 | (22,055) | - | (22,055) | - | (22,055) | |

| Composition of economic activity As at December 31, 2023 (in MCh\$) | Loans and exposure to contingent loans loans within | | | Loans within | | | Allowances constituted | | Total |
|---|--|----------------|-------------------|------------------|--------------|------------------|---|------------------|-------|
| | Country | Abroad | Total | Country | Abroad | Sub-Total | Deductible guarantees FOGAPE Covid 19 | | |
| | | | | | | | | | |
| Owed by banks | - | 25,238 | 25,238 | - | (15) | (15) | - | (15) | |
| Commercial loans | | | | | | | | | |
| Agriculture and Livestock | 394,887 | - | 394,887 | (14,249) | - | (14,249) | (536) | (14,785) | |
| Sowing and harvesting of fruits | - | - | - | - | - | - | - | - | |
| Forestry | 46,418 | - | 46,418 | (1,608) | - | (1,608) | (172) | (1,780) | |
| Fishing | 67,624 | - | 67,624 | (1,776) | - | (1,776) | (97) | (1,873) | |
| Mining | 333,953 | - | 333,953 | (1,468) | - | (1,468) | (135) | (1,603) | |
| Oil and natural gas | 743 | - | 743 | (4) | - | (4) | - | (4) | |
| Product Manufacturing Industry | | | | | | | | | |
| Food, beverages and tobacco | 524,023 | - | 524,023 | (12,961) | - | (12,961) | (513) | (13,474) | |
| Textile, leather and footwear | 19,866 | - | 19,866 | (1,553) | - | (1,553) | (136) | (1,689) | |
| Wood and furniture | 60,971 | - | 60,971 | (1,859) | - | (1,859) | (184) | (2,043) | |
| Cellulose, paper and printing | 67,499 | - | 67,499 | (4,215) | - | (4,215) | (153) | (4,368) | |
| Chemicals and petroleum derivatives | 289,810 | - | 289,810 | (3,898) | - | (3,898) | (509) | (4,407) | |
| Metallic, non-metallic, machinery and others | 741,687 | - | 741,687 | (18,292) | - | (18,292) | (1,024) | (19,316) | |
| Electricity, gas and water | 1,382,505 | - | 1,382,505 | (4,076) | - | (4,076) | (33) | (4,109) | |
| Home building | 346,875 | - | 346,875 | (5,940) | - | (5,940) | (295) | (6,235) | |
| Non-residential constructions (office, civil works) | 221,437 | - | 221,437 | (7,618) | - | (7,618) | (448) | (8,066) | |
| Wholesale trade | 1,040,765 | 103,174 | 1,143,939 | (61,330) | (122) | (61,452) | (2,820) | (64,272) | |
| Retail trade restaurants and hotels | 412,498 | - | 412,498 | (23,383) | - | (23,383) | (1,726) | (25,109) | |
| Transport and storage | 607,207 | 44,733 | 651,940 | (11,614) | (37) | (11,651) | (957) | (12,608) | |
| Telecommunications | 643,127 | - | 643,127 | (5,294) | - | (5,294) | (57) | (5,351) | |
| Financial Services | 1,270,825 | 21,109 | 1,291,934 | (21,101) | (17) | (21,118) | (121) | (21,239) | |
| Business services | - | - | - | - | - | - | - | - | |
| Real estate services | 3,009,124 | 106,598 | 3,115,722 | (52,061) | (95) | (52,156) | (1,142) | (53,298) | |
| Student loans | 638,793 | - | 638,793 | (20,960) | - | (20,960) | - | (20,960) | |
| Public administration, defense and police | 17,130 | - | 17,130 | (14) | - | (14) | - | (14) | |
| Social services and other community services | 687,432 | - | 687,432 | (13,088) | - | (13,088) | (694) | (13,782) | |
| Personnel services | 966,554 | - | 966,554 | (28,202) | - | (28,202) | (5) | (28,207) | |
| Subtotal | 13,791,753 | 275,614 | 14,067,367 | (316,564) | (271) | (316,835) | (11,757) | (328,592) | |
| Mortgage loans | 13,891,712 | - | 13,891,712 | (45,369) | - | (45,369) | - | (45,369) | |
| Consumer loans | 4,147,251 | - | 4,147,251 | (332,562) | - | (332,562) | - | (332,562) | |
| Contingent loans exposure | 1,612,215 | - | 1,612,215 | (27,207) | - | (27,207) | - | (27,207) | |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

f) Mortgage loans and their allowances made by outstanding loan principal owed to value of mortgage collateral and past due days, respectively.

| As at June 30, 2024 | | Mortgage loans (MCh\$) | | | | | Allowances constituted for Mortgage loans (MCh\$) | | | | | |
|------------------------------|-------------------|--|----------------|---------------|----------------|-------------------|---|--|----------------|----------------|-----------------|-----------------|
| Loan Tranche / Guarantee (%) | 0 | Days in arrears at the end of the period | | | | Total | 0 | Days in arrears at the end of the period | | | | Total |
| | | 1 to 29 | 30 to 59 | 60 to 89 | >= 90 | | | 1 to 29 | 30 to 59 | 60 to 89 | >= 90 | |
| PVG <= 40% | 1,172,848 | 46,657 | 23,423 | 13,557 | 27,227 | 1,283,712 | (90) | (37) | (49) | (46) | (322) | (544) |
| 40% < PVG <= 80% | 10,023,826 | 340,976 | 134,858 | 70,460 | 174,363 | 10,744,483 | (6,866) | (3,695) | (2,625) | (1,821) | (5,303) | (20,310) |
| 80% < PVG <= 90% | 1,734,713 | 44,933 | 18,025 | 6,628 | 26,912 | 1,831,211 | (10,412) | (3,236) | (2,262) | (1,219) | (5,983) | (23,112) |
| PVG >90% | 104,102 | 2,255 | 1,679 | 728 | 3,066 | 111,830 | (1,062) | (217) | (312) | (177) | (927) | (2,695) |
| Total | 13,035,489 | 434,821 | 177,985 | 91,373 | 231,568 | 13,971,236 | (18,430) | (7,185) | (5,248) | (3,263) | (12,535) | (46,661) |

| As at December 31, 2023 | | Mortgage loans (MCh\$) | | | | | Allowances constituted for Mortgage loans (MCh\$) | | | | | |
|------------------------------|-------------------|--|----------------|---------------|----------------|-------------------|---|--|----------------|----------------|-----------------|-----------------|
| Loan Tranche / Guarantee (%) | 0 | Days in arrears at the end of the period | | | | Total | 0 | Days in arrears at the end of the period | | | | Total |
| | | 1 to 29 | 30 to 59 | 60 to 89 | >= 90 | | | 1 to 29 | 30 to 59 | 60 to 89 | >= 90 | |
| PVG <= 40% | 1,118,062 | 44,998 | 24,480 | 13,358 | 22,636 | 1,223,534 | (91) | (37) | (47) | (47) | (377) | (599) |
| 40% < PVG <= 80% | 9,819,757 | 308,166 | 129,082 | 67,896 | 140,403 | 10,465,304 | (6,432) | (3,291) | (2,505) | (1,756) | (4,270) | (18,254) |
| 80% < PVG <= 90% | 1,984,289 | 51,229 | 18,433 | 10,408 | 20,736 | 2,085,095 | (11,603) | (3,689) | (2,404) | (1,897) | (4,610) | (24,203) |
| PVG >90% | 111,180 | 2,794 | 268 | 775 | 2,762 | 117,779 | (969) | (272) | (47) | (190) | (835) | (2,313) |
| Total | 13,033,288 | 407,187 | 172,263 | 92,437 | 186,537 | 13,891,712 | (19,095) | (7,289) | (5,003) | (3,890) | (10,092) | (45,369) |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

h) Loans and allowances made by tranche of past due days

| Concentration of credit risk by days past due As at June 30, 2024 (in MCh\$) | Financial Assets before provision | | | | | Total | Allowances constituted | | | | | Subtotal | Deductible guarantees FOGAPE Covid-19 | Total | Net financial asset |
|--|---|------------------------------------|---|--|---|-------------------|------------------------------------|---|------------------------------------|---|--|------------------|---------------------------------------|------------------|---------------------|
| | Regular portfolio Evaluation individual | Regular portfolio Evaluation group | Substandard portfolio Evaluation individual | Substandard portfolio Evaluation group | Default portfolio Evaluation individual | | Default portfolio Evaluation group | Regular portfolio Evaluation individual | Regular portfolio Evaluation group | Substandard portfolio Evaluation individual | Substandard portfolio Evaluation group | | | | |
| Owed by banks | | | | | | | | | | | | | | | |
| 0 days | 19,084 | - | - | - | - | 19,084 | (7) | - | - | - | - | (7) | - | (7) | 19,077 |
| 1 to 29 days | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 30 to 59 days | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 60 to 89 days | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| >= 90 days | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Subtotal | 19,084 | - | - | - | - | 19,084 | (7) | - | - | - | - | (7) | - | (7) | 19,077 |
| Commercial loans | | | | | | | | | | | | | | | |
| 0 days | 10,430,518 | 1,575,427 | 839,282 | 108,996 | 63,831 | 13,018,054 | (95,358) | (11,567) | (25,240) | (35,449) | (14,438) | (182,052) | (6,661) | (188,713) | 12,829,341 |
| 1 to 29 days | 202,194 | 61,342 | 52,334 | 46,722 | 18,371 | 380,963 | (2,733) | (2,032) | (3,505) | (5,740) | (3,427) | (17,437) | (307) | (17,744) | 363,219 |
| 30 to 59 days | 4,992 | 26,616 | 61,056 | 34,638 | 14,398 | 141,700 | (104) | (1,763) | (6,567) | (8,492) | (3,499) | (20,425) | (166) | (20,591) | 121,109 |
| 60 to 89 days | 1,139 | 13,301 | 16,544 | 20,487 | 9,589 | 61,060 | (103) | (1,288) | (1,853) | (3,861) | (1,818) | (8,923) | (100) | (9,023) | 52,037 |
| >= 90 days | - | - | 138 | 260,215 | 155,472 | 415,825 | - | - | (14) | (83,736) | (29,267) | (113,017) | (497) | (113,514) | 302,311 |
| Subtotal | 10,638,843 | 1,676,686 | 969,354 | 471,058 | 261,661 | 14,017,602 | (98,298) | (16,650) | (37,179) | (137,278) | (52,449) | (341,854) | (7,731) | (349,585) | 13,668,017 |
| Mortgage loans | | | | | | | | | | | | | | | |
| 0 days | - | 12,927,349 | - | - | 108,140 | 13,035,489 | - | (14,443) | - | - | (3,987) | (18,430) | - | (18,430) | 13,017,059 |
| 1 to 29 days | - | 377,534 | - | - | 57,287 | 434,821 | - | (5,014) | - | - | (2,171) | (7,185) | - | (7,185) | 427,636 |
| 30 to 59 days | - | 131,210 | - | - | 46,775 | 177,985 | - | (3,612) | - | - | (1,636) | (5,248) | - | (5,248) | 172,737 |
| 60 to 89 days | - | 58,259 | - | - | 33,114 | 91,373 | - | (2,204) | - | - | (1,059) | (3,263) | - | (3,263) | 88,110 |
| >= 90 days | - | - | - | - | 231,568 | 231,568 | - | - | - | - | (12,535) | (12,535) | - | (12,535) | 219,033 |
| Subtotal | - | 13,494,352 | - | - | 476,884 | 13,971,236 | - | (25,273) | - | - | (21,388) | (46,661) | - | (46,661) | 13,924,575 |
| Consumer loans | | | | | | | | | | | | | | | |
| 0 days | - | 3,514,442 | - | - | 190,147 | 3,704,589 | - | (98,683) | - | - | (65,815) | (164,498) | - | (164,498) | 3,540,091 |
| 1 to 29 days | - | 183,730 | - | - | 53,434 | 237,164 | - | (33,549) | - | - | (20,631) | (54,180) | - | (54,180) | 182,984 |
| 30 to 59 days | - | 66,746 | - | - | 52,365 | 119,111 | - | (15,448) | - | - | (20,644) | (36,092) | - | (36,092) | 83,019 |
| 60 to 89 days | - | 34,078 | - | - | 35,888 | 69,966 | - | (8,528) | - | - | (15,075) | (23,603) | - | (23,603) | 46,363 |
| >= 90 days | - | - | - | - | 133,809 | 133,809 | - | - | - | - | (67,173) | (67,173) | - | (67,173) | 66,636 |
| Subtotal | - | 3,798,996 | - | - | 465,643 | 4,264,639 | - | (156,208) | - | - | (189,338) | (345,546) | - | (345,546) | 3,919,093 |
| Total loans | 10,657,927 | 18,970,034 | 969,354 | 471,058 | 1,204,188 | 32,272,561 | (98,305) | (198,131) | (37,179) | (137,278) | (263,175) | (734,068) | (7,731) | (741,799) | 31,530,762 |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

| Concentration of credit risk by days past due As at December 31, 2023 (in MCh\$) | Financial Assets before provision | | | | | | Allowances constituted | | | | | Deductible guarantees FOGAPE Covid-19 | Total | Net financial asset | |
|--|---|--|---|------------------------------------|------------------|---|---|---|--|------------------|------------------|---------------------------------------|-----------------|---------------------|-------------------|
| | Regular portfolio Evaluation individual | Substandard portfolio Evaluation group | Default portfolio Evaluation individual | Default portfolio Evaluation group | Total | Regular portfolio Evaluation individual | Substandard portfolio Evaluation individual | Deductible guarantees Evaluation individual | Deductible guarantees Evaluation group | Subtotal | | | | | |
| Owed by banks | | | | | | | | | | | | | | | |
| 0 days | 25,238 | - | - | - | - | 25,238 | (15) | - | - | - | - | (15) | - | (15) | 25,223 |
| 1 to 29 days | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 30 to 59 days | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 60 to 89 days | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| >= 90 days | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Subtotal | 25,238 | - | - | - | - | 25,238 | (15) | - | - | - | - | (15) | - | (15) | 25,223 |
| Commercial loans | | | | | | | | | | | | | | | |
| 0 days | 10,724,642 | 1,618,990 | 754,181 | 82,335 | 51,626 | 13,231,774 | (93,174) | (12,646) | (23,020) | (28,729) | (9,819) | (167,388) | (10,669) | (178,057) | 13,053,717 |
| 1 to 29 days | 120,360 | 68,811 | 84,286 | 28,654 | 16,231 | 318,342 | (1,378) | (2,391) | (5,849) | (10,421) | (3,589) | (23,628) | (392) | (24,020) | 294,322 |
| 30 to 59 days | 1,313 | 35,312 | 23,428 | 17,420 | 14,370 | 91,843 | (45) | (2,659) | (1,403) | (4,120) | (3,138) | (11,365) | (116) | (11,481) | 80,362 |
| 60 to 89 days | 57 | 17,725 | 14,210 | 4,641 | 11,706 | 48,339 | (2) | (1,666) | (895) | (1,757) | (2,603) | (6,923) | (90) | (7,013) | 41,326 |
| >= 90 days | - | - | 112 | 216,080 | 160,877 | 377,069 | - | - | (16) | (78,227) | (29,288) | (107,531) | (490) | (108,021) | 269,048 |
| Subtotal | 10,846,372 | 1,740,838 | 876,217 | 349,130 | 254,810 | 14,067,367 | (94,599) | (19,362) | (31,183) | (123,254) | (48,437) | (316,835) | (11,757) | (328,592) | 13,738,775 |
| Mortgage loans | | | | | | | | | | | | | | | |
| 0 days | - | 12,940,343 | - | - | 92,945 | 13,033,288 | - | (15,805) | - | - | (3,290) | (19,095) | - | (19,095) | 13,014,193 |
| 1 to 29 days | - | 357,137 | - | - | 50,050 | 407,187 | - | (5,206) | - | - | (2,083) | (7,289) | - | (7,289) | 399,898 |
| 30 to 59 days | - | 127,064 | - | - | 45,199 | 172,263 | - | (3,326) | - | - | (1,677) | (5,003) | - | (5,003) | 167,260 |
| 60 to 89 days | - | 60,886 | - | - | 31,551 | 92,437 | - | (2,790) | - | - | (1,100) | (3,890) | - | (3,890) | 88,547 |
| >= 90 days | - | - | - | - | 186,537 | 186,537 | - | - | - | - | (10,092) | (10,092) | - | (10,092) | 176,445 |
| Subtotal | - | 13,485,430 | - | - | 406,282 | 13,891,712 | - | (27,127) | - | - | (18,242) | (45,369) | - | (45,369) | 13,846,343 |
| Consumer loans | | | | | | | | | | | | | | | |
| 0 days | - | 3,416,340 | - | - | 156,292 | 3,572,632 | - | (103,310) | - | - | (52,632) | (155,942) | - | (155,942) | 3,416,690 |
| 1 to 29 days | - | 200,542 | - | - | 57,037 | 257,579 | - | (30,214) | - | - | (22,051) | (52,265) | - | (52,265) | 205,314 |
| 30 to 59 days | - | 73,396 | - | - | 45,943 | 119,339 | - | (15,387) | - | - | (18,178) | (33,565) | - | (33,565) | 85,774 |
| 60 to 89 days | - | 34,624 | - | - | 32,097 | 66,721 | - | (8,536) | - | - | (16,368) | (24,904) | - | (24,904) | 41,817 |
| >= 90 days | - | - | - | - | 130,980 | 130,980 | - | - | - | - | (65,886) | (65,886) | - | (65,886) | 65,094 |
| Subtotal | - | 3,724,902 | - | - | 422,349 | 4,147,251 | - | (157,447) | - | - | (175,115) | (332,562) | - | (332,562) | 3,814,689 |
| Total loans | 10,871,610 | 18,951,170 | 876,217 | 349,130 | 1,083,441 | 32,131,568 | (94,614) | (203,936) | (31,183) | (123,254) | (241,794) | (694,781) | (11,757) | (706,538) | 31,425,030 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

i) Lease operations

Gross loans for finance lease contracts have the following remaining terms until maturity:

| | 6/30/2024 | | | 12/31/2023 | | |
|---------------------------------------|------------------|------------------|----------------|------------------|------------------|----------------|
| | Account | Interest and | Net | Account | Interest and | Net balance |
| | receivable | deferred | balance | receivable | deferred | receivable |
| | MCh\$ | VAT | receivable | MCh\$ | VAT | receivable |
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| On-demand | 1,183 | (40) | 1,143 | 1,332 | (31) | 1,301 |
| Up to one month | 1,463 | (282) | 1,181 | 35,351 | (7,235) | 28,116 |
| More than one up to three months | 4,759 | (814) | 3,945 | 67,662 | (13,981) | 53,681 |
| More than three months up to one year | 54,353 | (9,530) | 44,823 | 284,338 | (60,914) | 223,424 |
| More than one up to three years | 421,398 | (83,752) | 337,646 | 481,922 | (110,621) | 371,301 |
| More than three up to five years | 353,848 | (88,082) | 265,766 | 167,776 | (42,640) | 125,136 |
| More than five years | 319,025 | (85,702) | 233,323 | 101,847 | (28,841) | 73,006 |
| Total | 1,156,029 | (268,202) | 887,827 | 1,140,228 | (264,263) | 875,965 |

The Bank finances its customers for the acquisition of assets, both real estate and non-real estate, through finance lease contracts between 1 and 20 years depending on each contract, which are presented under "finance lease operations" in the Interim Consolidated Statements of Financial Position.

As at June 30 2024, MCh\$241,835 corresponds to finance leases on real estate (MCh\$241,081 as at December 31, 2023) and MCh\$645,992 to finance leases on non-real estate (MCh\$634,884 as at December 31, 2023).

Interest and indexation income on receivables from finance leases of real estate and non-real estate is disclosed in Note 30 "Interest income and expense" and Note 31 "Indexation income and expenses."

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

j) Sale of loans for higher education studies per 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 related loan portfolio, transferring substantially all the risks and benefits associated with the loans assigned. Only the administration service of the transactions sold was maintained, which considers granting new loans and their collection.

The summary of sales performed is as follows:

| Concept | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|-----------------------------------|--------------------|---------------------|
| Par value | 6,673 | 38,571 |
| Provisions | <u>(634)</u> | <u>(1,281)</u> |
| Net value of provisions | 6,039 | 37,290 |
| Sale value | <u>6,212</u> | <u>47,442</u> |
| Sale result (1) | 173 | 10,152 |
| | | |
| (Loss) profit in sale (2) | (60) | 3,480 |
| Income received in advance | 233 | 6,672 |

(1) The gain or loss on the sale is obtained from the sales value less the net value of allowances.

(2) The gain on sale is included in the Consolidated Statements of Income for the year under the caption "Net financial result from derecognition of financial assets and liabilities at amortized cost and financial assets at fair value through other comprehensive income."

Deferred income/revenue corresponds to revenue obtained for the interest rate spread of loans granted at a rate of 2%. Deferred income/revenue is included in caption "Other liabilities" in the Interim Consolidated Statements of Financial Position.

k) Sale of Loans

During the period from January 1 through June 30, 2024, loans of the commercial portfolio were assigned recording a loss of MCh\$15 and a gain of MCh\$5 for the sale of loans written off from the retail portfolio (as at June 30, 2023 there were no sales of loans), in the caption "Gain or loss on derecognition of financial assets and liabilities at amortized cost and financial assets at fair value through other comprehensive income."

During the period from January 1 through June 30, 2024, the subsidiary Bandedesarrollo Sociedad de Leasing Inmobiliario S.A., recorded a realized gain from the assignment of portfolio of MCh\$32 (MCh\$39 as at June 30, 2023), in the caption "Gain or loss on derecognition of financial assets and liabilities at amortized cost and financial assets at fair value through other comprehensive income."

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

I) Securitization

The subsidiary Bandesarrollo Sociedad de Leasing Inmobiliario S.A. maintains in its statement of financial position financial assets transferred and not derecognized, as it retains substantially all the risks and rewards, mainly the credit risk. Under the agreement, customers remit cash directly to the subsidiary and the subsidiary transfers the proceeds to the final beneficiary.

The information below shows the carrying amount of financial assets that have been transferred but not derecognized and their associated liabilities:

| | 6/30/2024 | 12/31/2023 |
|---|-----------|------------|
| | MCh\$ | MCh\$ |
| Housing loan portfolio | 2,462 | 2,934 |
| Carrying amount of associated liabilities | 2,108 | 2,626 |

As at June 30, 2024, the subsidiary Bandesarrollo Sociedad de Leasing Inmobiliario S.A. recognizes a liability pending repayment of MCh\$2,108 (MCh\$2,626 as at December 31, 2023), related to the price obtained or part of the price obtained in 2006, in sales of housing lease contracts portfolio for securitization purposes, but such portfolios have not been derecognized, following the instructions issued by the CMF. Not derecognizing the fully or partially-assigned assets is due to the fact that the subsidiary acquired the securitized subordinated bonds issued by the separate equity constituted with such assets, which implies the retention of significant risks and rewards associated with such assets.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

Note 14 Investment in companies.

The detail of investments in companies is as follows:

| | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|---|--------------------|---------------------|
| Book value as at January 1 | 34,220 | 26,093 |
| Division of Bolsa de Comercio de Santiago | - | (2,577) |
| Incorporation of Sociedad de Infraestructura de Mercado S.A. | - | 2,577 |
| Subscription and exchange of shares of Bolsa de Comercio de Santiago | - | (663) |
| Subscription and exchange of shares of Sociedad de Infraestructuras de Mercado S.A. | - | (4,139) |
| Subscription of shares Holding Bursátil Chilena S.A. | - | 4,802 |
| Adjustment to market value on minority investments in other companies | (789) | 2,521 |
| Participation on results in companies with significant influence | 2,243 | 5,606 |
| Sale of investments | - | - |
| Total | 35,674 | 34,220 |

a) Companies in which the Bank has significant influence in Chile

| | Ownership % | Tax ID No | Country | Company's equity Investment | | Investment |
|----------------|----------------|--------------|---------|-----------------------------|-----------------------------|------------------------------|
| | | | | as at 6/30/2024 MCh\$ | as at 6/30/2024 MCh\$ | as at 12/31/2023 MCh\$ |
| Transbank S.A. | 22.69 | 96.689.310-9 | Chile | 142,115 | 26,593 | 24,350 |
| Total | | | | | 26,593 | 24,350 |

Transbank S.A.

It is a closely-held shareholders' corporation that supports the banking business, and its purpose is to operate payment cards and provide services aimed at facilitating the fulfillment of the purposes of financial institutions.

A summary of the significant items in the Financial Statements at each period-end is presented below.

| | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|------------------------------------|--------------------|---------------------|
| Assets and liabilities | | |
| Current assets | 1,272,005 | 1,362,961 |
| Non-current assets | 164,156 | 164,517 |
| Current liabilities | 1,271,829 | 1,357,443 |
| Non-current liabilities | 22,218 | 36,141 |
| Income statements (summary) | | |
| Net sale | 78,791 | 152,861 |
| Operating results | 4,831 | 34,481 |
| Profit (loss) for the period | 4,158 | 26,814 |
| Depreciation and amortization | (34,691) | (62,594) |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

b) Minority investments in other domestic companies

| | Country | Investment as at 6/30/2024 MCh\$ | Investment as at 12/31/2023 MCh\$ |
|--|---------|--|---|
| Holding Bursátil Chilena S.A. | Chile | 4,938 | 5,727 |
| 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. | Chile | 403 | 403 |
| 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 | | 9,040 | 9,829 |

c) Minority investments in other companies abroad

| | Country | Investment as at 6/30/2024 MCh\$ | Investment as at 12/31/2023 MCh\$ |
|---|---------|--|---|
| Society for Worldwide Interbank Financial Telecommunication | Belgium | 10 | 10 |
| Banco Latinoamericano de Comercio Exterior S.A. (Bladex) | Panama | 31 | 31 |
| Total | | 41 | 41 |

Movements in Investments in companies are detailed as follows:

| | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|---|--------------------|---------------------|
| Book value as at January 1 | 34,220 | 26,093 |
| Division of Bolsa de Comercio de Santiago | - | (2,577) |
| Incorporation of Sociedad de Infraestructura de Mercado S.A. | - | 2,577 |
| Subscription and exchange of shares of Bolsa de Comercio de Santiago | - | (663) |
| Subscription and exchange of shares of Sociedad de Infraestructuras de Mercado S.A. | - | (4,139) |
| Subscription of shares Holding Bursátil Chilena S.A. | - | 4,802 |
| Adjustment to market value on minority investments in other companies | (789) | 2,521 |
| Participation on results in companies with significant influence | 2,243 | 5,606 |
| Sale of investments | - | - |
| Total | 35,674 | 34,220 |

During the period ended June 30, 2024 and December 31, 2023, there have been no movements associated with impairment.

SCOTIABANK CHILE AND SUBSIDIARIES

 Notes to the Interim Consolidated Financial Statements
 As at June 30, 2024 and 2023 and December 31, 2023

Note 15 Intangible assets

a) The detail of intangible assets is as follows:

| Intangible assets | Years | | Average | | Gross balance | | Accumulated amortization and impairment | | Net balance | |
|--|----------------|------|------------------------|------|----------------|----------------|---|------------------|----------------|----------------|
| | of useful life | | remaining amortization | | 6/30/2024 | 12/31/2023 | 6/30/2024 | 12/31/2023 | 6/30/2024 | 12/31/2023 |
| | 2024 | 2023 | 2024 | 2023 | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Goodwill for business combinations | - | - | - | - | - | - | - | - | - | - |
| Other intangibles arising from business combinations (1) | | | | | | | | | | |
| Exclusivity agreement | 15 | 15 | 8 | 8 | 138,425 | 138,425 | - | - | 138,425 | 138,425 |
| Accumulated amortizations | - | - | - | - | - | - | (84,593) | (79,979) | (84,593) | (79,979) |
| Other independently originated intangible assets | | | | | | | | | | |
| Software or computer programs purchased independently | 10 | 10 | 4 | 4 | 17,488 | 17,292 | - | - | 17,488 | 17,292 |
| Software or computer programs generated internally | 10 | 10 | 4 | 4 | 308,660 | 282,535 | - | - | 308,660 | 282,535 |
| Accumulated amortizations | | | | | - | - | (121,078) | (102,848) | (121,078) | (102,848) |
| Total intangible assets | | | | | 464,573 | 438,252 | (205,671) | (182,827) | 258,902 | 255,425 |

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

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

b) Intangible assets are detailed as follows:

| | Computer programs | Intangible assets, business combinations | Other | Total |
|--|----------------------|--|----------|------------------|
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Gross balance : | | | | |
| Balance as at January 1, 2023 | 252,298 | 138,425 | - | 390,723 |
| Acquisitions | 59,733 | - | - | 59,733 |
| Reclassifications | 38 | - | - | 38 |
| Assets disposal | (11,880) | - | - | (11,880) |
| Impairment | (362) | - | - | (362) |
| Total gross | 299,827 | 138,425 | - | 438,252 |
| Accumulated amortization as at January 1, 2023 | (79,572) | (70,751) | - | (150,323) |
| Amortization for the period | (30,723) | (9,228) | - | (39,951) |
| Assets disposal | 7,349 | - | - | 7,349 |
| Impairment | 98 | - | - | 98 |
| Other | - | - | - | - |
| Total amortization | (102,848) | (79,979) | - | (182,827) |
| Balance as at December 31, 2023 | 196,979 | 58,446 | - | 255,425 |
| Gross balance : | | | | |
| Balance as at January 1, 2024 | 299,827 | 138,425 | - | 438,252 |
| Acquisitions | 26,709 | - | - | 26,709 |
| Reclassifications | (50) | - | - | (50) |
| Impairment | (338) | - | - | (338) |
| Total gross | 326,148 | 138,425 | - | 464,573 |
| Accumulated amortization as at January 1, 2024 | (102,848) | (79,979) | - | (182,827) |
| Amortization for the period | (18,230) | (4,614) | - | (22,844) |
| Impairment | - | - | - | - |
| Total amortization | (121,078) | (84,593) | - | (205,671) |
| Balance as at June 30, 2024 | 205,070 | 53,832 | - | 258,902 |

Debits for amortization or impairment of intangible assets are included under "Depreciation and amortization" in the Interim Consolidated Statements of Income.

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

Note 16 Property and equipment

a) The caption Property and equipment is composed of the following:

| Property and equipment | Average useful life | | Remaining average depreciation | | Gross balance | | Accumulated depreciation | | Net balance | |
|------------------------|---------------------|------------|--------------------------------|------------|----------------|----------------|--------------------------|------------------|---------------|---------------|
| | 6/30/2024 | 12/31/2023 | 6/30/2024 | 12/31/2023 | 6/30/2024 | 12/31/2023 | 6/30/2024 | 12/31/2023 | 6/30/2024 | 12/31/2023 |
| | years | years | years | years | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Land and constructions | 80 | 80 | 35 | 35 | 68,225 | 68,358 | (20,890) | (20,085) | 47,335 | 48,273 |
| Equipment | 6 | 6 | 5 | 5 | 138,425 | 135,461 | (108,795) | (103,725) | 29,630 | 31,736 |
| Other | 6 | 6 | 6 | 5 | 17,435 | 18,308 | (14,281) | (13,990) | 3,154 | 4,318 |
| Total | | | | | 224,085 | 222,127 | (143,966) | (137,800) | 80,119 | 84,327 |

b) Movements in Property and equipment are detailed as follows:

| | Building and land | Equipment | Other | Total |
|--|-------------------|------------------|-----------------|------------------|
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Balance as at January 1, 2023 | 69,131 | 124,735 | 23,331 | 217,197 |
| Purchase of property, plant | - | 1,264 | 7,064 | 8,328 |
| Asset disposal | (773) | (1,108) | (811) | (2,692) |
| Reclassification of accounts | - | 10,570 | (11,276) | (706) |
| Impairment | - | - | - | - |
| Gross total | 68,358 | 135,461 | 18,308 | 222,127 |
| Accumulated depreciation as at January 1, 2023 | (18,600) | (94,429) | (13,532) | (126,561) |
| Depreciation for the period | (1,613) | (9,970) | (620) | (12,203) |
| Asset disposal | 128 | 674 | 162 | 964 |
| Reclassification of accounts | - | - | - | - |
| Impairment | - | - | - | - |
| Total depreciation | (20,085) | (103,725) | (13,990) | (137,800) |
| Balance as at December 31, 2023 | 48,273 | 31,736 | 4,318 | 84,327 |
| Balance as at January 1, 2024 | 68,358 | 135,461 | 18,308 | 222,127 |
| Purchase of property, plant | - | 1,098 | 1,007 | 2,105 |
| Asset disposal | (133) | (24) | (37) | (194) |
| Reclassification of accounts | - | 1,890 | (1,843) | 47 |
| Impairment | - | - | - | - |
| Gross total | 68,225 | 138,425 | 17,435 | 224,085 |
| Accumulated depreciation as at January 1, 2024 | (20,085) | (103,725) | (13,990) | (137,800) |
| Depreciation for the period | (805) | (5,093) | (304) | (6,202) |
| Asset disposal | - | 23 | 13 | 36 |
| Reclassification of accounts | - | - | - | - |
| Impairment | - | - | - | - |
| Total depreciation | (20,890) | (108,795) | (14,281) | (143,966) |
| Balance as at June 30, 2024 | 47,335 | 29,630 | 3,154 | 80,119 |

Debits for depreciation of Property and equipment are included in the caption "Depreciation and amortization" of the Interim Consolidated Statements of Income.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

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

a) The detail of right-of-use assets under lease contracts is as follows:

| Assets for the right-to-use lease assets | Gross balance | | Accumulated depreciation | | Net balance | |
|--|----------------|----------------|--------------------------|-----------------|----------------|----------------|
| | 6/30/2024 | 12/31/2023 | 6/30/2024 | 12/31/2023 | 6/30/2024 | 12/31/2023 |
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Building and land | 184,879 | 189,843 | (53,528) | (48,726) | 131,351 | 141,117 |
| Leased property improvements | 41,058 | 41,055 | (23,733) | (22,603) | 17,325 | 18,452 |
| Total | 225,937 | 230,898 | (77,261) | (71,329) | 148,676 | 159,569 |

b) Movements in right-of-use assets under lease contracts are detailed as follows:

| | Buildings and land | Leased property improvements | Total |
|--|--------------------|------------------------------|-----------------|
| | MCh\$ | MCh\$ | MCh\$ |
| Gross balance: | | | |
| Balance as at January 1, 2023 | 194,760 | 41,961 | 236,721 |
| Adjustment due to liability remeasurement | 6,943 | - | 6,943 |
| Additions | 1,186 | 4 | 1,190 |
| Increase due to contract modification | 1,674 | - | 1,674 |
| Decrease due to contract modification | (2,500) | - | (2,500) |
| Contract modification - subsidiaries | - | 668 | 668 |
| Reclassifications (1) | (767) | - | (767) |
| Withdrawals / Derecognition | (11,453) | (1,578) | (13,031) |
| Gross Total | 189,843 | 41,055 | 230,898 |
| Accumulated depreciation as at January 1, 2023 | (41,616) | (21,023) | (62,639) |
| Impairment | - | - | - |
| Depreciation for the period | (12,342) | (2,418) | (14,760) |
| Decrease due to contract modification | 714 | - | 714 |
| Withdrawals / derecognition | 4,518 | 838 | 5,356 |
| Total depreciation | (48,726) | (22,603) | (71,329) |
| Balance as at December 31, 2023 | 141,117 | 18,452 | 159,569 |
| Balance as at January 1, 2024 | 189,843 | 41,055 | 230,898 |
| Adjustment due to liability remeasurement | 3,493 | - | 3,493 |
| Additions | 369 | - | 369 |
| Increase due to contract modification | 110 | - | 110 |
| Decrease due to contract modification | (8,936) | - | (8,936) |
| Reclassifications (1) | - | 3 | 3 |
| Withdrawals / Derecognition | - | - | - |
| Gross Total | 184,879 | 41,058 | 225,937 |
| Accumulated depreciation as at January 1, 2024 | (48,726) | (22,603) | (71,329) |
| Impairment | - | - | - |
| Depreciation for the period | (5,809) | (1,130) | (6,939) |
| Decrease due to contract modification | 1,007 | - | 1,007 |
| Withdrawals / derecognition | - | - | - |
| Total depreciation | (53,528) | (23,733) | (77,261) |
| Balance as at June 30, 2024 | 131,351 | 17,325 | 148,676 |

(1) Mainly relates to amounts for which in the beginning there is no individual identification. Upon completion of the purchase or construction (for the remodeling of leased offices) these are transferred to the final asset.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Debits for depreciation of 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 performance of its operating functions. Contracts contain renewal options and for those for which there is reasonable certainty that this option will be exercised, the lease term used to measure the liability and the asset corresponds to an estimate of future renewals.

As at June 30, 2024 and 2023, the Bank has no expenses related to leases of low value. Expenses related to short-term leases amount to MCh\$2,766 as at June 30, 2024 (MCh\$2,412 as at June 30, 2023) and are included in "Administrative expenses" of the Interim Consolidated Statements of Income.

Income received from the sub-lease on right-of-use assets amount to MCh\$95 as at June 30, 2024 (MCh\$316 as at June 30, 2023), which are recorded in the caption "Other Operating Income" in the Interim Consolidated Statements of Income.

As at June 30, 2024 and 2023, no gains or losses were generated from sale-with leaseback transactions.

c) Liabilities under lease contracts

Movements of liabilities under lease contracts and cash flows are detailed as follows:

| Lease liability | Movements for the periods ended as at | |
|--|---------------------------------------|----------------|
| | 6/30/2024 | 12/31/2023 |
| | MCh\$ | MCh\$ |
| Balances as at January 1 | 149,308 | 160,376 |
| Lease liabilities generated | 369 | 1,186 |
| Modification of contract | (7,819) | (112) |
| Modification of contract- subsidiaries | - | (767) |
| Interest expense | 2,175 | 4,396 |
| Capital payments (*) | (5,210) | (11,026) |
| Interest payments (*) | (2,175) | (4,396) |
| Contract adjustments | 3,493 | 6,943 |
| Payments due to cancellation /termination of leases | 8 | (7,292) |
| Total | 140,149 | 149,308 |
| (*) Total Payments associated with lease liabilities in the period | (7,385) | (15,422) |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

d) Cash flows from liabilities under lease contracts

The Bank holds lease contracts on certain assets for its operating functions. The table below shows the analysis of the cash flows of contractual maturities:

| Lease contracts 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 June 30, 2024 | 1,234 | 2,482 | 10,991 | 57,706 | 67,935 | 140,348 |
| As at June 30, 2023 | 1,312 | 2,623 | 11,746 | 61,512 | 121,047 | 198,240 |

Note 18 Taxes
a) Current taxes

| | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|--|--------------------|---------------------|
| Assets: | | |
| Income tax, 27% tax rate | (4,795) | (12,784) |
| One-off tax under Article 21, 40% tax rate | - | - |
| Less: | | |
| Monthly tax provisional payments | 5,890 | 14,912 |
| Credit for training expenses | - | 285 |
| Credit 104 Income Tax Law | - | - |
| Previous year recoverable tax | - | - |
| Other | - | - |
| Total current tax asset | 1,095 | 2,413 |
| Liabilities: | | |
| Income tax, 27% tax rate | (60,101) | (132,062) |
| One-off tax under Article 21, 40% tax rate | (14) | (33) |
| Previous year income tax | - | - |
| Less: | | |
| Monthly tax provisional payments | 29,332 | 49,742 |
| Credit for training expenses | - | 546 |
| Previous year recoverable tax | 15,852 | 18,713 |
| Credit 104 Income Tax Law | 4 | 9 |
| Other | (73) | (137) |
| Total current tax liability | (15,000) | (63,222) |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

b) Tax benefit (expense)

The effect of tax expense is composed of the following:

| | 6/30/2024 MCh\$ | 6/30/2023 MCh\$ |
|--|------------------------|------------------------|
| Income tax expenses: | | |
| Current year tax | (67,829) | (76,759) |
| Excess (deficit) allowance previous year | (2,324) | (2,170) |
| Previous years tax | - | - |
| Credit (charge) due to deferred taxes: | | |
| Origination and reversal of temporary differences current year | 12,463 | 37,190 |
| Origination and reversal of temporary differences prior year | 718 | (433) |
| Subtotal | <u>(56,972)</u> | <u>(42,172)</u> |
| Tax for rejected expenses Article N°21 | (14) | (22) |
| Other | - | - |
| Net charge to Income due to income tax | <u>(56,986)</u> | <u>(42,194)</u> |

The Bank presents no taxes from discontinued operations for the periods ended June 30, 2024 and 2023.

c) Effect of taxes recorded in equity

The effect of taxes recorded in equity correspond to the following concepts:

| | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|--|-----------------------|------------------------|
| Deferred taxes: | | |
| Financial investments at fair value with changes in other comprehensive income | (1,944) | (11,981) |
| Employee defined benefit plans | 14 | 17 |
| Subtotal deferred taxes | <u>(1,930)</u> | <u>(11,964)</u> |
| Current taxes: | | |
| Derivatives in cash flow hedges | 2,951 | (26,030) |
| Subtotal current taxes | <u>2,951</u> | <u>(26,030)</u> |
| Total (charge) credit in equity | <u>1,021</u> | <u>(37,994)</u> |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

d) Deferred tax assets and liabilities

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

| Concept | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|---|--------------------|---------------------|
| Deferred tax assets associated to goodwill | - | - |
| Deferred tax assets associated with mortgage servicing rights | - | - |
| Deferred tax assets associated with other intangibles | 4,888 | 6,555 |
| Deferred tax assets associated with defined benefit pension plans | 505 | 495 |
| Deferred tax assets associated with deductible temporary differences | | |
| Loans provisions | 229,950 | 221,485 |
| Financial penalties of loans that are tax assets | - | - |
| Income from interest and adjustments with accrual suspended for loans in impaired portfolio | 20,186 | 16,764 |
| Provisions for employee benefit obligations | 11,982 | 9,771 |
| Leasing operations | 16,393 | 13,098 |
| Tax-financial differences of property and equipment | 11,853 | 11,597 |
| MTM Financial instruments for trading and other investments | 23,049 | 23,611 |
| Sundry provisions | 5,223 | 5,062 |
| Other | 14,789 | 16,518 |
| Deferred tax assets not associated with deductible temporary differences | | |
| Unused Bank Tax Losses | - | - |
| Unused tax losses of subsidiaries | 3,368 | 3,854 |
| Unused tax credits | - | - |
| Deferred taxes with changes in equity | 29,896 | 31,848 |
| Other | - | - |
| Total deferred tax assets | 372,082 | 360,658 |
| Deferred tax liabilities associated to goodwill | - | - |
| Deferred tax liabilities associated with mortgage servicing rights | - | - |
| Deferred tax liabilities associated with other intangibles | - | - |
| Deferred tax liabilities associated with defined benefit pension plans | - | - |
| Deferred tax liabilities associated with taxable temporary differences | | |
| Tax- financial differences of property, equipment | (842) | (795) |
| Leasing operations | - | - |
| Changes in the fair value of financial assets at fair value through other comprehensive income | - | - |
| Other changes in accumulated other comprehensive income | - | - |
| Other | - | - |
| 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 | (842) | (795) |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

e) Reconciliation of effective tax rate

The reconciliation between income tax rate and effective rate applied for determining tax expense is detailed in the table below.

| | Tax rate % | 6/30/2024 MCh\$ |
|--|---------------|--------------------|
| Income before corporate income tax | 27.00% | 80,484 |
| Permanent differences | | |
| Price-level restatement on tax equity | (8.55%) | (25,474) |
| Other permanent differences | 0.50% | 1,499 |
| Taxes not recognized on profit or loss in previous years | | |
| Prior year effect | 0.55% | 1,636 |
| Other | (0.39%) | (1,173) |
| Effective rate and current year income tax proceeds | 19.11% | 56,972 |
| One-off tax under Article No. 21 | 0.00% | 14 |
| Total income tax expense | 19.11% | 56,986 |

| | Tax rate % | 6/30/2023 MCh\$ |
|--|---------------|--------------------|
| Income before corporate income tax | 27.00% | 65,789 |
| Permanent differences | | |
| Price-level restatement on tax equity | (12.85%) | (31,308) |
| Other permanent differences | 0.36% | 887 |
| Taxes not recognized on profit or loss in previous years | 0.00% | - |
| Prior year effect | 1.07% | 2,604 |
| Other | 1.72% | 4,200 |
| Effective rate and current year income tax proceeds | 17.30% | 42,172 |
| One-off tax under Article No. 21 | 0.01% | 22 |
| Total income tax expense | 17.31% | 42,194 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

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

Transactions and effects generated by the application of article 31, number 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 Interim Consolidated Financial Statements.

Loans and accounts receivable from customers as at 6/30/2024

| Type of loan | Assets at carrying amount in the Financial Statements(*) | | Assets at tax value | |
|------------------|--|-------------------|---------------------------|-----------------------------|
| | MCh\$ | Total | Secured overdue portfolio | Unsecured overdue portfolio |
| | | | MCh\$ | MCh\$ |
| Commercial loans | 14,973,761 | 15,260,735 | 72,120 | 50,837 |
| Consumer loans | 2,169,952 | 2,448,800 | - | 16,673 |
| Mortgage loans | 13,825,592 | 14,108,501 | 5,827 | 24 |
| Total | 30,969,305 | 31,818,036 | 77,947 | 67,534 |

Provisions on overdue portfolio as at 6/30/2024

| Type of loan | Balance as at December 31, 2023 | Write-offs against allowances | Allowances constituted | Released allowances | Balance as at June 30, 2024 |
|------------------|---------------------------------|-------------------------------|------------------------|---------------------|-----------------------------|
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Commercial loans | 56,707 | (9,295) | 39,980 | (12,837) | 50,837 |
| Consumer loans | 18,505 | (21,010) | 32,584 | (8,607) | 16,673 |
| Mortgage loans | 21 | (36) | 5 | - | 24 |
| Total | 75,233 | (30,341) | 72,569 | (21,444) | 67,534 |

Direct write-offs and recoveries as at 6/30/2024

| | MCh\$ |
|--|--------|
| Direct write-offs as per Art. 31 No. 4 second sub-paragraph | 63,452 |
| Debt forgiveness which resulted in the release of allowances | - |
| Recoveries or renegotiation of loans written-off | 22,866 |

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 12/31/2023

| Type of loan | Assets at carrying amount in the Financial Statements(*) | | Assets at tax value | |
|------------------|--|-------------------|---------------------------|-----------------------------|
| | MCh\$ | Total | Secured overdue portfolio | Unsecured overdue portfolio |
| | | | MCh\$ | MCh\$ |
| Commercial loans | 14,383,938 | 14,599,470 | 81,659 | 56,707 |
| Consumer loans | 2,296,878 | 2,443,503 | - | 18,505 |
| Mortgage loans | 13,856,640 | 14,211,891 | 6,823 | 21 |
| Total | 30,537,456 | 31,254,864 | 88,482 | 75,233 |

Provisions on overdue portfolio as at 12/31/2023

| Type of loan | Balance as at December 31, 2022 | Write-offs against allowances | Allowances constituted | Released allowances | Balance as at December 31, 2023 |
|------------------|---------------------------------|-------------------------------|------------------------|---------------------|---------------------------------|
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Commercial loans | 32,988 | (25,504) | 83,829 | (34,606) | 56,707 |
| Consumer loans | 13,708 | (44,905) | 68,646 | (18,944) | 18,505 |
| Mortgage loans | 55 | (46) | 17 | (5) | 21 |
| Total | 46,751 | (70,455) | 152,492 | (53,555) | 75,233 |

Direct write-offs and recoveries as at 12/31/2023

| | MCh\$ |
|--|---------|
| Direct write-offs as per Art. 31 No. 4 second sub-paragraph | 141,203 |
| Debt forgiveness which resulted in the release of allowances | - |
| Recoveries or renegotiation of loans written-off | 49,851 |

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 issued by the Chilean Internal Revenue Service, the value of assets in financial statements is presented on an individual basis and does not include lease operations and factoring transactions.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Note 19 Other assets

Other assets are detailed as follows:

| | 6/30/2024 | 12/31/2023 |
|--|----------------|----------------|
| | MCh\$ | MCh\$ |
| Assets to assign in financial leasing as lessor | 4,003 | 2,091 |
| Cash guarantees delivered for derivative financial operations | 623,908 | 532,582 |
| Accounts receivable from third parties | 173,215 | 126,575 |
| VAT tax credit receivable | 5,627 | 9,393 |
| Prepaid expenses | 11,307 | 5,688 |
| Income asset from usual activities from contracts with customers | 3,160 | 482 |
| Other cash collateral provided | 4,664 | 5,990 |
| Outstanding operations | 5,003 | 7,509 |
| Other assets | 28,993 | 18,221 |
| Total other assets | 859,880 | 708,531 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Note 20 Non-current assets and disposal groups held for sale and liabilities included in disposal groups held for sale
a) This line item is detailed as follows:

| Concept | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|---|--------------------|---------------------|
| Assets received in payment or adjudicated in judicial auction | | |
| Goods received in payment (*) | 601 | 264 |
| Assets adjudicated in judicial auction | 16,819 | 16,222 |
| Provisions for goods received in payment or adjudicated in judicial auction | (43) | (19) |
| Subtotal | 17,377 | 16,467 |
| Non-current assets held for sale | | |
| Investments in companies | - | - |
| Intangible assets | - | - |
| Property and equipment | 1,832 | 2,029 |
| Assets for recovery of goods transferred in financial leasing operations | 1,541 | 1,238 |
| Other assets | - | - |
| Subtotal | 3,373 | 3,267 |
| Disposal groups for sale | - | - |
| Total non-current assets and disposal groups for sale | 20,750 | 19,734 |

| Concept | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|---|--------------------|---------------------|
| Liabilities included in disposal groups for sale | - | - |
| Total Liabilities included in disposal groups for sale | - | - |

(*) Assets received in lieu of payment correspond to assets received for the payment of customers' past due debt obligations. The group of assets acquired as such must not exceed 20% of the Bank's effective equity at any time. These assets currently represent 0.0139% (0.0057% as at December 31, 2023) of the Bank's effective equity.

As at June 30, 2024 and December 31, 2023, the Bank has no liabilities included in disposal groups held for sale.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

b) Movements in non-current assets and disposal groups held for sale and liabilities included in disposal groups held for sale:

| | Assets received in payment or adjudicated in judicial auction MCh\$ | Non-current assets held for sale MCh\$ | Total MCh\$ |
|---|---|---|-----------------|
| Assets | | | |
| Balance as at January 1, 2023 | 12,653 | 2,540 | 15,193 |
| Reposessed assets | 21,741 | 3,379 | 25,120 |
| Write-offs on goods | (2,622) | (431) | (3,053) |
| Alienation | (717) | (1,242) | (1,959) |
| Regularizations | 81 | 23 | 104 |
| (Constitution)/release | - | (829) | (829) |
| Sales / disposals | (14,650) | - | (14,650) |
| Balance as at December 31, 2023 | 16,486 | 3,440 | 19,926 |
| Provisions | | | |
| Balance as at January 1, 2023 | (18) | (94) | (112) |
| Provisions constituted | (893) | (215) | (1,108) |
| Release on provisions | 912 | 136 | 1,048 |
| Balance as at December 31, 2023 | (19) | (173) | (192) |
| Net balances as at December 31, 2023 | 16,467 | 3,267 | 19,734 |
| Asset | | | |
| Balance as at January 1, 2024 | 16,486 | 3,440 | 19,753 |
| Reposessed assets | 13,890 | 2,459 | 16,349 |
| Write-offs on goods | (2,216) | (51) | (2,267) |
| Alienation | (100) | (1,256) | (1,356) |
| Regularizations | 20 | (1,164) | (1,144) |
| Sales / disposals | (10,660) | - | (10,660) |
| Balance as at June 30, 2024 | 17,420 | 3,428 | 20,675 |
| Provisions | | | |
| Balance as at January 1, 2024 | (19) | (173) | (19) |
| Provisions constituted | (1,260) | (95) | (1,355) |
| Release on provisions | 1,236 | 213 | 1,449 |
| Balance as at June 30, 2024 | (43) | (55) | 75 |
| Net balances as at June 30, 2023 | 17,377 | 3,373 | 20,750 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

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

The detail of this line item is as follows:

| | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|-----------------------------|--------------------|---------------------|
| Derivative instruments | | |
| Forwards | 817,925 | 837,758 |
| Swaps | 4,344,461 | 3,768,639 |
| Call options | 246 | 310 |
| Put options | 86 | 43 |
| Other financial instruments | - | - |
| Total | 5,162,718 | 4,606,750 |

Financial derivative contracts are detailed as follows:

| Product | Notional amounts of contracts with final maturity (1) | | | | | | | Fair value MCh\$ |
|-------------------------|---|-------------------|----------------------------|---------------------------------|---------------------------|---------------------------|-------------------|---------------------|
| | On-demand | Up to 1 month | More than 1 up to 3 months | More than 3 months up to 1 year | More than 1 up to 3 years | More than 3 up to 5 years | More than 5 years | |
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | |
| Forward | | | | | | | | |
| Future arbitration | 42,649 | 363,653 | 393,046 | 829,466 | 184,916 | 14,291 | - | 34,804 |
| Paper Forward | - | 3,583 | - | - | - | - | - | - |
| Exchange insurance | 496,020 | 10,391,449 | 7,909,177 | 6,331,912 | 2,057,786 | 553,622 | 749,767 | 401,456 |
| Inflation insurance | 55,458 | 525,032 | 1,358,376 | 4,357,772 | 3,680,399 | 1,693,805 | 3,774,301 | 381,665 |
| Subtotal forward | 594,127 | 11,283,717 | 9,660,599 | 11,519,150 | 5,923,101 | 2,261,718 | 4,524,068 | 817,925 |
| Options | | | | | | | | |
| Call option | - | - | 2,498 | - | - | - | - | 246 |
| Put option | - | - | 970 | 2,847 | - | - | - | 86 |
| Subtotal options | - | - | 3,468 | 2,847 | - | - | - | 332 |
| Swap | | | | | | | | |
| Cross currency swap | 18,597 | 431,013 | 1,365,561 | 8,885,767 | 13,240,289 | 9,458,985 | 13,857,246 | 2,977,983 |
| Rate Swap | 330,927 | 8,384,754 | 17,682,378 | 38,645,957 | 27,013,568 | 14,071,012 | 20,291,799 | 1,366,478 |
| Subtotal swap | 349,524 | 8,815,767 | 19,047,939 | 47,531,724 | 40,253,857 | 23,529,997 | 34,149,045 | 4,344,461 |
| Total | 943,651 | 20,099,484 | 28,712,006 | 59,053,721 | 46,176,958 | 25,791,715 | 38,673,113 | 5,162,718 |

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

| Product | Notional amounts of contracts with final maturity (1) | | | | | | | Fair value MCh\$ |
|-------------------------|---|-------------------|----------------------------|---------------------------------|---------------------------|---------------------------|-------------------|---------------------|
| | On-demand | Up to 1 month | More than 1 up to 3 months | More than 3 months up to 1 year | More than 1 up to 3 years | More than 3 up to 5 years | More than 5 years | |
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | |
| Forward | | | | | | | | |
| Future arbitration | - | 469,274 | 684,558 | 498,664 | 229,805 | 17,530 | - | 26,685 |
| Paper Forward | - | - | - | - | - | - | - | - |
| Exchange insurance | - | 12,664,619 | 7,165,032 | 6,463,092 | 1,719,169 | 508,657 | 832,142 | 474,309 |
| Inflation insurance | - | 1,215,589 | 1,660,201 | 3,254,867 | 3,298,199 | 1,440,015 | 3,972,265 | 336,764 |
| Subtotal forward | - | 14,349,482 | 9,509,791 | 10,216,623 | 5,247,173 | 1,966,202 | 4,804,407 | 837,758 |
| Options | | | | | | | | |
| Call option | - | 1,122 | 8,800 | 9,922 | - | - | - | 310 |
| Put option | - | 1,098 | - | - | - | - | - | 43 |
| Subtotal options | - | 2,220 | 8,800 | 9,922 | - | - | - | 353 |
| Swap | | | | | | | | |
| Cross currency swap | - | 1,120,657 | 2,098,402 | 6,479,584 | 14,643,182 | 8,215,231 | 13,510,074 | 2,490,939 |
| Rate Swap | - | 4,782,210 | 10,090,550 | 32,661,452 | 21,343,124 | 11,915,337 | 17,034,500 | 1,277,700 |
| Subtotal swap | - | 5,902,867 | 12,188,952 | 39,141,036 | 35,986,306 | 20,130,568 | 30,544,574 | 3,768,639 |
| Total | - | 20,254,569 | 21,707,543 | 49,367,581 | 41,233,479 | 22,096,770 | 35,348,981 | 4,606,750 |

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

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Note 22 Financial liabilities at amortized cost

The detail of this line item is as follows:

| | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|--|--------------------|---------------------|
| Deposits and other on-demand liabilities | 5,057,184 | 4,850,696 |
| Term and on-demand deposits | 13,594,083 | 13,181,368 |
| Liabilities under repurchase agreements and securities lending | 309,071 | 163,647 |
| Bank borrowings | 3,450,858 | 5,368,647 |
| Debt financial instruments issued | 8,326,189 | 8,186,492 |
| Other financial liabilities | 148,414 | 156,392 |
| Total | 30,885,799 | 31,907,242 |

a) Deposits and other on demand liabilities

| | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|---|--------------------|---------------------|
| Checking accounts | 4,043,687 | 3,872,151 |
| Demand deposit accounts | 293,663 | 299,920 |
| Other on-demand deposits | 142,331 | 149,927 |
| Other on-demand obligations | | |
| Obligations for other credits granted to be completed to other banks and/or the beneficiary of the loan | 2,448 | 5,319 |
| Guarantee bills payable at sight | 51,963 | 48,181 |
| Collections performed to be completed | 92,585 | 87,836 |
| Pending payment orders | 27,936 | 13,174 |
| Payments received on account of loans to be settled | 4,501 | 2,775 |
| Immobilized balances article 156 General Banking Law | 14,040 | 19,648 |
| Overdue time deposits | 6,433 | 8,284 |
| Various mortgage creditors | 106,908 | 95,760 |
| Granting of loans Law No. 20027 | 1,912 | 130 |
| Payments to apply | 65,746 | 68,000 |
| Other sight obligations | 203,031 | 179,591 |
| Total | 5,057,184 | 4,850,696 |

b) Term and other on-demand deposits

| | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|----------------------|--------------------|---------------------|
| Term deposits | 13,494,233 | 13,080,930 |
| Term saving accounts | 99,850 | 100,438 |
| Other | - | - |
| Total | 13,594,083 | 13,181,368 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

c) Obligations under repurchase agreements and securities lending

| | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|--|--------------------|---------------------|
| Operations with banks: | | |
| Repurchase agreements - Banco Central de Chile | - | - |
| Operations with banks abroad | - | - |
| Operations with other domestic entities | | |
| Repurchase agreements | 309,071 | 163,647 |
| Securities lending obligations | - | - |
| Operations with other entities abroad | - | - |
| Total | 309,071 | 163,647 |

| As at June 30, 2024 | On-demand | Up to 1 month | More than 1 up to 3 months | More than 3 months up to 1 year | More than 1 up to 3 years | More than 3 up to 5 years | More than 5 years | Total |
|--|-----------|------------------|----------------------------------|--|---------------------------------|---------------------------------|----------------------|----------------|
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Operations with banks | | | | | | | | |
| Repurchase agreements - Banco Central de Chile | - | - | - | - | - | - | - | - |
| Operations with banks abroad | - | - | - | - | - | - | - | - |
| Operations with other domestic entities | | | | | | | | |
| Repurchase agreements | - | 305,314 | 3,757 | - | - | - | - | 309,071 |
| Securities lending obligations | - | - | - | - | - | - | - | - |
| Operations with other entities abroad | - | - | - | - | - | - | - | - |
| Total | - | 305,314 | 3,757 | - | - | - | - | 309,071 |

| As at December 31, 2023 | On-demand | Up to 1 month | More than 1 up to 3 months | More than 3 months up to 1 year | More than 1 up to 3 years | More than 3 up to 5 years | More than 5 years | Total |
|--|---------------|------------------|----------------------------------|--|---------------------------------|---------------------------------|----------------------|----------------|
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Operations with banks | | | | | | | | |
| Repurchase agreements - Banco Central de Chile | - | - | - | - | - | - | - | - |
| Operations with banks abroad | - | - | - | - | - | - | - | - |
| Operations with other domestic entities | | | | | | | | |
| Repurchase agreements | 52,515 | 107,601 | 3,531 | - | - | - | - | 163,647 |
| Securities lending obligations | - | - | - | - | - | - | - | - |
| Operations with other entities abroad | - | - | - | - | - | - | - | - |
| Total | 52,515 | 107,601 | 3,531 | - | - | - | - | 163,647 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

d) Bank borrowings

| | 6/30/2024 | 12/31/2023 |
|----------------------------------|-------------------------|-------------------------|
| | MCh\$ | MCh\$ |
| Local Banks | | |
| Foreign trade financing | - | - |
| Borrowings and other obligations | - | - |
| Banks abroad | | |
| Foreign trade financing | 1,495,365 | 1,386,023 |
| Borrowings and other obligations | 1,118,493 | 952,598 |
| Banco Central de Chile | | |
| Borrowings and other obligations | 837,000 | 3,030,026 |
| Total | <u>3,450,858</u> | <u>5,368,647</u> |

The detail of bank borrowings is as follows:

| | 6/30/2024 | 12/31/2023 |
|-----------------------------------|-------------------------|-------------------------|
| | MCh\$ | MCh\$ |
| Domestic Banks | - | - |
| Banks abroad | | |
| Scotiabank Caribbean Treasury Ltd | 869,072 | 793,564 |
| Export Development Canada | 811,913 | 666,457 |
| Bank of America, N.A. | 395,940 | 201,667 |
| Caixa D'Estalvis | 195,468 | 145,571 |
| HongKong and Shanghai Banking | 84,417 | 143,667 |
| Sumimoto Mitsui Banking | 65,491 | 60,262 |
| JP Morgan Chase Bank | 58,077 | - |
| Lloyds TSB Bank PLC | 47,620 | 44,170 |
| Zuercher Kantonalbank | 47,592 | 79,535 |
| Wells Fargo Bank | 38,268 | 44,104 |
| Corporación Andina de Fomento | - | 62,531 |
| Citibank N.A. | - | 61,626 |
| Standard Chartered Bank | - | 8,115 |
| Other | - | 27,352 |
| Banco Central de Chile | <u>837,000</u> | <u>3,030,026</u> |
| Total | <u>3,450,858</u> | <u>5,368,647</u> |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

e) Debt securities issued

| | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|----------------------|--------------------|---------------------|
| Letter of credit (1) | 82,308 | 88,293 |
| Current bonds (2) | 8,243,881 | 8,098,199 |
| Total | 8,326,189 | 8,186,492 |

- (1) During the period between January 1 and June 30, 2024 and January 1 and December 31, 2023, no new letters of credit have been issued.
- (2) During the period between January 1 and June 30, 2024, and January 1 and December 31, 2023, the following domestic and international current bonds have been issued.

Period between January 1 and June 30, 2024:

| Series | Amount | Placement date | Annual issuance | Issuance term (years) | Issuance annual rate | Currency | Issue date | Maturity date |
|--------|----------------|----------------|-----------------|-----------------------|----------------------|----------|------------|---------------|
| BI | 165,000 | 01-09-2024 | 4,000,000 | 9 | 3.00 | CLF | 03-09-2021 | 03-09-2030 |
| BI | 200,000 | 01-10-2024 | 4,000,000 | 9 | 3.00 | CLF | 03-09-2021 | 03-09-2030 |
| BI | 280,000 | 01-11-2024 | 4,000,000 | 9 | 3.00 | CLF | 03-09-2021 | 03-09-2030 |
| BH | 474,000 | 01-17-2024 | 4,000,000 | 8 | 3.00 | CLF | 03-09-2021 | 03-09-2029 |
| BH | 515,000 | 01-26-2024 | 4,000,000 | 8 | 3.00 | CLF | 03-09-2021 | 03-09-2029 |
| BH | 350,000 | 01-29-2024 | 4,000,000 | 8 | 3.00 | CLF | 03-09-2021 | 03-09-2029 |
| BH | 75,000 | 02-06-2024 | 4,000,000 | 8 | 3.00 | CLF | 03-09-2021 | 03-09-2029 |
| BI | 100,000 | 02-14-2024 | 4,000,000 | 9 | 3.00 | CLF | 03-09-2021 | 03-09-2030 |
| BH | 315,000 | 02-22-2024 | 4,000,000 | 8 | 3.00 | CLF | 03-09-2021 | 03-09-2029 |
| BL | 30,000 | 01-03-2024 | 3,000,000 | 9 | 2.70 | CLF | 08-01-2022 | 08-01-2031 |
| BR | 10,500,000,000 | 03-06-2024 | 100,000,000,000 | 5 | 8.10 | CLP | 08-01-2022 | 08-01-2027 |
| BQ | 550,000 | 03-27-2024 | 3,000,000 | 5 | 2.50 | CLF | 08-01-2022 | 08-01-2027 |
| BR | 5,500,000,000 | 04-24-2024 | 100,000,000,000 | 5 | 8.10 | CLP | 08-01-2022 | 08-01-2027 |
| BQ | 60,000 | 05-08-2024 | 3,000,000 | 5 | 2.50 | CLF | 08-01-2022 | 08-01-2027 |
| BQ | 375,000 | 05-09-2024 | 3,000,000 | 5 | 2.50 | CLF | 08-01-2022 | 08-01-2027 |
| BO | 17,000,000,000 | 05-22-2024 | 100,000,000,000 | 6 | 7.90 | CLP | 08-01-2022 | 08-01-2028 |
| BY | 8,000,000,000 | 01-04-2024 | 100,000,000,000 | 4 | 6.40 | CLP | 04-01-2023 | 04-01-2027 |
| CA | 338,000 | 01-24-2024 | 3,000,000 | 5 | 2.90 | CLF | 04-01-2023 | 04-01-2028 |
| CB | 200,000 | 02-22-2024 | 3,000,000 | 8 | 2.90 | CLF | 04-01-2023 | 04-01-2031 |
| BY | 14,000,000,000 | 02-29-2024 | 100,000,000,000 | 4 | 6.40 | CLP | 04-01-2023 | 04-01-2027 |
| CA | 425,000 | 03-12-2024 | 3,000,000 | 5 | 2.90 | CLF | 04-01-2023 | 04-01-2028 |
| CA | 360,000 | 04-03-2024 | 3,000,000 | 5 | 2.90 | CLF | 04-01-2023 | 04-01-2028 |
| CA | 517,000 | 06-25-2024 | 3,000,000 | 5 | 2.90 | CLF | 04-01-2023 | 04-01-2028 |
| AC | 5,000,000,000 | 01-02-2024 | 100,000,000,000 | 7 | 6.20 | CLP | 06-30-2023 | 06-30-2030 |
| AD | 5,000,000,000 | 01-03-2024 | 100,000,000,000 | 8 | 6.20 | CLP | 06-30-2023 | 06-30-2031 |
| AF | 100,000 | 01-03-2024 | 3,000,000 | 13 | 2.90 | CLF | 06-30-2023 | 06-30-2036 |
| AF | 50,000 | 01-04-2024 | 3,000,000 | 13 | 2.90 | CLF | 06-30-2023 | 06-30-2036 |
| AB | 5,000,000,000 | 01-04-2024 | 100,000,000,000 | 6 | 6.20 | CLP | 06-30-2023 | 06-30-2029 |
| AA | 2,000,000,000 | 01-04-2024 | 100,000,000,000 | 5 | 6.20 | CLP | 06-30-2023 | 06-30-2028 |
| AC | 5,000,000,000 | 01-05-2024 | 100,000,000,000 | 7 | 6.20 | CLP | 06-30-2023 | 06-30-2030 |
| AF | 50,000 | 01-09-2024 | 3,000,000 | 13 | 2.90 | CLF | 06-30-2023 | 06-30-2036 |
| AC | 4,000,000,000 | 01-11-2024 | 100,000,000,000 | 7 | 6.20 | CLP | 06-30-2023 | 06-30-2030 |
| AB | 1,000,000,000 | 01-25-2024 | 100,000,000,000 | 6 | 6.20 | CLP | 06-30-2023 | 06-30-2029 |
| AC | 15,000,000,000 | 01-25-2024 | 100,000,000,000 | 7 | 6.20 | CLP | 06-30-2023 | 06-30-2030 |
| AB | 7,700,000,000 | 02-06-2024 | 100,000,000,000 | 6 | 6.20 | CLP | 06-30-2023 | 06-30-2029 |
| AE | 500,000 | 02-22-2024 | 3,000,000 | 11 | 2.90 | CLF | 06-30-2023 | 06-30-2034 |
| AA | 10,000,000,000 | 02-23-2024 | 100,000,000,000 | 5 | 6.20 | CLP | 06-30-2023 | 06-30-2028 |
| AD | 5,000,000,000 | 03-13-2024 | 100,000,000,000 | 8 | 6.20 | CLP | 06-30-2023 | 06-30-2031 |
| AA | 22,000,000,000 | 05-22-2024 | 100,000,000,000 | 5 | 6.20 | CLP | 06-30-2023 | 06-30-2028 |
| AA | 10,000,000,000 | 05-23-2024 | 100,000,000,000 | 5 | 6.20 | CLP | 06-30-2023 | 06-30-2028 |
| AB | 15,000,000,000 | 06-10-2024 | 100,000,000,000 | 6 | 6.20 | CLP | 06-30-2023 | 06-30-2029 |
| AB | 11,000,000,000 | 06-12-2024 | 100,000,000,000 | 6 | 6.20 | CLP | 06-30-2023 | 06-30-2029 |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

Fiscal year between January 1 and December 31, 2023:

| Series | Amount | Placement date | Annual issuance | Issuance term (years) | Issuance annual rate | Currency | Issue date | Maturity date |
|--------|-----------------|----------------|-----------------|-----------------------|----------------------|----------|------------|---------------|
| BB | 150,000 | 02-15-2023 | 5,000,000 | 10 | 0.40 | UF | 09-09-2020 | 09-09-2030 |
| BF | 5,000,000,000 | 01-10-2023 | 100,000,000,000 | 4 | 2.50 | \$ | 12-01-2020 | 12-01-2024 |
| BF | 33,000,000,000 | 07-12-2023 | 100,000,000,000 | 4 | 2.50 | \$ | 12-01-2020 | 12-01-2024 |
| BA | 300,000 | 01-13-2023 | 5,000,000 | 9 | 0.40 | UF | 12-09-2020 | 12-09-2029 |
| BA | 500,000 | 02-24-2023 | 5,000,000 | 9 | 0.40 | UF | 12-09-2020 | 12-09-2029 |
| BA | 500,000 | 02-28-2023 | 5,000,000 | 9 | 0.40 | UF | 12-09-2020 | 12-09-2029 |
| BA | 1,000,000 | 06-12-2023 | 5,000,000 | 9 | 0.40 | UF | 12-09-2020 | 12-09-2029 |
| BA | 60,000 | 06-14-2023 | 5,000,000 | 9 | 0.40 | UF | 12-09-2020 | 12-09-2029 |
| BA | 240,000 | 07-12-2023 | 5,000,000 | 9 | 0.40 | UF | 12-09-2020 | 12-09-2029 |
| BG | 700,000 | 01-16-2023 | 4,000,000 | 7 | 3.00 | UF | 03-09-2021 | 03-09-2028 |
| BI | 200,000 | 01-16-2023 | 4,000,000 | 9 | 3.00 | UF | 03-09-2021 | 03-09-2030 |
| BG | 330,000 | 02-15-2023 | 4,000,000 | 7 | 3.00 | UF | 03-09-2021 | 03-09-2028 |
| BH | 900,000 | 03-07-2023 | 4,000,000 | 8 | 3.00 | UF | 03-09-2021 | 03-09-2029 |
| BI | 100,000 | 03-13-2023 | 4,000,000 | 9 | 3.00 | UF | 03-09-2021 | 03-09-2030 |
| BH | 750,000 | 05-30-2023 | 4,000,000 | 8 | 3.00 | UF | 03-09-2021 | 03-09-2029 |
| BH | 35,000 | 09-04-2023 | 4,000,000 | 8 | 3.00 | UF | 03-09-2021 | 03-09-2029 |
| BL | 520,000 | 02-08-2023 | 3,000,000 | 9 | 2.70 | UF | 08-01-2022 | 08-01-2031 |
| BQ | 300,000 | 02-15-2023 | 3,000,000 | 5 | 2.50 | UF | 08-01-2022 | 08-01-2027 |
| BQ | 390,000 | 04-18-2023 | 3,000,000 | 5 | 2.50 | UF | 08-01-2022 | 08-01-2027 |
| BQ | 350,000 | 04-21-2023 | 3,000,000 | 5 | 2.50 | UF | 08-01-2022 | 08-01-2027 |
| BQ | 325,000 | 05-05-2023 | 3,000,000 | 5 | 2.50 | UF | 08-01-2022 | 08-01-2027 |
| BQ | 250,000 | 05-08-2023 | 3,000,000 | 5 | 2.50 | UF | 08-01-2022 | 08-01-2027 |
| BR | 10,000,000,000 | 05-11-2023 | 100,000,000,000 | 5 | 8.10 | \$ | 08-01-2022 | 08-01-2027 |
| BR | 14,000,000,000 | 05-16-2023 | 100,000,000,000 | 5 | 8.10 | \$ | 08-01-2022 | 08-01-2027 |
| BQ | 200,000 | 06-09-2023 | 3,000,000 | 5 | 2.50 | UF | 08-01-2022 | 08-01-2027 |
| BL | 30,000 | 06-14-2023 | 3,000,000 | 9 | 2.70 | UF | 08-01-2022 | 08-01-2031 |
| BL | 250,000 | 06-15-2023 | 3,000,000 | 9 | 2.70 | UF | 08-01-2022 | 08-01-2031 |
| BM | 925,000 | 06-29-2023 | 3,000,000 | 8 | 2.70 | UF | 08-01-2022 | 08-01-2030 |
| BM | 520,000 | 07-04-2023 | 3,000,000 | 8 | 2.70 | UF | 08-01-2022 | 08-01-2030 |
| BL | 50,000 | 07-12-2023 | 3,000,000 | 9 | 2.70 | UF | 08-01-2022 | 08-01-2031 |
| BM | 230,000 | 08-07-2023 | 3,000,000 | 8 | 2.70 | UF | 08-01-2022 | 08-01-2030 |
| BL | 220,000 | 08-24-2023 | 3,000,000 | 9 | 2.70 | UF | 08-01-2022 | 08-01-2031 |
| BM | 250,000 | 11-23-2023 | 3,000,000 | 8 | 2.70 | UF | 08-01-2022 | 08-01-2030 |
| BM | 100,000 | 12-12-2023 | 3,000,000 | 8 | 2.70 | UF | 08-01-2022 | 08-01-2030 |
| BT | 2,000,000 | 03-15-2023 | 3,000,000 | 8 | 2.50 | UF | 02-01-2023 | 02-01-2031 |
| BS | 100,000,000,000 | 03-16-2023 | 100,000,000,000 | 7 | 6.10 | \$ | 02-01-2023 | 02-01-2030 |
| BX | 300,000 | 06-06-2023 | 3,000,000 | 13 | 2.50 | UF | 02-01-2023 | 02-01-2036 |
| BW | 3,000,000 | 06-09-2023 | 3,000,000 | 12 | 2.50 | UF | 02-01-2023 | 02-01-2035 |
| BT | 370,000 | 06-14-2023 | 3,000,000 | 8 | 2.50 | UF | 02-01-2023 | 02-01-2031 |
| BX | 150,000 | 06-15-2023 | 3,000,000 | 13 | 2.50 | UF | 02-01-2023 | 02-01-2036 |
| BV | 3,000,000 | 07-13-2023 | 3,000,000 | 11 | 2.50 | UF | 02-01-2023 | 02-01-2034 |
| BT | 500,000 | 07-17-2023 | 3,000,000 | 8 | 2.50 | UF | 02-01-2023 | 02-01-2031 |
| BX | 300,000 | 08-04-2023 | 3,000,000 | 13 | 2.50 | UF | 02-01-2023 | 02-01-2036 |
| BT | 130,000 | 08-23-2023 | 3,000,000 | 8 | 2.50 | UF | 02-01-2023 | 02-01-2031 |
| BX | 300,000 | 08-24-2023 | 3,000,000 | 13 | 2.50 | UF | 02-01-2023 | 02-01-2036 |
| BX | 100,000 | 09-22-2023 | 3,000,000 | 13 | 2.50 | UF | 02-01-2023 | 02-01-2036 |
| BX | 50,000 | 12-28-2023 | 3,000,000 | 13 | 2.50 | UF | 02-01-2023 | 02-01-2036 |
| 11 | 5,000,000,000 | 02-16-2023 | 5,000,000,000 | 4 | 0.90 | JPY | 03-02-2023 | 03-02-2027 |
| BH | 170,000 | 10-13-2023 | 4,000,000 | 6 | 3.00 | UF | 03-09-2023 | 03-09-2029 |
| BZ | 19,000,000,000 | 06-05-2023 | 100,000,000,000 | 6 | 6.40 | \$ | 04-01-2023 | 04-01-2029 |
| BZ | 3,000,000,000 | 06-09-2023 | 100,000,000,000 | 6 | 6.40 | \$ | 04-01-2023 | 04-01-2029 |
| BZ | 19,000,000,000 | 06-13-2023 | 100,000,000,000 | 6 | 6.40 | \$ | 04-01-2023 | 04-01-2029 |
| BZ | 10,000,000,000 | 06-20-2023 | 100,000,000,000 | 6 | 6.40 | \$ | 04-01-2023 | 04-01-2029 |
| BZ | 40,000,000,000 | 06-22-2023 | 100,000,000,000 | 6 | 6.40 | \$ | 04-01-2023 | 04-01-2029 |
| BZ | 7,000,000,000 | 06-23-2023 | 100,000,000,000 | 6 | 6.40 | \$ | 04-01-2023 | 04-01-2029 |
| BY | 9,000,000,000 | 07-03-2023 | 100,000,000,000 | 4 | 6.40 | \$ | 04-01-2023 | 04-01-2027 |
| CB | 320,000 | 07-05-2023 | 3,000,000 | 8 | 2.90 | UF | 04-01-2023 | 04-01-2031 |
| BY | 2,000,000,000 | 07-12-2023 | 100,000,000,000 | 4 | 6.40 | \$ | 04-01-2023 | 04-01-2027 |
| BZ | 2,000,000,000 | 07-12-2023 | 100,000,000,000 | 6 | 6.40 | \$ | 04-01-2023 | 04-01-2029 |
| CB | 100,000 | 08-18-2023 | 3,000,000 | 8 | 2.90 | UF | 04-01-2023 | 04-01-2031 |
| BY | 5,000,000,000 | 08-29-2023 | 100,000,000,000 | 4 | 6.40 | \$ | 04-01-2023 | 04-01-2027 |
| CA | 695,000 | 09-04-2023 | 3,000,000 | 5 | 2.90 | UF | 04-01-2023 | 04-01-2028 |
| CB | 200,000 | 11-15-2023 | 3,000,000 | 8 | 2.90 | UF | 04-01-2023 | 04-01-2031 |
| CB | 135,000 | 11-21-2023 | 3,000,000 | 8 | 2.90 | UF | 04-01-2023 | 04-01-2031 |
| CA | 665,000 | 12-12-2023 | 3,000,000 | 5 | 2.90 | UF | 04-01-2023 | 04-01-2028 |
| BY | 9,000,000,000 | 12-18-2023 | 100,000,000,000 | 4 | 6.40 | \$ | 04-01-2023 | 04-01-2027 |
| BY | 11,000,000,000 | 12-21-2023 | 100,000,000,000 | 4 | 6.40 | \$ | 04-01-2023 | 04-01-2027 |
| BY | 7,000,000,000 | 12-27-2023 | 100,000,000,000 | 4 | 6.40 | \$ | 04-01-2023 | 04-01-2027 |
| 12 | 100,000,000 | 05-02-2023 | 100,000,000 | 2 | 2.78 | CHF | 05-23-2023 | 05-23-2025 |
| 13 | 13,000,000 | 05-12-2023 | 13,000,000 | 2 | 5.09 | USD | 05-23-2023 | 05-23-2025 |
| 14 | 2,000,000,000 | 06-01-2023 | 2,000,000,000 | 1 | 0.70 | JPY | 06-12-2023 | 12-12-2024 |
| AB | 10,500,000,000 | 11-24-2023 | 100,000,000,000 | 6 | 6.20 | \$ | 06-30-2023 | 06-30-2029 |
| AC | 15,000,000,000 | 12-04-2023 | 100,000,000,000 | 7 | 6.20 | \$ | 06-30-2023 | 06-30-2030 |
| AA | 6,000,000,000 | 12-20-2023 | 100,000,000,000 | 5 | 6.20 | \$ | 06-30-2023 | 06-30-2028 |
| AC | 2,000,000,000 | 12-20-2023 | 100,000,000,000 | 7 | 6.20 | \$ | 06-30-2023 | 06-30-2030 |
| AC | 5,000,000,000 | 12-27-2023 | 100,000,000,000 | 7 | 6.20 | \$ | 06-30-2023 | 06-30-2030 |
| AB | 7,000,000,000 | 12-28-2023 | 100,000,000,000 | 6 | 6.20 | \$ | 06-30-2023 | 06-30-2029 |
| 15 | 5,000,000,000 | 06-27-2023 | 5,000,000,000 | 2 | 0.75 | JPY | 07-11-2023 | 07-11-2025 |
| 16 | 20,000,000 | 11-30-2023 | 20,000,000 | 2 | 5.50 | USD | 12-12-2023 | 12-12-2025 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

f) Other financial liabilities

| | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|---|--------------------|---------------------|
| Other financial obligations with the public sector | - | - |
| Other financial obligations in the country | | |
| Due to affiliated establishments for the use of credit cards | 523 | 401 |
| Due to operators for debit and credit card operation services | 112,332 | 123,266 |
| Obligations in favor of Chilean exporters | 2,563 | 12,518 |
| Other financial obligations abroad | | |
| Obligations in favor of foreign exporters | 32,996 | 20,207 |
| Total | 148,414 | 156,392 |

Note 23 Regulatory capital financial instruments issued
a) The detail of this line item is as follows:

| | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|--------------------------------------|--------------------|---------------------|
| Subordinated bonds | 1,212,041 | 1,201,214 |
| Bonds with no fixed term of maturity | - | - |
| Preferred shares | - | - |
| Total | 1,212,041 | 1,201,214 |

b) Movements in regulatory capital financial instruments issued are detailed as follows:

| | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|--|--------------------|---------------------|
| Balance at beginning of period | 1,201,214 | 987,943 |
| New issues performed (subordinated bonds, bonds with no fixed maturity term, preferred shares) | - | 138,504 |
| Acquisition or redemption by the issuer (bonds with no fixed maturity term, preferred shares) | - | - |
| Modification of issuance conditions (subordinated bonds, bonds with no fixed maturity term, preferred shares) | - | - |
| Payments of interest to the holder (subordinated bonds) | (22,299) | (91,356) |
| Principal payment to the holder (subordinated bonds) | (13,141) | (25,078) |
| Accrued interest (subordinated bonds) | 15,635 | 133,131 |
| Adjustments accrued by the UF and/or the exchange rate (subordinated bonds, bonds with no fixed maturity term) | 30,632 | 58,070 |
| Exchange differences (subordinated bonds, bonds with no fixed maturity term) | - | - |
| 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 | 1,212,041 | 1,201,214 |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

c) The detail of subordinated bonds is as follows:

| Period ended as at June 30, 2024 | | | | | | | | |
|----------------------------------|-----------------------------|--------------------------|----------------------|----------|------------|---------------|--|--|
| Series | Amount in issue currency | Issuance term (years) | Annual issuance rate | Currency | Issue date | Maturity date | Balance due in currency of issue | Equivalent balance owed in MCh\$ |
| UDESE20999 | 70,000 | 26 | 6.25 | CLF | 08-16-2000 | 09-01-2025 | 10,683 | 401 |
| UDESE30999 | 200,000 | 28 | 6.50 | CLF | 06-05-2002 | 09-01-2027 | 66,480 | 2,498 |
| UBBV-A1203 | 1,300,000 | 24 | 6.00 | CLF | 04-01-2004 | 12-01-2027 | 327,556 | 12,307 |
| UBBV-A1203 | 1,500,000 | 24 | 6.00 | CLF | 04-01-2004 | 12-01-2027 | 382,465 | 14,370 |
| UBBV-A1203 | 20,000 | 24 | 6.00 | CLF | 04-01-2004 | 12-01-2027 | 5,110 | 192 |
| UBBV-A1203 | 250,000 | 24 | 6.00 | CLF | 04-01-2004 | 12-01-2027 | 63,877 | 2,400 |
| UBBV-A1203 | 50,000 | 24 | 6.00 | CLF | 04-01-2004 | 12-01-2027 | 12,753 | 479 |
| UBBV-A1203 | 180,000 | 24 | 6.00 | CLF | 04-01-2004 | 12-01-2027 | 45,912 | 1,725 |
| UBBV-A1203 | 1,250,000 | 24 | 6.00 | CLF | 04-01-2004 | 12-01-2027 | 318,445 | 11,965 |
| UBBV-A1203 | 150,000 | 24 | 6.00 | CLF | 04-01-2004 | 12-01-2027 | 38,373 | 1,442 |
| UBBV-A1203 | 50,000 | 24 | 6.00 | CLF | 04-01-2004 | 12-01-2027 | 12,798 | 481 |
| UBBV-A1203 | 50,000 | 24 | 6.00 | CLF | 04-01-2004 | 12-01-2027 | 12,793 | 481 |
| UBBV-A1203 | 100,000 | 24 | 6.00 | CLF | 04-01-2004 | 12-01-2027 | 25,573 | 961 |
| UBBV-A1203 | 60,000 | 24 | 6.00 | CLF | 04-01-2004 | 12-01-2027 | 15,349 | 577 |
| UBBV-A1203 | 40,000 | 24 | 6.00 | CLF | 04-01-2004 | 12-01-2027 | 10,236 | 385 |
| UBBV-A1203 | 150,000 | 24 | 6.00 | CLF | 04-01-2004 | 12-01-2027 | 38,293 | 1,439 |
| UBBV-A1203 | 200,000 | 24 | 6.00 | CLF | 04-01-2004 | 12-01-2027 | 51,048 | 1,918 |
| UBBV-A1203 | 150,000 | 24 | 6.00 | CLF | 04-01-2004 | 12-01-2027 | 38,253 | 1,437 |
| UBBV-A1203 | 500,000 | 24 | 6.00 | CLF | 04-01-2004 | 12-01-2027 | 127,422 | 4,787 |
| UDES-F | 500,000 | 25 | 6.00 | CLF | 03-30-2005 | 10-01-2029 | 236,149 | 8,873 |
| UDES-F | 500,000 | 25 | 6.00 | CLF | 03-30-2005 | 10-01-2029 | 235,976 | 8,866 |
| UDES-G | 1,000,000 | 26 | 4.75 | CLF | 10-07-2005 | 10-01-2030 | 538,617 | 20,237 |
| UDES-H1006 | 1,000,000 | 25 | 5.00 | CLF | 10-05-2006 | 10-01-2031 | 705,832 | 26,519 |
| UBBV-G0506 | 2,400,000 | 25 | 5.00 | CLF | 10-19-2006 | 05-01-2031 | 2,535,469 | 95,262 |
| UBBV-G0506 | 1,000,000 | 25 | 5.00 | CLF | 10-19-2006 | 05-01-2031 | 1,059,427 | 39,805 |
| UDES-I0307 | 1,000,000 | 25 | 4.50 | CLF | 03-15-2007 | 03-01-2032 | 1,032,018 | 38,775 |
| UBBVH90607 | 900,000 | 25 | 3.50 | CLF | 10-24-2008 | 06-01-2032 | 788,555 | 29,627 |
| UBBVH90607 | 500,000 | 25 | 3.50 | CLF | 10-24-2008 | 06-01-2032 | 438,659 | 16,481 |
| UBBVH90607 | 1,000,000 | 25 | 3.50 | CLF | 10-24-2008 | 06-01-2032 | 980,566 | 36,842 |
| UBBVH90607 | 5,600,000 | 25 | 3.50 | CLF | 10-24-2008 | 06-01-2032 | 5,494,861 | 206,452 |
| UBNS-AC0615 | 3,000,000 | 20 | 3.10 | CLF | 08-27-2015 | 06-01-2035 | 3,008,882 | 113,049 |
| UBNS-AA0215 | 1,000,000 | 30 | 3.50 | CLF | 12-07-2018 | 08-01-2044 | 1,127,848 | 42,375 |
| UBBVS10616 | 1,000,000 | 25 | 3.50 | CLF | 08-21-2019 | 06-09-2041 | 1,377,056 | 51,739 |
| UBBVS10616 | 1,000,000 | 25 | 3.50 | CLF | 08-21-2019 | 06-09-2041 | 1,378,914 | 51,808 |
| UBNSAQ1119 | 1,000,000 | 23 | 3.50 | CLF | 07-11-2022 | 11-01-2042 | 1,114,163 | 41,861 |
| UBNSAQ1119 | 200,000 | 23 | 3.50 | CLF | 07-15-2022 | 11-01-2042 | 221,333 | 8,316 |
| UBNSAQ1119 | 350,000 | 23 | 3.50 | CLF | 07-15-2022 | 11-01-2042 | 387,332 | 14,553 |
| UBNSAQ1119 | 550,000 | 23 | 3.50 | CLF | 07-15-2022 | 11-01-2042 | 608,665 | 22,869 |
| UBNSAQ1119 | 1,900,000 | 23 | 3.50 | CLF | 07-15-2022 | 11-01-2042 | 2,102,659 | 79,000 |
| UBNSAA0822 | 70,000 | 23 | 2.80 | CLF | 10-16-2023 | 08-01-2045 | 61,611 | 2,315 |
| UBNSAA0822 | 30,000 | 23 | 2.80 | CLF | 10-16-2023 | 08-01-2045 | 26,541 | 997 |
| UBNSAA0822 | 70,000 | 23 | 2.80 | CLF | 10-16-2023 | 08-01-2045 | 61,930 | 2,327 |
| UBNSAA0822 | 150,000 | 23 | 2.80 | CLF | 10-16-2023 | 08-01-2045 | 132,707 | 4,986 |
| UBNSAA0822 | 500,000 | 23 | 2.80 | CLF | 10-16-2023 | 08-01-2045 | 442,357 | 16,620 |
| UBNSAA0822 | 20,000 | 23 | 2.80 | CLF | 10-17-2023 | 08-01-2045 | 17,263 | 649 |
| UBNSAB0822 | 30,000 | 21 | 2.80 | CLF | 11-09-2023 | 08-01-2043 | 25,881 | 972 |
| UBNSAB0822 | 170,000 | 21 | 2.80 | CLF | 11-09-2023 | 08-01-2043 | 146,658 | 5,510 |
| UBNSAB0822 | 25,000 | 21 | 2.80 | CLF | 11-09-2023 | 08-01-2043 | 21,567 | 810 |
| UBNSAB0822 | 75,000 | 21 | 2.80 | CLF | 11-09-2023 | 08-01-2043 | 64,702 | 2,431 |
| UBNSAB0822 | 400,000 | 21 | 2.80 | CLF | 11-09-2023 | 08-01-2043 | 345,077 | 12,965 |
| UBNSAB0822 | 1,000,000 | 21 | 2.80 | CLF | 11-09-2023 | 08-01-2043 | 862,692 | 32,413 |
| UBNSAB0822 | 300,000 | 21 | 2.80 | CLF | 11-16-2023 | 08-01-2043 | 264,524 | 9,939 |
| UBNSAA0822 | 60,000 | 23 | 2.80 | CLF | 11-27-2023 | 08-01-2045 | 53,162 | 1,997 |
| UBNSAA0822 | 700,000 | 23 | 2.80 | CLF | 11-27-2023 | 08-01-2045 | 620,224 | 23,303 |
| UBNSAA0822 | 700,000 | 23 | 2.80 | CLF | 11-27-2023 | 08-01-2045 | 620,224 | 23,303 |
| UBNSAA0822 | 700,000 | 23 | 2.80 | CLF | 11-27-2023 | 08-01-2045 | 620,224 | 23,303 |
| UBNSAB0822 | 300,000 | 21 | 2.80 | CLF | 12-06-2023 | 08-01-2043 | 268,658 | 10,094 |
| UBNSAB0822 | 400,000 | 21 | 2.80 | CLF | 12-06-2023 | 08-01-2043 | 358,210 | 13,459 |
| UBNSAB0822 | 300,000 | 21 | 2.80 | CLF | 12-06-2023 | 08-01-2043 | 268,658 | 10,094 |
| Total | | | | | | | | 1,212,041 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

| Period ended as at December 31, 2023 | | | | | | | | |
|--------------------------------------|--------------------------|-----------------------|----------------------|----------|------------|---------------|----------------------------------|----------------------------------|
| Series | Amount in issue currency | Issuance term (years) | Annual issuance rate | Currency | Issue date | Maturity date | Balance due in currency of issue | Equivalent balance owed in MCh\$ |
| UDESE10999 | 30,000 | 25 | 6.00 | UF | 09-29-1999 | 03-01-2024 | 2,937.71 | 108 |
| UDESE10999 | 270,000 | 25 | 6.00 | UF | 09-29-1999 | 03-01-2024 | 26,469.58 | 974 |
| UDESE10999 | 10,000 | 25 | 6.00 | UF | 10-21-1999 | 03-01-2024 | 980.17 | 36 |
| UDESE10999 | 30,000 | 25 | 6.00 | UF | 11-04-1999 | 03-01-2024 | 2,941.06 | 108 |
| UDESE10999 | 20,000 | 25 | 6.00 | UF | 11-08-1999 | 03-01-2024 | 1,958.47 | 72 |
| UDESE20999 | 70,000 | 26 | 6.25 | UF | 08-16-2000 | 09-01-2025 | 13,955.95 | 513 |
| UDESE30999 | 200,000 | 28 | 6.50 | UF | 06-05-2002 | 09-01-2027 | 74,462.33 | 2,739 |
| UBBV-A1203 | 20,000 | 24 | 6.00 | UF | 04-01-2004 | 12-01-2027 | 5,852.66 | 215 |
| UBBV-A1203 | 40,000 | 24 | 6.00 | UF | 04-01-2004 | 12-01-2027 | 11,725.80 | 431 |
| UBBV-A1203 | 50,000 | 24 | 6.00 | UF | 04-01-2004 | 12-01-2027 | 14,660.09 | 539 |
| UBBV-A1203 | 50,000 | 24 | 6.00 | UF | 04-01-2004 | 12-01-2027 | 14,654.39 | 539 |
| UBBV-A1203 | 50,000 | 24 | 6.00 | UF | 04-01-2004 | 12-01-2027 | 14,603.30 | 537 |
| UBBV-A1203 | 60,000 | 24 | 6.00 | UF | 04-01-2004 | 12-01-2027 | 17,581.86 | 647 |
| UBBV-A1203 | 100,000 | 24 | 6.00 | UF | 04-01-2004 | 12-01-2027 | 29,291.72 | 1,078 |
| UBBV-A1203 | 150,000 | 24 | 6.00 | UF | 04-01-2004 | 12-01-2027 | 43,954.64 | 1,617 |
| UBBV-A1203 | 150,000 | 24 | 6.00 | UF | 04-01-2004 | 12-01-2027 | 43,801.42 | 1,611 |
| UBBV-A1203 | 150,000 | 24 | 6.00 | UF | 04-01-2004 | 12-01-2027 | 43,852.37 | 1,613 |
| UBBV-A1203 | 180,000 | 24 | 6.00 | UF | 04-01-2004 | 12-01-2027 | 52,571.89 | 1,934 |
| UBBV-A1203 | 200,000 | 24 | 6.00 | UF | 04-01-2004 | 12-01-2027 | 58,458.51 | 2,151 |
| UBBV-A1203 | 250,000 | 24 | 6.00 | UF | 04-01-2004 | 12-01-2027 | 73,158.26 | 2,691 |
| UBBV-A1203 | 500,000 | 24 | 6.00 | UF | 04-01-2004 | 12-01-2027 | 145,891.63 | 5,367 |
| UBBV-A1203 | 1,250,000 | 24 | 6.00 | UF | 04-01-2004 | 12-01-2027 | 364,588.04 | 13,413 |
| UBBV-A1203 | 1,300,000 | 24 | 6.00 | UF | 04-01-2004 | 12-01-2027 | 374,526.59 | 13,779 |
| UBBV-A1203 | 1,500,000 | 24 | 6.00 | UF | 04-01-2004 | 12-01-2027 | 437,929.39 | 16,111 |
| UDES-F | 500,000 | 25 | 6.00 | UF | 03-30-2005 | 10-01-2029 | 253,894.06 | 9,341 |
| UDES-F | 500,000 | 25 | 6.00 | UF | 03-30-2005 | 10-01-2029 | 253,692.43 | 9,333 |
| UDES-G | 1,000,000 | 26 | 4.75 | UF | 10-07-2005 | 10-01-2030 | 573,507.76 | 21,073 |
| UDES-H-1006 | 1,000,000 | 25 | 5.00 | UF | 10-05-2006 | 10-01-2031 | 747,329.88 | 27,400 |
| UBBV-G0506 | 1,000,000 | 25 | 5.00 | UF | 10-19-2006 | 05-01-2031 | 1,062,726.70 | 39,097 |
| UBBV-G0506 | 2,400,000 | 25 | 5.00 | UF | 10-19-2006 | 05-01-2031 | 2,542,925.66 | 93,553 |
| UDES-I0307 | 1,000,000 | 25 | 4.50 | UF | 03-15-2007 | 03-01-2032 | 1,038,290.32 | 38,021 |
| UBBVH90607 | 500,000 | 25 | 3.50 | UF | 10-24-2008 | 06-01-2032 | 435,565.36 | 16,024 |
| UBBVH90607 | 900,000 | 25 | 3.50 | UF | 10-24-2008 | 06-01-2032 | 782,939.11 | 28,804 |
| UBBVH90607 | 1,000,000 | 25 | 3.50 | UF | 10-24-2008 | 06-01-2032 | 979,439.30 | 36,033 |
| UBBVH90607 | 5,600,000 | 25 | 3.50 | UF | 10-24-2008 | 06-01-2032 | 5,488,740.60 | 201,927 |
| UBNS-AC0615 | 3,000,000 | 20 | 3.10 | UF | 08-27-2015 | 06-01-2035 | 3,013,820.95 | 110,697 |
| UBNS-AA0215 | 1,000,000 | 30 | 3.50 | UF | 12-07-2018 | 08-01-2044 | 1,129,935.95 | 41,570 |
| UBBVS10616 | 1,000,000 | 25 | 3.50 | UF | 08-21-2019 | 06-09-2041 | 1,389,088.37 | 51,104 |
| UBBVS10616 | 1,000,000 | 25 | 3.50 | UF | 08-21-2019 | 06-09-2041 | 1,387,171.40 | 51,033 |
| UBNSAQ1119 | 1,000,000 | 23 | 3.50 | UF | 07-11-2022 | 11-01-2042 | 1,116,481.63 | 41,075 |
| UBNSAQ1119 | 200,000 | 23 | 3.50 | UF | 07-15-2022 | 11-01-2042 | 221,762.81 | 8,158 |
| UBNSAQ1119 | 350,000 | 23 | 3.50 | UF | 07-15-2022 | 11-01-2042 | 388,084.92 | 14,277 |
| UBNSAQ1119 | 550,000 | 23 | 3.50 | UF | 07-15-2022 | 11-01-2042 | 609,847.73 | 22,434 |
| UBNSAQ1119 | 1,900,000 | 23 | 3.50 | UF | 07-15-2022 | 11-01-2042 | 2,106,746.70 | 77,506 |
| UBNSAA0822 | 820,000 | 22 | 2.80 | UF | 10-16-2023 | 08-01-2045 | 723,884.86 | 26,631 |
| UBNSAA0822 | 20,000 | 22 | 2.80 | UF | 10-17-2023 | 08-01-2045 | 17,655.73 | 651 |
| UBNSAB0822 | 1,700,000 | 20 | 2.80 | UF | 11-09-2023 | 08-01-2043 | 1,462,236.69 | 53,795 |
| UBNSAB0822 | 300,000 | 20 | 2.80 | UF | 11-16-2023 | 08-01-2043 | 264,284.28 | 9,724 |
| UBNSAA0822 | 2,160,000 | 22 | 2.80 | UF | 11-27-2023 | 08-01-2045 | 1,909,709.59 | 70,258 |
| UBNSAB0822 | 1,000,000 | 20 | 2.80 | UF | 12-06-2023 | 08-01-2043 | 893,488.89 | 32,872 |
| | | | | | | | Total | 1,201,214 |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

Note 24 Provisions for contingencies

a) The detail of this line item is as follows:

| | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|--|--------------------|---------------------|
| Provisions for employee benefit obligations | 45,140 | 35,565 |
| Provisions of a foreign bank branch for remittances of profits to its parent company | - | - |
| Provisions for restructuring plans | 909 | 5,221 |
| Provisions for trials and litigation (1) | 10,957 | 10,574 |
| Provisions for loyalty program obligations and customer merits | - | - |
| Provisions for operational risk | - | - |
| Contract contingency provision (2) | 793 | 789 |
| Other provisions due to other contingencies | 3,431 | 3,125 |
| Total | 61,230 | 55,274 |

- (1) The detail of provisions for lawsuits and litigation is included in Note 29 "Contingencies and commitments."
(2) Relates to the provision for methodical savings contracts of the subsidiary Scotia Azul Sociedad de Leasing Inmobiliario S.A. and the Bank's lease contract transactions.

b) The detail of provisions is as follows:

| | Provisions due to employee benefit obligations MCh\$ | Provisions of a foreign bank branch for remittances of profits to its parent company MCh\$ | Provisions due to restructuring plans MCh\$ | Provisions due to trials and litigation MCh\$ | Provisions due to customer loyalty program obligations MCh\$ | Provisions due to operational risk MCh\$ | Other provisions for other contingencies MCh\$ | Total MCh\$ |
|------------------------------------|---|---|--|--|---|---|---|----------------|
| Balance as at January 1, 2024 | 35,565 | - | 5,221 | 10,574 | - | - | 3,914 | 55,274 |
| Provisions constituted | 48,379 | - | - | 383 | - | 834 | 328 | 49,924 |
| Provision application | (38,804) | - | (4,312) | - | - | - | (18) | (43,134) |
| Provisions releases | - | - | - | - | - | (834) | - | (834) |
| Balance as at June 30, 2024 | 45,140 | - | 909 | 10,957 | - | - | 4,224 | 61,230 |

| | Provisions due to employee benefit obligations MCh\$ | Provisions of a foreign bank branch for remittances of profits to its parent company MCh\$ | Provisions due to restructuring plans MCh\$ | Provisions due to trials and litigation MCh\$ | Provisions due to customer loyalty program obligations MCh\$ | Provisions due to operational risk MCh\$ | Other provisions for other contingencies MCh\$ | Total MCh\$ |
|--|---|---|--|--|---|---|---|----------------|
| Balance as at January 1, 2023 | 30,618 | - | - | 12,152 | - | 1,030 | 6,091 | 49,891 |
| Provisions constituted | 96,258 | - | 6,172 | 140 | - | - | - | 102,570 |
| Provision application | (91,311) | - | (951) | (1,718) | - | - | - | (93,980) |
| Provisions releases | - | - | - | - | - | (1,030) | (2,177) | (3,207) |
| Balance as at December 31, 2023 | 35,565 | - | 5,221 | 10,574 | - | - | 3,914 | 55,274 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

c) Details of provisions for employee benefits and salaries:

| | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|---|--------------------|---------------------|
| Provision of short-term employee benefits | 40,634 | 32,950 |
| Provision of benefits to employees post-employment | - | - |
| Provision of long-term employee benefits (1) | 3,425 | 1,993 |
| Provision of benefits to employees for termination of employment contract (2) | 1,081 | 622 |
| Provision for payments to employees based on shares or equity instruments | - | - |
| Provision obligations post-employment plans on defined contribution | - | - |
| Provision of defined benefit post-employment plan obligations | - | - |
| Provision for other staff obligations | - | - |
| Total | 45,140 | 35,565 |

- (1) As at June 30, 2024, a provision of MCh\$2,101 has been recorded to cover long-term benefits other than those subject to actuarial calculation (MCh\$770 as at December 31, 2023). Provisions subject to actuarial calculation are described in letter d).
- (2) As at June 30, 2024, a provision of MCh\$536 has been recorded to cover severance indemnity payments other than those subject to actuarial calculation (MCh\$11 as at December 31, 2023). Provisions subject to actuarial calculation are described in letter d).

d) Movements in provisions for employee benefits subject to actuarial calculation

| | As at June 30, 2024 | | As at December 31, 2023 | |
|---|--|---|--|---|
| | Provision of long-term employee benefits | Provision of benefits to employees for termination of employment contract | Provision of long-term employee benefits | Provision of benefits to employees for termination of employment contract |
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Balance as at January 1 | 1,223 | 611 | 1,051 | 658 |
| Included in the result of the period | | | | |
| Cost of present service | 60 | 16 | 120 | 35 |
| Costs of past services | - | - | 122 | (15) |
| Interest cost | 64 | 33 | 145 | 85 |
| Result from actuarial measurements | 71 | - | (23) | - |
| Unprovisioned paid benefits | - | - | - | - |
| Subtotal | 195 | 49 | 364 | 105 |
| Included in other comprehensive income | | | | |
| Result from actuarial measurements | - | 51 | - | 64 |
| Subtotal | - | 51 | - | 64 |
| Other: | | | | |
| Payment of benefits | (94) | (166) | (192) | (216) |
| Subtotal | (94) | (166) | (192) | (216) |
| Total | 1,324 | 545 | 1,223 | 611 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

e) Actuarial assumptions for employee benefits

The main weighted average assumptions to determine the employee benefit obligations at the end of the period are detailed as follows:

| | Provision of long-term employee benefits | | Provision of benefits to employees for termination of employment contract | |
|----------------------|--|------------|---|------------|
| | 6/30/2024 | 12/31/2023 | 6/30/2024 | 12/31/2023 |
| Discount rate | 6.50% | 11.75% | 6.50% | 11.75% |
| Salary increase rate | N/A | N/A | N/A | 9.50% |
| Rate of inflation | 3.75% | 7.50% | 3.75% | 7.50% |

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 | |
|----------------------|--|------------|---|------------|
| | 6/30/2024 | 12/31/2023 | 6/30/2024 | 12/31/2023 |
| Discount rate | 11.75% | 14.00% | 11.75% | 14.00% |
| Salary increase rate | N/A | N/A | N/A | 13.50% |
| Rate of inflation | 9.50% | 11.50% | 9.50% | 11.50% |

The main demographic assumptions used for both benefits are shown in the table below.

| Years | As at June 30, 2024 | | | | | | As at December 31, 2023 | | | | | |
|-------------|---------------------|-------|----------|--------|------------|---------|-------------------------|-------|----------|--------|------------|---------|
| | 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 and 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

| | Allowances of long-term employee benefits | | | | | | Allowance for employee severance indemnity | | | | | |
|---------------------------|---|----------|--------|-------------------------|----------|--------|--|----------|--------|-------------------------|----------|--------|
| | As at June 30, 2024 | | | As at December 31, 2023 | | | As at June 30, 2024 | | | As at December 31, 2023 | | |
| | -100BP | Original | +100BP | -100BP | Original | +100BP | -100BP | Original | +100BP | -100BP | Original | +100BP |
| Discount rate sensitivity | 1,354 | 1,324 | 1,295 | 1,251 | 1,223 | 1,196 | 562 | 544 | 528 | 630 | 611 | 592 |
| | 30 | - | (29) | 28 | - | (27) | 17 | - | (17) | 19 | - | (19) |
| | -50BP | Original | +50BP | -50BP | Original | +50BP | -50BP | Original | +50BP | -50BP | Original | +50BP |
| Salary sensitivity | N/A | 1,324 | N/A | N/A | 1,223 | N/A | 531 | 544 | 558 | 596 | 611 | 625 |
| | - | - | - | - | - | - | (13) | - | 13 | (15) | - | 14 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Note 25 Provisions for dividends, interest payments and repricing of issued regulatory capital financial instruments
a) The detail of this line item is as follows:

| | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|--|--------------------|---------------------|
| Provisions for dividends | | |
| Provision for payment of common shares dividends | 69,722 | 122,388 |
| Provision for payment of preferred shares dividends | - | - |
| Provision for payment of interest on bonds without a fixed maturity term | - | - |
| Provision for reappreciation of bonds with no fixed term to maturity | - | - |
| Total | 69,722 | 122,388 |

b) The detail of provisions is as follows:

| | Payment of interest and repricing of regulatory capital financial instruments issued MCh\$ | Provision for payment of common shares dividends MCh\$ | Provision for payment of dividends on preferred shares MCh\$ | Provision for payment of interest on bonds with no fixed term of maturity MCh\$ | Provision for repricing of bonds with no fixed term of maturity MCh\$ | Total MCh\$ |
|---|---|---|---|---|--|----------------|
| Opening balances as at January 1, 2024 | - | 122,388 | - | - | - | 122,388 |
| Provisions constituted | - | 69,722 | - | - | - | 69,722 |
| Provision application | - | (122,388) | - | - | - | (122,388) |
| Provisions releases | - | - | - | - | - | - |
| Balance as at June 30, 2024 | - | 69,722 | - | - | - | 69,722 |

| | Payment of interest and repricing of regulatory capital financial instruments issued MCh\$ | Provision for payment of common shares dividends MCh\$ | Provision for payment of dividends on preferred shares MCh\$ | Provision for payment of interest on bonds with no fixed term of maturity MCh\$ | Provision for repricing of bonds with no fixed term of maturity MCh\$ | Total MCh\$ |
|---|---|---|---|---|--|----------------|
| Opening balances as at January 1, 2023 | - | 146,260 | - | - | - | 146,260 |
| Provisions constituted | - | 122,388 | - | - | - | 122,388 |
| Provision application | - | (146,260) | - | - | - | (146,260) |
| Provisions releases | - | - | - | - | - | - |
| Balance as at December 31, 2023 | - | 122,388 | - | - | - | 122,388 |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

Note 26 Special allowances for credit losses

a) The detail of this line item is as follows:

| | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|---|--------------------|---------------------|
| Allowances due to credit risk for contingent loans | 22,054 | 27,205 |
| Allowances due to country risk on operations with debtors domiciled abroad | 1,593 | 1,681 |
| Special allowances due to loans abroad | - | - |
| Additional allowances due to commercial loans | 87,715 | 87,715 |
| Additional allowances due to mortgage loans | 23,562 | 23,562 |
| Additional allowances due to consumer loans | 52,971 | 52,971 |
| Allowances due to adjustments to the minimum provision required for normal portfolio with individual evaluation | - | - |
| Allowances constituted for credit risk as a result of complementary prudential requirements | - | - |
| Total | 187,895 | 193,134 |

b) The detail of provisions is as follows:

| | Allowances due to credit risk for contingent loan MCh\$ | Allowances due to country risk on operations with debtors domiciled abroad MCh\$ | Special allowances due to loans abroad MCh\$ | Additional allowances for loans MCh\$ | Allowances for adjustments to the minimum provision required for normal portfolio with individual evaluation MCh\$ | Allowances constituted for credit risk as a result of complementary prudential requirements MCh\$ | Total MCh\$ |
|------------------------------------|--|---|---|--|--|--|--------------------|
| Balance as at January 1, 2024 | 27,205 | 1,681 | - | 164,248 | - | - | 193,134 |
| Provisions constituted | 2,132 | 241 | - | - | - | - | 2,373 |
| Provision application | - | - | - | - | - | - | - |
| Provisions releases | (8,207) | (329) | - | - | - | - | (8,536) |
| Exchange rate effect on allowances | 924 | - | - | - | - | - | 924 |
| Balance as at June 30, 2024 | 22,054 | 1,593 | - | 164,248 | - | - | 187,895 |

| | Allowances due to credit risk for contingent loan MCh\$ | Allowances due to country risk on operations with debtors domiciled abroad MCh\$ | Special allowances due to loans abroad MCh\$ | Additional allowances for loans MCh\$ | Allowances for adjustments to the minimum provision required for normal portfolio with individual evaluation MCh\$ | Allowances constituted for credit risk as a result of complementary prudential requirements MCh\$ | Total MCh\$ |
|--|--|---|---|--|--|--|--------------------|
| Balance as at January 1, 2023 | 25,495 | 1,513 | - | 164,248 | - | - | 191,256 |
| Provisions constituted | 12,536 | 1,261 | - | - | - | - | 13,797 |
| Provision application | - | - | - | - | - | - | - |
| Provisions releases | (11,237) | (1,093) | - | - | - | - | (12,330) |
| Exchange rate effect on allowances | 411 | - | - | - | - | - | 411 |
| Balance as at December 31, 2023 | 27,205 | 1,681 | - | 164,248 | - | - | 193,134 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Note 27 Other liabilities

The detail of other liabilities is as follows:

| Concept | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|---|--------------------|---------------------|
| Cash guarantees received due to derivative financial operations | 699,019 | 843,959 |
| Creditors due to intermediation of financial instruments | - | - |
| Accounts payable to third parties | 134,360 | 107,790 |
| Accounts payable by bank subsidiaries (applies only at the individual level of the bank subsidiary) | - | - |
| Agreed dividends payable | 382 | 278 |
| Valuation adjustments for macro hedges | - | - |
| Liability for income from regular activities due to contracts with customers | 77,807 | 79,434 |
| VAT fiscal debit payable | 10,596 | 9,957 |
| Other cash guarantees received | 17 | 16 |
| Outstanding operations | 4,745 | 3,435 |
| Other liabilities | 2,313 | 5,279 |
| Total other liabilities | 929,239 | 1,050,148 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Note 28 Equity
a) Distribution of shares

As at June 30, 2024 and December 31, 2023, the Bank's authorized capital is composed of 12,244,885,748 registered, single series shares with no par value, all of them subscribed and fully-paid.

| | As at 6/30/2024 | As at 12/31/2023 |
|--|-----------------------|-----------------------|
| Number of shares | 12,244,885,748 | 12,244,885,748 |
| Issuance of paid shares | - | - |
| Issuance of subscribed and unpaid shares | - | - |
| Issued shares | 12,244,885,748 | 12,244,885,748 |

As at June 30, 2024 and December 31, 2023, the Bank or subsidiaries included in consolidation do not hold treasury shares.

As at June 30, 2024 and December 31, 2023, the distribution of shares is as follows:

| Name of shareholder or Company name | As at June 30, 2024 | | As at December 31, 2023 | |
|--|-----------------------|----------------|-------------------------|----------------|
| | Number of shares | Ownership % | Number of shares | Ownership % |
| Nova Scotia Inversiones Ltda. | 12,219,875,618 | 99.80% | 12,219,875,618 | 99.80% |
| Other minority shareholders | 25,010,130 | 0.20% | 25,010,130 | 0.20% |
| Total | 12,244,885,748 | 100.00% | 12,244,885,748 | 100.00% |

b) Capital increases

During the period between January 1 and June 30, 2024 and January 1 and December 31, 2023, there were no capital increases.

c) Dividends paid and reserves

At the Ordinary Shareholders' Meeting of Scotiabank Chile held on March 28, 2024, the shareholders agreed to distribute 30% of the profit for 2023 totaling MCh\$122,388 equivalent to a dividend of Ch\$9.99505 per share and allocate the remainder to the reserve fund for undistributed profits.

At the Ordinary Shareholders' Meeting of Scotiabank Chile held on March 30, 2023, the shareholders agreed to distribute 30% of the profit for 2022 totaling MCh\$146,260 equivalent to a dividend of Ch\$11.94457 per share and allocate the remainder to the reserve fund for undistributed profits.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

d) Earnings per share
Basic earnings per share:

It is calculated by dividing the profit or loss for the year, less preference shares, by the weighted average number of ordinary and investment shares outstanding during the year.

Diluted earnings per share:

Dilution is the reduction in earnings per share or increase in loss per share resulting from the assumption that convertible instruments will be converted, that options or warrants will be exercised or that ordinary shares will be issued, if the expected conditions are met.

As at June 30, 2024 and 2023, the detail of diluted and basic earnings is as follows:

| | Balance as at 6/30/2024 | Balance as at 6/30/2023 |
|---|------------------------------------|------------------------------------|
| Result attributable to the owners of the Bank (MCh\$) | 232,406 | 194,801 |
| Weighted average number of shares | <u>12,244,885,748</u> | <u>12,244,885,748</u> |
| Earning per share (in Chilean pesos) | <u>18.98</u> | <u>15.91</u> |

As at June 30, 2024 and 2023, the Bank does not have instruments generating dilutive effects.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

e) Other comprehensive income:

The detail of other comprehensive income is as follows:

| Sources of changes in Accumulated Other Comprehensive Income (MCh\$) | Items that will not be reclassified in results | | | | Items 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 |
| Opening balances as at January 1, 2024 | (55) | 5,084 | 15 | 5,044 | (116,742) | - | - | 60,666 | (33) | (72) | 14,988 | (41,193) |
| Income (loss) for the period | - | - | - | - | - | - | - | - | - | - | - | - |
| Other comprehensive income for the period | (51) | (784) | 14 | (821) | 6,808 | - | - | (10,850) | - | (221) | 1,007 | (3,256) |
| Closing balances as at June 30, 2024 | (106) | 4,300 | 29 | 4,223 | (109,934) | - | - | 49,816 | (33) | (293) | 15,995 | (44,449) |
| Opening balances as at January 1, 2023 | 9 | 2,581 | (2) | 2,588 | (160,869) | - | - | (33,995) | (33) | (328) | 52,999 | (142,226) |
| Income (loss) for the period | - | - | - | - | - | - | - | - | - | - | - | - |
| Other comprehensive income for the period | (158) | 356 | 42 | 240 | 28,557 | - | - | 79,299 | - | (5) | (29,591) | 78,260 |
| Closing balances as at June 30, 2023 | (149) | 2,937 | 40 | 2,828 | (132,312) | - | - | 45,304 | (33) | (333) | 23,408 | (63,966) |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

f) Accounting equity

Accounting equity is detailed as follows:

| | 6/30/2024 MCh\$ | 12/31/2023 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 | | |
| Reserves not related to earnings | 17,019 | 17,019 |
| Reserves from earnings | 364,386 | 364,386 |
| Reserves for depreciation of bonds without a fixed maturity term | - | - |
| Reserves for expiration of bonds without a fixed maturity term | - | - |
| Accumulated Other Comprehensive Income | | |
| Items that will not be reclassified in results | | |
| New measurements of the liability (asset) for net defined benefits and actuarial results for other employee benefit plans | (106) | (55) |
| Net changes in the fair value of equity instruments designated at fair value through other comprehensive income | 4,300 | 5,084 |
| Changes in the fair value of financial liabilities designated at fair value with changes in 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 held for sale | - | - |
| Other | 29 | 15 |
| Items that can be reclassified in results | | |
| Fair value changes of financial assets at fair value through other comprehensive income | (80,030) | (84,897) |
| Translation differences by entities abroad | - | - |
| Accounting hedging of net investments in entities abroad | - | - |
| Cash flow accounting hedge | 35,916 | 43,815 |
| Elements not designated of accounting hedge instruments | - | - |
| Participation in other comprehensive income of entities registered under equity method | (33) | (33) |
| Non-current assets and disposal groups held for sale | - | - |
| Other | (295) | (74) |
| Retained earnings from previous periods | 1,722,476 | 1,436,903 |
| Profit (loss) for the period | 232,406 | 407,961 |
| Provision for minimum dividends, payment of interest and revaluation of issued regulatory capital financial instruments | (69,722) | (122,388) |
| Provision of a foreign bank branch for remittances of profits to its parent company | - | - |
| Owner's equity | <u>3,594,767</u> | <u>3,436,157</u> |
| From Non-controlling interest | <u>130,127</u> | <u>138,821</u> |
| Total Equity | <u>3,724,894</u> | <u>3,574,978</u> |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

g) Non-controlling interests

Non-controlling interest in subsidiaries composed of the following entities:

| As at June 30, 2024 | Non-controlling interest % | Non-controlling interest MCh\$ | Results attributable to non-controlling interest MCh\$ | Payment of dividends to non-controlling interest MCh\$ |
|---|----------------------------|-----------------------------------|---|---|
| CAT Administradora de Tarjetas S.A. | 49.00% | 118,498 | 4,389 | (516) |
| CAT Corredores de Seguros y Servicios S.A. | 49.00% | 4,341 | 1,503 | (8,117) |
| Servicios Integrales S.A. | 49.00% | 1,006 | 386 | (1,686) |
| Administradora y Procesos S.A. | 49.00% | 5,247 | 2,356 | (7,069) |
| Scotia Corredora de Bolsa Chile Limitada | 0.01% | 9 | - | - |
| Bandesarrollo Sociedad de Leasing Inmobiliario S.A. | 0.09% | 11 | - | - |
| Scotia Asesorías Financieras Ltda. | 1.26% | 148 | 37 | - |
| Scotia Azul Sociedad de Leasing Inmobiliario S.A. | 2.51% | 867 | 26 | - |
| Total | | 130,127 | 8,697 | (17,388) |

| As at December 31, 2023 | Non-controlling interest % | Non-controlling interest MCh\$ | Results attributable to non-controlling interest MCh\$ | Payment of dividends to non-controlling interest MCh\$ |
|---|----------------------------|-----------------------------------|---|---|
| CAT Administradora de Tarjetas S.A. | 49.00% | 114,625 | 515 | (7,212) |
| CAT Corredores de Seguros y Servicios S.A. | 49.00% | 10,955 | 3,324 | (1,067) |
| Servicios Integrales S.A. | 49.00% | 2,306 | 580 | (497) |
| Administradora y Procesos S.A. | 49.00% | 9,960 | 4,025 | (1,056) |
| Scotia Corredora de Bolsa Chile Limitada | 0.01% | 9 | 1 | - |
| Bandesarrollo Sociedad de Leasing Inmobiliario S.A. | 0.09% | 11 | 1 | - |
| Scotia Asesorías Financieras Ltda. | 1.26% | 111 | 79 | (174) |
| Scotia Azul Sociedad de Leasing Inmobiliario S.A. | 2.51% | 844 | 79 | - |
| Total | | 138,821 | 8,604 | (10,006) |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

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

| As at June 30, 2024 | Income (loss) for the period MCh\$ | Total assets MCh\$ | Total liabilities MCh\$ |
|---|--|-----------------------|-------------------------------|
| CAT Administradora de Tarjetas S.A. | 8,956 | 1,893,084 | 1,654,833 |
| CAT Corredores de Seguros y Servicios S.A. | 3,068 | 22,676 | 15,044 |
| Servicios Integrales S.A. | 787 | 3,803 | 2,065 |
| Administradora y Procesos S.A | 4,808 | 14,428 | 5,643 |
| Bandesarrollo Leasing Inmobiliario S.A. | 141 | 18,035 | 6,606 |
| Scotia Asesorías Financieras Ltda | 2,944 | 13,527 | 1,748 |
| Scotia Azul Sociedad de Leasing Inmobiliario S.A. | 1,032 | 41,894 | 7,582 |

| As at December 31, 2023 | Income (loss) for the period MCh\$ | Total assets MCh\$ | Total liabilities MCh\$ |
|---|--|-----------------------|-------------------------------|
| CAT Administradora de Tarjetas S.A. | 1,051 | 1,877,660 | 1,644,152 |
| CAT Corredores de Seguros y Servicios S.A. | 6,784 | 31,112 | 11,467 |
| Administradora y Procesos S.A | 1,184 | 6,629 | 2,397 |
| Servicios Integrales S.A. | 8,215 | 24,866 | 7,825 |
| Bandesarrollo Leasing Inmobiliario S.A. | 456 | 18,502 | 7,306 |
| Scotia Azul Asesorías Financieras S.A. | 6,231 | 11,567 | 2,725 |
| Scotia Azul Sociedad de Leasing Inmobiliario S.A. | 3,151 | 41,365 | 8,658 |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

Note 29 Contingencies and commitments

a) Contingent loans

The following table shows the amounts of contingent loans assumed by the Bank:

| Amount for different contingent loans | Contingent loans as at | |
|--|------------------------|---------------------|
| | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
| Guarantees and sureties | | |
| Guarantees and sureties in domestic currency | 146,600 | 124,666 |
| Guarantees and sureties in foreign currency | 366,481 | 404,285 |
| Letters of credit for merchandise circulation operations | 189,075 | 143,783 |
| Debt purchase commitments in local currency abroad | - | - |
| Transactions related to contingent events | | |
| Transactions related to contingent events in Chilean currency | 540,465 | 484,983 |
| Transactions related to contingent events in foreign currency | 175,359 | 167,951 |
| Unrestricted lines of credit for immediate payment | | |
| Available balance line of credit and agreed overdraft in checking account- commercial portfolio | 746,294 | 719,110 |
| Available balance line of credit on credit card – commercial portfolio | 58,738 | 68,577 |
| Available balance line of credit and agreed overdraft in checking account - consumer portfolio | 393,475 | 396,440 |
| Available balance line of credit on credit card – consumer portfolio | 4,947,682 | 5,087,681 |
| Available balance of line of credit and agreed overdraft in checking 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 in credit card – commercial portfolio | - | - |
| Available balance line of credit and agreed overdraft in checking account – consumer portfolio | - | - |
| Available balance line of credit in credit card – consumer portfolio | - | - |
| Available balance line of credit and agreed overdraft in checking account – portfolio owed by banks | - | - |
| Other credit commitments | | |
| Credit for senior studies Law No. 20027 (CAE) | 13,085 | 16,427 |
| Other irrevocable credit commitments | 104,167 | 74,585 |
| 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 June 30, 2024, provisions for legal contingencies amounted to MCh\$10,957 (MCh\$10,574 as at December 31, 2023), which are part of item "Provisions" in the Interim Consolidated Statements of Financial Position.

Regarding the legal actions filed against the Bank and its subsidiaries, Management believes, as reported by its Attorney's Office on the basis of the status and background available to date of such legal actions, that sufficient provisions have been made for contingencies arising from litigation against the Bank and its subsidiaries and as such from the group of cases, there will be no significant losses not considered in these Interim Consolidated Financial Statements.

c) Covenants

The Bank has four current financing contracts entered into with Export Development Canada on July 28, 2021 (MUS\$100), July 13, 2022 (MUS\$250), August 9, 2023 (MUS\$300) and June 5, 2024 (MUS\$200). These contracts establish the Bank's compliance with covenants related mainly to the provision of financial and non-financial information, regulatory compliance and compliance with certain obligations such as: compliance with the laws and authorizations necessary to perform its business and operations in general, perform all aspects necessary to preserve, renew and maintain its legal existence in full force and effect. Note that these financing agreements do not require compliance with specific financial ratios.

As at June 30, 2024, the Bank has fully complied with each of the obligations arising from the aforementioned contracts.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

d) Responsibilities

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

| | 6/30/2024 | 12/31/2023 |
|--|--------------------------|--------------------------|
| | MCh\$ | MCh\$ |
| Documents in collection | 73,011 | 67,834 |
| Transferred financial assets managed by the Bank | 1,340,740 | 1,380,750 |
| Securities in custody | 7,437,279 | 7,709,504 |
| Assets in guarantee | 3,560,343 | 4,149,397 |
| Total | <u>12,411,373</u> | <u>13,307,485</u> |

e) 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 engaged an insurance policy No. 330-24-00037468 from MAPFRE Seguros Generales S.A. equivalent to UF20,000, to secure the proper and full compliance with its obligations as a Stockbroker, covering the period from April 22, 2024 through April 22, 2025.

In order to comply with the requirements of the Stock Exchanges, in terms of comprehensive insurance, the subsidiary engaged from Zurich Chile Seguros Generales S.A., a policy No. 0176962 for an insured amount of US\$1,000,000 covering the period from May 31, 2024 through May 31, 2025.

To guarantee the operations of the gross settlement compensation system, collateral securities were delivered to the Bolsa de Comercio de Santiago for MCh\$12,919 and MCh\$0 in cash (collateral securities amounting to MCh\$12,433 and MCh\$0 in cash as at December 31, 2023).

In accordance with the internal regulations of the Stock Exchange, in order to guarantee the proper performance of and compliance with the operations of Stockbrokers, as at June 30, 2024, guarantees were constituted on securities of MCh\$2,309 and in cash of MCh\$0 in favor of the Bolsa de Comercio de Santiago. In favor of Bolsa Electrónica de Chile guarantees were established on securities of MCh\$491 and in cash of MCh\$0 (as at December 31, 2023, guarantees were constituted on securities of MCh\$2,002 and in cash of MCh\$0 in favor of the Bolsa de Comercio de Santiago, and guarantees were constituted on securities in favor of Bolsa Electrónica de Chile of MCh\$488 and in cash of MCh\$0).

In order to guarantee share loan transactions, as at June 30, 2024, cash of MCh\$942 was provided to Bolsa de Comercio de Santiago, and cash of MCh\$0 was provided to Bolsa Electrónica de Chile (as at December 31, 2023, cash of MCh\$0 was provided to Bolsa de Comercio de Santiago and cash of MCh\$0 was provided to Bolsa Electrónica de Chile).

As at June 30, 2024, the Company holds collateral for simultaneous transactions of MCh\$3,027 in Bolsa de Comercio de Santiago and of MCh\$2,809 in Bolsa Electrónica de Chile. (As at December 31, 2023, the Company holds collateral for simultaneous transactions of MCh\$3,175 in the Bolsa de Comercio de Santiago and of MCh\$2,526 in the Bolsa Electrónica de Chile, which are held in the Custody Department of Bolsa de Comercio de Santiago or Bolsa Electrónica de Chile).

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

 As at June 30, 2024 and 2023 and December 31, 2023

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

Scotia Administradora General de Fondos Chile S.A. has guarantees until January 10, 2025 for each of the managed funds, in accordance with the provisions of Article 13 of Law No.20712 of Administration of third-party funds and individual portfolios. The guarantees constituted by the funds managed through performance bonds with Scotiabank Chile correspond to a total amounting to UF 781,282.01.

iii) At Scotia Corredora de Seguros Chile Limitada

In accordance with the provisions of Article No. 58, letter D of DFL 251, as at June 30, 2024, the Company maintains insurance policies that protect it from possible damages that could affect it as a result of breaches of law, regulations and complementary standards that regulate insurance brokers, and especially when the breach arises from acts, errors and omissions of the broker, its representatives, attorneys-in-fact or dependents that participate in the intermediation.

Series A : N°1407062-1

Amount : UF60.000

In favor of : Scotiabank Chile

Purpose : To cover in accordance with the general terms of the professional civil liability for insurance brokers, registered with the policy record under POL120130969 of CMF.

Term : Up to April 14, 2025

Series A : N°1407065-1

Amount : UF500

In favor of : Scotiabank Chile

Purpose : To guarantee the correct fulfillment of the obligations that the insurance broker, identified in this policy as the insured, has reason for its operations as an intermediary in the contracting of insurance in accordance with the standards established in Circular No. 1584 dated December 21 January 2002 of the CMF, under the code POL120130965.

Term : Up to April 14, 2025

Additionally, the Company holds three guarantee certificates in favor of Scotiabank Chile to comply with its obligations as an intermediary of the fire and earthquake insurance portfolio.

Series A : N°N°420002283947

Amount : UF10.000

In favor of : Scotiabank Chile

Purpose : To ensure the faithful and timely fulfillment of the obligations of Scotia Corredora de Seguros Chile Limitada that arise from its performance as an intermediary for fire, earthquake and additional coverage insurance awarded in the public bidding process for collective fire, earthquake and additional coverage insurance policies of Scotiabank Chile.

Term : Up to July 31, 2026

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Series A : N°420002283955

Amount : UF100

In favor of : Scotiabank Chile

Purpose : To ensure the faithful and timely fulfillment of the obligations of Scotia Corredora de Seguros Chile Limitada which arise from its performance as an intermediary for the fire and earthquake insurance awarded in the public bidding process for the collective fire and earthquake insurance policy for the lease contracts with an option to purchase of Bandesarrollo Sociedad de Leasing Inmobiliario S.A.

Term : Up to July 31, 2026

Series A : N°N°420002283982

Amount : UF100

In favor of : Scotiabank Chile

Purpose : To ensure the faithful and timely fulfillment of the obligations of Scotia Corredora de Seguros Chile Limitada which arise from its performance as an intermediary for the fire and earthquake insurance awarded in the public bidding process for the collective fire and earthquake insurance policy for the lease contracts with an option to purchase of Scotia Azul Sociedad de Leasing Inmobiliario S.A.

Term : Up to July 31, 2026

f) 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 perform their activities, must comply with the requirement to engage insurance policies as determined by the CMF, for the proper and full compliance with the obligations arising from their activities and especially of the damages that may be caused to the insured who contract through it", is that as at June 30, 2024, 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, 2024 and expires on April 14, 2025, which protect it from possible damages that could affect it as a result of breaches of law, regulations and complementary standards that regulate insurance brokers, and especially when the breach that arises 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 the following:

| Policy No. | Insured /Contracting | Insured Item | Amount UF |
|------------|--|-------------------|-----------|
| 120130965 | CAT Corredores de Seguros y Servicios S.A. | Brokers guarantee | 500 |
| 120130969 | CAT Corredores de Seguros y Servicios S.A. | Civil Liability | 60,000 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

g) Guarantees on real estate lease operations

As established in contracts of "Administration of Housing Lease Contracts with Purchase Promise" held by Banderarrollo Sociedad de Leasing Inmobiliario S.A. with Securitizadora Bice S.A., where the former assumes in favor of the Separate Equities identified below, the obligation to acquire the housing units that are part of the related Separate Equities, when the related lease contract with purchase promise ends early, either by agreement by the parties or by enforceable judicial resolution.

The price at which Banderarrollo Sociedad de Leasing Inmobiliario S.A. must acquire these housing units is detailed below:

| Entity | | % of the property value | Definition on property value |
|---------------------------------|------|-------------------------|---|
| Securitizadora Bice S.A. | | | |
| Separated equity BBICS A | N°1 | 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 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Note 30 Interest income and expenses
a) Summary of Interest income and expenses

| | 6- month period ended as at 6/30/2024 MCh\$ | 6-month period ended as at 6/30/2023 MCh\$ | 3- month period ended as at 6/30/2024 MCh\$ | 3-month period ended as at 6/30/2023 MCh\$ |
|--|--|---|--|---|
| Interest income | 1,198,048 | 1,214,961 | 571,895 | 621,468 |
| Interest expense | (716,870) | (822,220) | (342,682) | (423,536) |
| Subtotal net interest income | 481,178 | 392,741 | 229,213 | 197,932 |
| Net result of accounting hedges due to interest rate risk | (19,994) | (6,025) | 17,695 | (31,097) |
| Total net interest income | 461,184 | 386,716 | 246,908 | 166,835 |

b) Detail of Interest income:

| | 6- month period ended as at 6/30/2024 MCh\$ | 6-month period ended as at 6/30/2023 MCh\$ | 3- month period ended as at 6/30/2024 MCh\$ | 3- month period ended as at 6/30/2023 MCh\$ |
|---|--|---|--|--|
| Interest income: | | | | |
| Financial assets at amortized cost: | | | | |
| Rights under resale agreements and securities lending agreements | 10,320 | 7,177 | 5,055 | 3,827 |
| Financial debt securities | 40,498 | - | 6,129 | - |
| Loans and advances to banks | 5,832 | 4,462 | 2,931 | 3,228 |
| Commercial loans | 484,078 | 555,328 | 232,137 | 281,769 |
| Mortgage loans | 233,320 | 225,030 | 117,441 | 113,656 |
| Consumer loans | 358,005 | 319,879 | 180,336 | 162,139 |
| Other financial instruments | 26,652 | 21,446 | 13,387 | 11,376 |
| Financial assets at fair value through other comprehensive income | | | | |
| Debt financial instruments | 39,343 | 81,639 | 14,479 | 45,473 |
| Other financial instruments | - | - | - | - |
| Total | 1,198,048 | 1,214,961 | 571,895 | 621,468 |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

c) Detail of Interest expenses:

| | 6- month period ended as at 6/30/2024 MCh\$ | 6-month period ended as at 6/30/2023 MCh\$ | 3- month period ended as at 6/30/2024 MCh\$ | 3- month period ended as at 6/30/2023 MCh\$ |
|--|--|---|--|--|
| Interest expense: | | | | |
| Financial liabilities at amortized cost: | | | | |
| Deposits and other on-demand liabilities | (14,212) | (20,574) | (6,230) | (9,486) |
| Term and on-demand deposits | (486,346) | (618,049) | (229,960) | (318,549) |
| Liabilities under repurchase arrangements and securities lending | (6,740) | (9,383) | (2,937) | (4,644) |
| Bank borrowings | (86,051) | (69,004) | (41,163) | (36,937) |
| Debt financial instruments issued | (99,458) | (83,752) | (50,272) | (43,073) |
| Other financial liabilities | - | - | - | - |
| Lease liabilities | (2,174) | (2,230) | (1,113) | (1,118) |
| Issued regulatory capital financial instruments | (21,889) | (19,228) | (11,007) | (9,729) |
| Total | (716,870) | (822,220) | (342,682) | (423,536) |

d) Detail of gain or loss from accounting hedge for the interest rate risk:

| | 6- month period ended as at 6/30/2024 MCh\$ | 6-month period ended as at 6/30/2023 MCh\$ | 3-month period ended as at 6/30/2024 MCh\$ | 3-month period ended as at 6/30/2023 MCh\$ |
|--|--|---|---|---|
| Interest income: | | | | |
| Result of accounting hedges due to interest rate risk: | | | | |
| Gain from financial derivative contracts for accounting hedge | 65,660 | 7,415 | 37,620 | 1,739 |
| Loss from financial derivative contracts for accounting hedge | (102,320) | (41,945) | (31,801) | (37,475) |
| Results from adjustments of hedged financial assets | (8,909) | 24,756 | (2,487) | 3,729 |
| Interest expense: | | | | |
| Result of accounting hedges of interest rate risk: | | | | |
| Gain from financial derivative contracts for accounting hedge | 31,961 | 9,714 | 19,863 | 109 |
| Loss from financial derivative contracts for accounting hedge | (8,402) | (1,051) | (7,400) | 686 |
| Results from adjustments of hedged financial liabilities | 2,016 | (4,914) | 1,900 | 115 |
| Net result of accounting hedges on risk due to interest rate risk | (19,994) | (6,025) | 17,695 | (31,097) |

SCOTIABANK CHILE AND SUBSIDIARIES

 Notes to the Interim Consolidated Financial Statements
 As at June 30, 2024 and 2023 and December 31, 2023

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

The following is a detail of interest on receivables with suspension of income recognition on an accrual basis recognized in the Interim Consolidated Statements of Income because they have been effectively received.

| | 6- month period ended as at 6/30/2024 MCh\$ | 6-month period ended as at 6/30/2023 MCh\$ | 3-month period ended as at 6/30/2024 MCh\$ | 3-month period ended as at 6/30/2023 MCh\$ |
|------------------|--|---|---|---|
| Owed by banks | - | - | - | - |
| Commercial loans | 3,266 | 3,012 | 2,564 | 1,389 |
| Mortgage loans | 3,836 | 5,926 | 2,367 | 3,052 |
| Consumer loans | 9,518 | 3,037 | 5,373 | 655 |
| Total | 16,620 | 11,975 | 10,304 | 5,096 |

Interest that was not recognized in the Interim Consolidated Statements of Income because recognition on an accrual basis was suspended is detailed below.

| | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|------------------|--------------------|---------------------|
| Owed by banks | - | - |
| Commercial loans | 12,634 | 6,148 |
| Mortgage loans | 9,365 | 13,701 |
| Consumer loans | 1,121 | 11,263 |
| Total | 23,120 | 31,112 |

Note 31 Indexation income and expenses
a) Summary of Indexation income and expenses:

| | 6- month period ended as at 6/30/2024 MCh\$ | 6-month period ended as at 6/30/2023 MCh\$ | 3- month period ended as at 6/30/2024 MCh\$ | 3- month period ended as at 6/30/2023 MCh\$ |
|---|--|---|--|--|
| Income due to UF adjustments | 387,032 | 489,109 | 235,812 | 257,029 |
| Expenses due to UF adjustments | (188,461) | (242,130) | (114,448) | (127,583) |
| Subtotal net income due to UF adjustments | 198,571 | 246,979 | 121,364 | 129,446 |
| Net result of accounting hedges of risk due to UF adjustments | (8,346) | (62,215) | (43,003) | (17,358) |
| Total net income due to adjustments | 190,225 | 184,764 | 78,361 | 112,088 |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

b) Detail of Indexation income:

| | 6- month period ended as at 6/30/2024 MCh\$ | 6-month period ended as at 6/30/2023 MCh\$ | 3- month period ended as at 6/30/2024 MCh\$ | 3- month period ended as at 6/30/2023 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 | 92,959 | 105,338 | 57,316 | 56,026 |
| Mortgage loans | 285,323 | 371,237 | 173,507 | 194,357 |
| Consumer loans | 248 | 393 | 150 | 201 |
| Other financial instruments | 1,619 | 2,669 | 1,038 | 1,591 |
| Financial assets at fair value through in other comprehensive income | | | | |
| Debt financial instruments | 6,883 | 9,472 | 3,801 | 4,854 |
| Other financial instruments | - | - | - | - |
| Total | 387,032 | 489,109 | 235,812 | 257,029 |

c) Detail of Indexation expenses:

| | 6- month period ended as at 6/30/2024 MCh\$ | 6-month period ended as at 6/30/2023 MCh\$ | 3- month period ended as at 6/30/2024 MCh\$ | 3- month period ended as at 6/30/2023 MCh\$ |
|---|--|---|--|--|
| Expenses due to UF adjustments | | | | |
| Financial liabilities at amortized cost: | | | | |
| Deposits and other on-demand obligations | - | - | - | - |
| Deposits and other time deposits | (14,031) | (21,980) | (8,898) | (11,399) |
| Obligations due to repurchase agreements and securities lending | - | - | - | - |
| Obligations with banks | - | - | - | - |
| Debt financial instruments issued | (150,006) | (194,037) | (90,252) | (102,504) |
| Other financial obligations | - | - | - | - |
| Regulatory capital financial instruments issued: | | | | |
| Subordinated bonds | (24,424) | (26,113) | (15,298) | (13,680) |
| Bonds with no fixed maturity term | - | - | - | - |
| Total | (188,461) | (242,130) | (114,448) | (127,583) |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

d) Detail of gain or loss from accounting hedge for indexation of UF:

| | 6- month period ended as at 6/30/2024 MCh\$ | 6-month period ended as at 6/30/2023 MCh\$ | 3- month period ended as at 6/30/2024 MCh\$ | 3- month period ended as at 6/30/2023 MCh\$ |
|--|--|---|--|--|
| Income due to adjustments: | | | | |
| Result of accounting hedges due to risk in UF adjustments | | | | |
| Gain from financial derivative contracts for accounting hedges | 1,447,510 | 39,078 | 43,206 | (121,439) |
| Loss from financial derivative contracts for accounting hedges | (1,412,587) | (98,910) | (57,065) | 94,419 |
| Results from adjustments of hedged financial assets | 5,381 | (18,076) | (60) | (1,886) |
| Adjustment expenses: | | | | |
| Result of accounting hedges due to risk in UF adjustments | | | | |
| Gain from financial derivative contracts for accounting hedges | 110,814 | 37,913 | (18,030) | (25,225) |
| Loss from financial derivative contracts for accounting hedges | (166,400) | (25,444) | (13,388) | 15,064 |
| Results from adjustment of hedged financial liabilities | 6,936 | 3,224 | 2,334 | 21,709 |
| Net result of accounting hedges on risk due to UF adjustments | (8,346) | (62,215) | (43,003) | (17,358) |

e) Detail of indexation on loans subject to suspension of income recognition on an accrual basis:

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

| | 6- month period ended as at 6/30/2024 MCh\$ | 6-month period ended as at 6/30/2023 MCh\$ | 3- month period ended as at 6/30/2024 MCh\$ | 3- month period ended as at 6/30/2023 MCh\$ |
|------------------|--|---|--|--|
| Owed by banks | - | - | - | - |
| Commercial loans | 1,109 | 1,076 | 384 | 351 |
| Mortgage loans | 622 | 1,205 | (123) | 460 |
| Consumer loans | - | 7 | (3) | 4 |
| Total | 1,731 | 2,288 | 258 | 815 |

The detail of the indexation that was not recognized in the Interim Consolidated Statements of Income for the Period as its recognition was suspended on an accrual basis is provided below.

| | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|------------------|--------------------|---------------------|
| Owed by banks | - | - |
| Commercial loans | 9,717 | 9,179 |
| Mortgage loans | 37,719 | 32,049 |
| Consumer loans | 18 | 25 |
| Total | 47,454 | 41,253 |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

Note 32 Fee and commission income and expenses

Fee and commission income and expenses are included in the Interim Consolidated Statements of Income include the following:

| | 6- month period ended as at 6/30/2024 MCh\$ | 6-month period ended as at 6/30/2023 MCh\$ | 3- month period ended as at 6/30/2024 MCh\$ | 3- month period ended as at 6/30/2023 MCh\$ |
|--|--|---|--|--|
| Commissions due to credits prepayment | 2,238 | 1,455 | 1,106 | 836 |
| Commissions due to loans with letters of credit | 715 | 794 | 358 | 398 |
| Commissions due to credit lines and overdrafts in checking accounts | 602 | 573 | 184 | 345 |
| Commissions due to guarantees and letters of credit | 7,982 | 7,824 | 4,365 | 4,235 |
| Credit card transactions commissions | 47,912 | 49,678 | 24,425 | 25,377 |
| Commissions due to accounts management | 11,258 | 11,115 | 5,638 | 5,598 |
| Commissions due to collections and payments | 33,784 | 25,724 | 17,803 | 12,575 |
| Commissions due to brokerage and securities handling (Stock Brokers and/or Securities Agency) | 884 | 845 | 481 | 391 |
| Remuneration for administration of mutual funds, investment funds or others | 8,113 | 6,436 | 4,223 | 3,266 |
| Insurance related to the granting of credits to natural persons | 18,882 | 16,136 | 10,137 | 6,972 |
| Insurance not related to the granting of credits to natural persons | 7,238 | 6,744 | 3,713 | 3,644 |
| Insurance related to the granting of credits to legal entities | 374 | 1,551 | 202 | 1,414 |
| Insurance not related to the granting of credits to legal entities | 211 | 242 | 105 | 132 |
| Commissions due to services on factoring operations | 31 | 37 | 17 | 19 |
| Commissions due to services in financial lease operations | 570 | 470 | 305 | 236 |
| Commissions due to deposit and custody of securities | 4 | 4 | 2 | 2 |
| Commissions due to financial advise | 4,316 | 3,192 | 2,422 | 1,639 |
| Other commissions earned | | | | |
| Foreign currency exchange | 2 | 1 | 1 | 1 |
| Issuance of on-demand vouchers | 138 | 121 | 72 | 60 |
| Issuance of guarantee bills | 308 | 209 | 115 | 100 |
| Student loan administration | 5,486 | 5,876 | 2,768 | 2,927 |
| Other remuneration for services rendered | 4,358 | 2,843 | 1,645 | 1,226 |
| Total income due to commissions and services rendered | 155,406 | 141,870 | 80,087 | 71,393 |
| Commissions for card operations | (21,667) | (23,010) | (10,789) | (11,190) |
| Fees for licensing the use of card brands | (1,146) | (628) | (590) | (330) |
| Other commissions for services related to the 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 | (15,093) | (10,992) | (7,535) | (5,284) |
| Securities trading commissions | (2,582) | (2,089) | (1,371) | (1,072) |
| Other commissions for services received | | | | |
| Commissions by correspondent banks in the country and abroad | (59) | (54) | (40) | (29) |
| Commissions for electronic fund transfer services | (8,884) | (7,982) | (4,358) | (4,066) |
| Other subsidiary commissions | (2,096) | (723) | (980) | (350) |
| Other | (2,080) | (2,647) | (964) | (1,281) |
| Total expenses due to commissions and services rendered | (53,607) | (48,125) | (26,627) | (23,602) |
| Total net income due to commissions | 101,799 | 93,745 | 53,460 | 47,791 |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

Note 33 Net financial result

The detail of this line item is as follows:

| | 6- month period ended as at 6/30/2024 MCh\$ | 6-month period ended as at 6/30/2023 MCh\$ | 3- month period ended as at 6/30/2024 MCh\$ | 3- month period ended as at 6/30/2023 MCh\$ |
|---|--|---|--|--|
| Income from financial assets to be traded at fair value through profit or loss | | | | |
| Financial derivative contracts | 4,086,118 | 3,115,372 | 767,816 | 1,240,564 |
| Debt financial instruments | 10,306 | 13,375 | 3,947 | 5,893 |
| Other financial instruments: | | | | |
| Investments in mutual funds | 2,134 | 3,838 | 893 | 2,155 |
| Equity instruments | (329) | 802 | (338) | 599 |
| Credits originated and acquired by the entity | - | - | - | - |
| Other | - | 120 | - | 7 |
| Result from financial liabilities to be traded at fair value through profit or loss | | | | |
| Financial derivative contracts | (3,928,991) | (3,136,433) | (788,131) | (1,192,379) |
| Other financial instruments: | - | - | - | - |
| Subtotal | 169,238 | (2,926) | (15,813) | 56,839 |
| Financial result for financial assets not intended for trading mandatorily valued at fair value through profit or loss | - | - | - | - |
| Financial result for financial assets and liabilities designated at fair value through profit or loss | - | - | - | - |
| Financial result from derecognising financial assets and liabilities at amortized cost and financial assets at fair value through other comprehensive income | | | | |
| Financial assets at amortized cost | (39) | 8 | 17 | 21 |
| Financial assets at fair value through other comprehensive income | (509) | 868 | 276 | 48 |
| Subtotal | (548) | 876 | 293 | 69 |
| Financial results for changes readjustments and accounting hedging of foreign currency | | | | |
| Foreign currency exchange result | (133,307) | 121,189 | 114,410 | (24,560) |
| Results for adjustments on exchange rate | - | - | - | - |
| Financial assets at amortized cost | 9,093 | (8,304) | (4,575) | 1,834 |
| Net result of derivatives in accounting hedges of foreign currency risk | 11,168 | (54,082) | (84,073) | 15,038 |
| Subtotal | (113,046) | 58,803 | 25,762 | (7,688) |
| Financial result from reclassifications of financial assets due to a change in business model | - | - | - | - |
| Other financial result from changes in financial assets and liabilities | - | - | - | - |
| Other result from ineffective cash flow accounting hedges | | | | |
| Result from ineffective cash flow accounting hedges | (918) | (1,665) | (620) | (668) |
| Other financial result from other types of accounting hedges | - | - | - | - |
| Subtotal | (918) | (1,665) | (620) | (668) |
| Net financial result | 54,726 | 55,088 | 9,622 | 48,552 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Note 34 Gain or loss from investments in companies

The detail of gain or loss from investments in companies is as follows:

| | Country | 6/30/2024 MCh\$ | 6/30/2023 MCh\$ |
|--|---------|--------------------|--------------------|
| Companies with significant influence in the country | | | |
| Transbank S.A. | Chile | 2,243 | 2,754 |
| Subtotal | | 2,243 | 2,754 |
| Minority investments in other local companies | | | |
| Bolsa de Comercio de Santiago | Chile | - | 13 |
| Sociedad de Infraestructura de Mercado S.A. | Chile | 55 | 249 |
| Bolsa Electrónica de Chile | Chile | 15 | 12 |
| Sociedad Interbancaria de Depósitos de Valores | Chile | 97 | 76 |
| Combanc S.A. | Chile | 17 | 28 |
| Subtotal | | 184 | 378 |
| Minority investments in other companies abroad | | | |
| Banco Latinoamericano de Comercio Exterior S.A. (Bladex) | Panamá | 9 | 4 |
| Subtotal | | 9 | 4 |
| Total income from investments in companies | | 2,436 | 3,136 |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

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

Non-current assets result detail is as follows:

| | 6/30/2024 | 6/30/2023 |
|--|----------------|--------------|
| | MCh\$ | MCh\$ |
| Result from assets received in lieu of payment or legally adjudicated | | |
| Result from the sale of assets received in payment or legally awarded with non-related third parties | - | - |
| Result from the sale of goods received in payment or awarded in judicial auction to unrelated third parties | 1,709 | 2,584 |
| Other income from assets received in payment or legally awarded through auctions | 100 | 332 |
| Provisions for adjustments to the net realizable value of assets received in payment or legally adjudicated through auctions | (1,244) | (475) |
| Write-offs of assets received in payment or adjudicated in legal auctions | (2,216) | (1,513) |
| Expenses for maintenance of assets received in payment or awarded in legal auctions | (475) | (299) |
| Non-current assets held for sale | | |
| Investments in companies | - | 79 |
| Intangible assets | - | - |
| Property, equipment | 475 | 316 |
| Assets from the recovery of assets transferred in financial leasing operations | - | - |
| Other assets | - | - |
| Disposal groups available for sale | - | - |
| Total | (1,651) | 1,024 |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

Note 36 Other operating income and expenses

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

| | 6/30/2024 | 6/30/2023 |
|---|-----------------|-----------------|
| | MCh\$ | MCh\$ |
| Other operating income | | |
| Compensation from insurance companies for claims other than operational risk events | - | - |
| Net income from investment properties | - | - |
| Income received from credit card brands (VISA, MC etc.) | 2,458 | 2,746 |
| Income from correspondent banks | - | - |
| Income other than interest and commissions from lease contracts | 95 | 316 |
| Income due to reimbursements of expenses | 5,311 | 6,017 |
| Other income | | |
| Various income from leasing operations | 257 | 1,731 |
| Lease received | 13 | 22 |
| Income from consultancies | - | - |
| Recovery of expenses | 27 | 3 |
| Sundry income from subsidiaries | 1,670 | 2,389 |
| Compensation received | 19,566 | 20,162 |
| Other operating income | 3,232 | 784 |
| Total other operating income | 32,629 | 34,170 |
| Other operating expenses | | |
| Expenditure of insurance premiums to cover operational risk events | - | - |
| Gross loss expense due to operational risk events | (834) | - |
| Recoveries of expenses due to operational risk events | 1,514 | 1,659 |
| Expense of provisions for unearned insurance brokerage commissions | - | - |
| Expense of provisions for unearned insurance premium collection commissions | - | - |
| Provisions for restructuring plans | - | - |
| Provisions from trials and litigation | (442) | 43 |
| Other provisions for other contingencies | 5 | (64) |
| Expenses for credit operations of financial leasing | (354) | (641) |
| Expenses for factoring credit operations | (18) | (17) |
| Expenses for administration, maintenance and support of automatic teller machines (ATM) | - | - |
| Expenses for adoption of new card technologies | - | - |
| Expenses for issuance of financial instruments of regulatory capital | - | - |
| Other operating expenses | | |
| Expenses for provisions of securitized bonds | (3,046) | (3,302) |
| Operational risk expenses | (4,415) | (5,334) |
| Write-offs due to business decisions | (971) | (936) |
| Correspondent bank expenses | (1,054) | (765) |
| Clearing Chamber Services | (1,067) | (1,097) |
| Expenses for legal adverts | (402) | (485) |
| Other operating expenses Subsidiaries | (4,835) | (5,616) |
| Other operating expenses | (1,184) | (717) |
| Total other operating expenses | (17,103) | (17,272) |
| Total | 15,526 | 16,898 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Note 37 Expenses for employee benefit obligations

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

| | 6/30/2024 | 6/30/2023 |
|--|----------------|----------------|
| | MCh\$ | MCh\$ |
| Expenses due to short-term benefits to employees | 143,707 | 142,165 |
| Post-employment employee benefit expense | - | - |
| Expenses due to long-term benefits to employees | 1,578 | 1,358 |
| Expenses for employee benefits due to termination of employment contract | 5,341 | 9,442 |
| Expenses for payments to employees based on shares or equity instruments | - | - |
| Expenses for obligations for defined contribution post-employment plans | - | - |
| Expenses for obligations for post-employment defined benefit plans | - | - |
| Expenses for other personnel obligations | - | - |
| Other staff expenses | 609 | 868 |
| Total expenses due to obligations on benefits to employees | 151,235 | 153,833 |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

Note 38 Administrative expenses

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

| | 6/30/2024 | 6/30/2023 |
|---|----------------|----------------|
| | MCh\$ | MCh\$ |
| Administration overheads | | |
| Expenses for short-term lease contracts | 2,766 | 2,412 |
| Expenses for low-value leases | - | - |
| Other expenses of obligations for lease contracts | 151 | 164 |
| Maintenance and repair of property and equipment | 3,180 | 2,973 |
| Insurance premiums except to cover operational risk events | 1,901 | 2,097 |
| Office supplies | 791 | 753 |
| IT and communication expenses | 27,909 | 25,098 |
| Electricity , heating and other services | 1,373 | 1,410 |
| Security patrol and security transport services | 1,597 | 1,756 |
| Personnel representation and travel expenses | 636 | 556 |
| Legal and notary expenses | 6,322 | 6,262 |
| Fees for review and audit of the financial statements by the external auditor | 766 | 602 |
| Fees for advice and consultancies carried out by the external auditor | 43 | - |
| Fees for advice and consultancies carried out by other audit firms | - | - |
| Title Classification Fees | - | - |
| Fees for other technical reports | 1,436 | 948 |
| Fines applied by CMF | - | - |
| Fines applied by other organizations | 106 | 25 |
| Other administration overhead expenses | | |
| Common expenses buildings | 1,933 | 1,895 |
| Contribution Banks Association | 31 | 28 |
| External consultancies | 21,657 | 16,204 |
| Services Santiago Stock Exchange | 558 | 565 |
| Telemarketing services | 3,986 | 2,962 |
| Card distribution servicing | 298 | 761 |
| External consultancies Subsidiaries | - | - |
| Other general administrative expenses | 2,580 | 2,625 |
| Outsourced services | | |
| Data processing | 734 | 519 |
| Technological development, certification and technological testing service | 25 | 101 |
| External service for the administration of human resources and supply of outsourced personnel | 937 | 873 |
| Appraisal service | - | - |
| Call Center service for sales, marketing, quality control, customer service | 1,351 | 1,817 |
| Outsourced collection service | 7,690 | 6,902 |
| Outsourced ATM administration and maintenance service | 456 | 1,052 |
| Outsourced cleaning service, casino, custody of files and documents, storage of furniture and equipment | 1,681 | 1,628 |
| Product sales and distribution services | - | - |
| Outsourced credit evaluation service | - | - |
| Other outsourced | | |
| IT and communications expense | 8,473 | 6,835 |
| Other Services subcontracted by Subsidiaries | 9,342 | 8,906 |
| Other/Scotia Servicios Corporativos SpA | 513 | 659 |
| Other outsourced service | 1,455 | 1,065 |
| Board expenses | 412 | 398 |
| Advertising | 7,010 | 8,389 |
| Taxes, contributions and other legal charges | 8,490 | 8,226 |
| Total administrative expenses | 128,589 | 117,466 |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

Note 39 Depreciation and amortization

The detail of this line item is as follows:

| | 6/30/2024 | 6/30/2023 |
|--|---------------|---------------|
| | MCh\$ | MCh\$ |
| Amortization of intangible assets | | |
| Other intangible assets arising from business combinations | 4,614 | 4,614 |
| Other intangible assets arising independently | 18,230 | 14,932 |
| Depreciation of Property and Equipment | | |
| Building and Land | 805 | 807 |
| Other fixed assets | 5,397 | 5,297 |
| Amortization and depreciation of right-of-use asset under lease | | |
| Building and Land | | |
| Building | 5,810 | 6,237 |
| Other fixed assets | - | - |
| Depreciation for improvements in leased real estate as assets for the right to use leased property | 1,129 | 1,237 |
| 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 | 35,985 | 33,124 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Note 40 Impairment of non-financial assets

The detail of this line item is as follows:

| | 6/30/2024 | 6/30/2023 |
|--|------------|------------|
| | MCh\$ | MCh\$ |
| Impairment of investments in companies | - | - |
| Impairment of intangible assets | 338 | 170 |
| Impairment of Property and Equipment | - | - |
| Impairment of assets for the right to use leased assets | - | - |
| Impairment of assets for investment properties | - | - |
| Impairment of revenue assets due to regular activities arising from contracts with customers | - | - |
| Gain from an acquisition through a highly advantageous business combination | - | - |
| Total impairment of non-financial assets | 338 | 170 |

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

| | 6- month period ended as at 6/30/2024 | 6-month period ended as at 6/30/2023 | 3-month period ended as at 6/30/2024 | 6-month period ended as at 6/30/2023 |
|--|---|--|--|--|
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Expenses on allowances due to credit risk on loans | (258,210) | (223,457) | (119,418) | (106,291) |
| Expense on special allowances due to credit risk | 6,164 | (6,289) | 865 | (5,186) |
| Recovery of written-off loans | 41,872 | 36,863 | 22,917 | 21,978 |
| Impairment due to credit risk of other financial assets at amortized cost | (94) | (10) | (52) | (7) |
| Impairment due to credit risk of financial assets at fair value with changes in other comprehensive income | 259 | (224) | 289 | 78 |
| Total | (210,009) | (193,117) | (95,399) | (89,428) |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

b) Expense for allowances for 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 6-month period ended as at 6/30/2024 (MCh\$) | Expense of allowances due to loans in the period | | | | | | Deductible guarantees FOGAPE Covid-19 | Total |
|---|--|--------------|-----------------------|-------------------|------------------|------------------|---|------------------|
| | Regular portfolio | | Substandard portfolio | Default portfolio | | Subtotal | | |
| | Individual | group | Evaluation | Individual | group | | | |
| Owed by banks | | | | | | | | |
| Constitution de provisions | (78) | - | - | - | - | (78) | | |
| Release of allowances | 86 | - | - | - | - | 86 | | |
| Subtotal | 8 | - | - | - | - | 8 | - | 8 |
| Commercial loans | | | | | | | | |
| Constitution de provisions | (80,104) | (8,550) | (35,278) | (45,245) | (42,842) | (212,019) | (143) | (212,162) |
| Release of allowances | 80,301 | 11,424 | 31,602 | 12,475 | 15,210 | 151,012 | 4,169 | 155,181 |
| Subtotal | 197 | 2,874 | (3,676) | (32,770) | (27,632) | (61,007) | 4,026 | (56,981) |
| Mortgage loans | | | | | | | | |
| Constitution de provisions | - | (6,274) | - | - | (9,418) | (15,692) | | |
| Release of allowances | - | 8,121 | - | - | 3,368 | 11,489 | | |
| Subtotal | - | 1,847 | - | - | (6,050) | (4,203) | - | (4,203) |
| Consumer loans | | | | | | | | |
| Constitution de provisions | - | (46,262) | - | - | (234,600) | (280,862) | | |
| Release of allowances | - | 47,393 | - | - | 36,435 | 83,828 | | |
| Subtotal | - | 1,131 | - | - | (198,165) | (197,034) | - | (197,034) |
| Expense of allowances constituted for loan credit risk | 205 | 5,852 | (3,676) | (32,770) | (231,847) | (262,236) | 4,026 | (258,210) |
| Recoveries of written-off loans | | | | | | | | |
| Owed by banks | | | | | | | | - |
| Commercial loans | | | | | | | | 12,735 |
| Mortgage loans | | | | | | | | 4,037 |
| Consumer loans | | | | | | | | 25,100 |
| Subtotal | | | | | | | | 41,872 |
| Expense due to credit loss on loans | | | | | | | | (216,338) |

| Summary of expense on allowances due to credit risk and expense for credit losses on loans in the period 6-month period ended as at 6/30/2023 (MCh\$) | Expense of allowances due to loans in the period | | | | | | Deductible guarantees FOGAPE Covid-19 | Total |
|---|--|----------------|-----------------------|-------------------|------------------|------------------|---|------------------|
| | Regular portfolio | | Substandard portfolio | Default portfolio | | Subtotal | | |
| | Individual | group | Evaluation | Individual | group | | | |
| Owed by banks | | | | | | | | |
| Constitution de provisions | (42) | - | - | - | - | (42) | | |
| Release of allowances | 40 | - | - | - | - | 40 | | |
| Subtotal | (2) | - | - | - | - | (2) | - | (2) |
| Commercial loans | | | | | | | | |
| Constitution de provisions | (59,728) | (9,362) | (18,034) | (35,689) | (28,401) | (151,214) | (12) | (151,226) |
| Release of allowances | 58,641 | 12,107 | 24,553 | 12,290 | 8,847 | 116,438 | 1,030 | 117,468 |
| Subtotal | (1,087) | 2,745 | 6,519 | (23,399) | (19,554) | (34,776) | 1,018 | (33,758) |
| Mortgage loans | | | | | | | | |
| Constitution de provisions | - | (6,159) | - | - | (8,294) | (14,453) | | |
| Release of allowances | - | 6,253 | - | - | 2,099 | 8,352 | | |
| Subtotal | - | 94 | - | - | (6,195) | (6,101) | - | (6,101) |
| Consumer loans | | | | | | | | |
| Constitution de provisions | - | (49,519) | - | - | (202,976) | (252,495) | | |
| Release of allowances | - | 44,575 | - | - | 24,324 | 68,899 | | |
| Subtotal | - | (4,944) | - | - | (178,652) | (183,596) | - | (183,596) |
| Expense of allowances constituted for loan credit risk | (1,089) | (2,105) | 6,519 | (23,399) | (204,401) | (224,475) | 1,018 | (223,457) |
| Recoveries of written-off loans | | | | | | | | |
| Owed by banks | | | | | | | | - |
| Commercial loans | | | | | | | | 6,733 |
| Mortgage loans | | | | | | | | 3,950 |
| Consumer loans | | | | | | | | 26,180 |
| Subtotal | | | | | | | | 36,863 |
| Expense due to credit loss on loans | | | | | | | | (186,594) |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

c) Expense for credit risk special allowances

| Summary of expenses due to credit risk special allowances in the period | 6- month period ended as at 6/30/2024 MCh\$ | 6-month period ended as at 6/30/2023 MCh\$ |
|---|--|---|
| Allowances expense due to contingent loans | 6,076 | (5,709) |
| Owed by banks | - | - |
| Commercial loans | 1,842 | (5,209) |
| Consumer loans | 4,234 | (500) |
| | | |
| Allowances expense due to country risk for operations with debtors domiciled abroad | 88 | (580) |
| | | |
| Expense due to special allowances for credits abroad | - | - |
| | | |
| Expense due to additional allowances for credits | - | - |
| Commercial loans | - | - |
| Mortgage loans | - | - |
| Consumer loans | - | - |
| | | |
| Expense due to adjustment allowances to minimum allowances required for regular portfolio with individual evaluation | - | - |
| | | |
| Expense due to other special allowances constituted for credit risk | - | - |

Note 42 Gain or loss from discontinued operations

As at June 30, 2024 and 2023, the Bank does not have this type of operations.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Note 43 Related party disclosures

As established in Chapter 12-4 if the RAN, related parties are persons or entities that, directly or through third parties, hold an interest in the Bank's ownership when such interest exceeds 1 % of the shares, as well as persons who, without holding an interest in the Bank's ownership, have authority and responsibility in the planning, management and control of activities of the Bank or its subsidiaries. Persons or entities related to the Bank holding, directly, through third parties or both, a share higher than 5% are also considered related parties or where they act as director, general manager or other equivalent position.

Article 89 of the Law on Public Companies, also applied to banks, establishes that any transaction with a related party should be performed in fair conditions, similar to the ones commonly prevailing in the market.

On the other hand, article 84 of the General Banking Law establishes the limits for the loans that can be granted to related parties and the prohibition to grant loans to the directors, managers or general representatives of the Bank.

a) Assets and liabilities for transactions with related parties

| Type of current assets and liabilities with related parties according to IAS24 As at June 30, 2024 (in MCh\$) | Type of related party | | | | Total |
|---|-----------------------|--------------------|------------------------------------|-----------------------|-----------|
| | Parent | Other legal entity | Key staff of the Consolidated Bank | Other related parties | |
| ASSETS | | | | | |
| Financial assets to be traded at fair value through profit or loss: | | | | | |
| Financial derivative contracts | 2,067,510 | - | - | 250 | 2,067,760 |
| Debt financial instruments | - | - | - | - | - |
| Financial assets not intended for mandatorily trading 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 for accounting hedge | 58,676 | - | - | - | 58,676 |
| Financial assets at amortized cost: | | | | | |
| Rights for repurchase arrangements and securities lending | - | - | - | - | - |
| Debt financial instruments | - | - | - | - | - |
| Commercial loans | - | - | 3,418 | 321,861 | 325,279 |
| Mortgage loans | - | - | 19,136 | 115,228 | 134,364 |
| Consumer loans | - | - | 2,895 | 20,738 | 23,633 |
| Allowances constituted- Loans | - | - | (156) | (4,296) | (4,452) |
| Other assets | 152 | - | - | - | 152 |
| Contingent loans | 3,684 | 29,997 | 7,489 | 36,677 | 77,847 |
| LIABILITIES | | | | | |
| Financial liabilities to be traded at fair value through profit or loss: | | | | | |
| Financial derivative contracts | 1,504,760 | - | - | 3,207 | 1,507,967 |
| Financial liabilities designated at fair value through profit or loss | - | - | - | - | - |
| Financial derivative contracts for accounting hedge | - | - | - | - | - |
| Financial liabilities at amortized cost: | | | | | |
| Term and on-demand deposits | 1,153 | 833 | 1,125 | 49,662 | 52,773 |
| Deposits and other term deposits | - | - | 10,365 | 139,902 | 150,267 |
| Liabilities with repurchase arrangements and securities lending | - | - | - | - | - |
| Obligations with banks | - | - | - | - | - |
| Debt financial instruments issued | - | - | - | - | - |
| Other financial obligations | - | - | - | - | - |
| Lease contracts obligations | - | - | - | 721 | 721 |
| Other liabilities | 4,244 | - | - | 168 | 4,412 |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

| Type of current assets and liabilities with related parties according to IAS24 As at December 31, 2023 (in MCh\$) | Type of related party | | | | Total |
|---|-----------------------|--------------------|------------------------------------|-----------------------|------------------|
| | Parent | Other legal entity | Key staff of the Consolidated Bank | Other related parties | |
| ASSETS | | | | | |
| Financial assets to be traded at fair value through profit or loss: | | | | | |
| Financial derivative contracts | 1,959,467 | 752 | - | - | 1,960,219 |
| Debt financial instruments | - | - | - | - | - |
| Financial assets not intended for mandatorily trading 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 for accounting hedge | 75,380 | - | - | - | 75,380 |
| Financial assets at amortized cost: | | | | | |
| Rights for repurchase arrangements and securities lending | - | - | - | - | - |
| Debt financial instruments | - | - | - | - | - |
| Commercial loans | - | - | 3,298 | 313,577 | 316,875 |
| Mortgage loans | - | - | 16,755 | 117,384 | 134,139 |
| Consumer loans | - | - | 2,676 | 19,632 | 22,308 |
| Allowances constituted- Loans | - | - | (85) | (1,956) | (2,041) |
| Other assets | 860 | - | - | - | 860 |
| Contingent loans | 13,486 | 29,998 | 3,626 | 32,221 | 79,331 |
| LIABILITIES | | | | | |
| Financial liabilities to be traded at fair value through profit or loss: | | | | | |
| Financial derivative contracts | 1,327,914 | 5,372 | - | - | 1,333,286 |
| Financial liabilities designated at fair value through profit or loss | - | - | - | - | - |
| Financial derivative contracts for accounting hedge | 185,522 | - | - | - | 185,522 |
| Financial liabilities at amortized cost: | | | | | |
| Term and on-demand deposits | 2,050 | 1,039 | 1,479 | 65,850 | 70,418 |
| Deposits and other term deposits | - | - | 10,584 | 72,529 | 83,113 |
| Liabilities with repurchase arrangements and securities lending | - | - | - | - | - |
| Obligations with banks | - | - | - | - | - |
| Debt financial instruments issued | - | - | - | - | - |
| Other financial obligations | - | - | - | - | - |
| Lease contracts obligations | - | - | - | 744 | 744 |
| Other liabilities | 7,057 | - | - | 192 | 7,249 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

b) Income and expenses for transactions with related parties

| Type of income and expenses from transactions with related parties according to IAS24 As at June 30, 2024 (in MCh\$) | Type of related party | | | | Total |
|--|-----------------------|--------------------|------------------------------------|-----------------------|-----------------|
| | Parent | Other legal entity | Key staff of the Consolidated Bank | Other related parties | |
| Interest income | - | 2 | 324 | 10,163 | 10,489 |
| Adjustments income | - | - | 463 | 8,052 | 8,515 |
| Commission Income | - | - | 42 | 1,019 | 1,061 |
| Net financial income | 147,000 | - | - | (5,224) | 141,776 |
| Other income | 148 | - | 3 | 25 | 176 |
| Total income | 147,148 | 2 | 832 | 14,035 | 162,017 |
| Interest expenses | - | - | (278) | (3,205) | (3,483) |
| Adjustment expenses | - | - | (22) | (46) | (68) |
| Commission expenses | (1) | (4,342) | (24) | (3,382) | (7,749) |
| Credit loss expense | - | - | (58) | (2,979) | (3,037) |
| Expenses for employee benefit obligations | (148) | - | (7,879) | (75) | (8,102) |
| Administration expenses | (27,155) | - | - | (2,504) | (29,659) |
| Other expenses | - | - | - | (364) | (364) |
| Total expenses | (27,304) | (4,342) | (8,261) | (12,555) | (52,462) |

| Type of income and expenses from transactions with related parties according to IAS24 As at June 30, 2023 (in MCh\$) | Type of related party | | | | Total |
|--|-----------------------|--------------------|------------------------------------|-----------------------|-----------------|
| | Parent | Other legal entity | Key staff of the Consolidated Bank | Other related parties | |
| Interest income | - | 17 | 240 | 11,750 | 12,007 |
| Adjustments income | - | - | 526 | 7,343 | 7,869 |
| Commission Income | - | 55 | 46 | 955 | 1,056 |
| Net financial income | 38,404 | - | - | (3,676) | 34,728 |
| Other income | - | - | 4 | 44 | 48 |
| Total income | 38,404 | 72 | 816 | 16,416 | 55,708 |
| Interest expenses | - | - | (408) | (8,175) | (8,583) |
| Adjustment expenses | - | (55) | (46) | (955) | (1,056) |
| Commission expenses | - | (4,911) | (21) | (5,316) | (10,248) |
| Credit loss expense | - | - | (13) | 347 | 334 |
| Expenses for employee benefit obligations | - | - | (8,231) | - | (8,231) |
| Administration expenses | (6,177) | - | - | (2,809) | (8,986) |
| Other expenses | - | - | - | (324) | (324) |
| Total expenses | (6,177) | (4,966) | (8,719) | (17,232) | (37,094) |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

c) Individual transactions with related parties

The Bank has the following individual transactions exceeding UF2,000 with related parties that are legal entities which do not correspond to regular business operations in general performed with customers.

| Company name | Nature of relationship with the bank | Transaction description | | | | Transactions in conditions of equivalence to those transactions with mutual independence between the parties | Amount MCh\$ | As at June 30, 2024 | | Effect in Statement of Financial Position | |
|--|--------------------------------------|---|-----------|---|---|--|-----------------|---------------------|------------------|---|--|
| | | Type of service | Term | Renewal conditions | Effect on income statement | | | Accounts Receivable | Accounts Payable | | |
| | | | | | Income MCh\$ | | | Expenses MCh\$ | MCh\$ | 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 | 1,591 | - | 1,262 | - | - | |
| 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 | 344 | - | 344 | - | - | |
| 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 | 1,230 | - | 1,226 | - | 4 | |
| 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 | 2,610 | - | 2,315 | - | - | |
| 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 | 783 | - | 419 | - | - | |
| 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 | 649 | - | 649 | - | - | |
| 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 | 19,955 | 15,213 | 4,717 | - | 12 | |
| The Bank of Nova Scotia | Parent | Commissions for referred customers | Undefined | Undefined | Conditions equivalent to the market on the date these were made | 2,392 | 2,392 | - | - | - | |
| The Bank of Nova Scotia | Parent | Technology and project services | 1 year | Annual review, if there are no changes, automatic renewal applies | Conditions equivalent to the market on the date these were made | 11,374 | - | 11,351 | - | 23 | |
| Scotiabank Perú S.A. | Other related parties | Regional Technological Support. | Undefined | Automatic renewal | Conditions equivalent to the market on the date these were made | 1,001 | - | 848 | - | - | |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

| Company name | Nature of relationship with the bank | Transaction description | | | Transactions in conditions of equivalence to those transactions with mutual independence between the parties | Amount | As at June 30, 2023 | | Effect in Statement of | |
|--|--------------------------------------|---|-----------|---|--|--------|---------------------|----------|------------------------|------------------|
| | | Type of service | Term | Renewal conditions | | | Income | Expenses | Financial Position | |
| | | | | | | | | | Accounts Receivable | Accounts Payable |
| MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | 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 | 297 | - | 297 | - | - |
| 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 | 312 | - | 312 | - | - |
| 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 | 2,523 | - | 2,522 | - | 1 |
| Operadora de Tarjetas de Crédito Nexus S.A. | Other related parties | Credit Card operation service | 2 years | Automatic renewal | Conditions equivalent to the market on the date these were made | 5,062 | - | 4,537 | - | 16 |
| 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 | 2,064 | - | 1,176 | - | - |
| 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 | 626 | - | 626 | - | - |
| 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 | 13,609 | 7,757 | 5,838 | - | 14 |
| The Bank of Nova Scotia | Parent | Commissions for referred customers | Undefined | Undefined | Conditions equivalent to the market on the date these were made | 365 | 365 | - | - | - |
| The Bank of Nova Scotia | Parent | Technology and project services | 1 year | Annual review, if there are no changes, automatic renewal applies | Conditions equivalent to the market on the date these were made | 9,724 | - | 7,028 | - | 2,696 |
| Scotiabank Perú S.A. | Other related parties | Regional Technological Support. | Undefined | Automatic renewal | Conditions equivalent to the market on the date these were made | 1,114 | - | 720 | - | - |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

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

| | 6/30/2024 | 6/30/2023 |
|--|--------------|--------------|
| | MCh\$ | MCh\$ |
| Board: | | |
| Payment of remunerations and allowances of the Board of Directors - Bank and Bank subsidiaries | 412 | 398 |
| Subtotal | 412 | 398 |
| Key personnel of the Bank's Management and Subsidiaries: | | |
| Short-term payment for employee benefits | 7,736 | 7,669 |
| Payment of post-employment benefits to employees | - | - |
| Long-term payment for employee benefits | - | - |
| Payments for benefits to employees for contract termination | 143 | 164 |
| 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 | 7,879 | 7,833 |
| Total | 8,291 | 8,231 |

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

| | No. of Executive | |
|--|------------------|------------|
| | 6/30/2024 | 6/30/2023 |
| Board | | |
| Directors - Bank and Bank's Subsidiaries | 8 | 8 |
| 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 | 74 | 62 |
| Division/Area Managers - Bank's Subsidiaries | 17 | 20 |
| Total | 110 | 101 |

SCOTIABANK CHILE AND SUBSIDIARIES

 Notes to the Interim Consolidated Financial Statements
 As at June 30, 2024 and 2023 and December 31, 2023

Note 44 Fair Value of financial assets and liabilities
Determination of the fair value of financial instruments

A comparison between the carrying amount at which the Bank's financial assets and liabilities are recorded and their related fair value as at June 30, 2024 and December 31, 2023 is detailed as follows:

| | Note | Recorded amount | Estimated fair value |
|---|------|--------------------|----------------------|
| | | 6/30/2024 MCh\$ | 6/30/2024 MCh\$ |
| ASSETS | | | |
| Cash and deposits in banks | 7 | 1,264,539 | 1,264,539 |
| Transactions pending settlement | 7 | 837,201 | 837,201 |
| Financial assets to be traded at fair value through profit or loss | | | |
| Financial derivatives contracts | 8 | 5,956,281 | 5,956,281 |
| Debt financial instruments | 8 | 289,535 | 289,535 |
| Other | 8 | 67,490 | 67,490 |
| Financial assets at fair value through other comprehensive income | | | |
| Debt financial instruments | 11 | 1,460,831 | 1,460,831 |
| Financial derivative contracts for accounting hedge | 12 | 302,019 | 302,019 |
| Financial assets at amortized cost | | | |
| Rights for repurchase arrangements and securities loan | 13 | 304,003 | 303,254 |
| Debt financial instruments | 13 | 870,481 | 870,202 |
| Owed by banks | 13 | 19,077 | 19,077 |
| Loans and accounts receivable from customers - Commercial | 13 | 13,668,017 | 13,756,093 |
| Loans and accounts receivable from customers - Mortgage | 13 | 13,924,575 | 12,436,249 |
| Loans and accounts receivable from customers - Consumer | 13 | 3,919,093 | 3,956,714 |
| Securitized bonds | | 13,007 | 13,360 |
| LIABILITIES | | | |
| Transactions pending settlement | 7 | 827,825 | 827,825 |
| Financial liabilities to be traded at fair value through profit or loss | | | |
| Financial derivatives contracts | 21 | 5,162,718 | 5,162,718 |
| Financial derivative contracts for accounting hedge | 12 | 1,442,966 | 1,442,966 |
| Financial liabilities at amortized cost | | | |
| Deposits and other on-demand obligations | 22 | 5,057,184 | 5,054,204 |
| Deposits and other time deposits | 22 | 13,594,083 | 13,826,785 |
| Obligations for repurchase arrangements and securities loans | 22 | 309,071 | 432,673 |
| Obligations with banks | 22 | 3,450,858 | 3,505,473 |
| Debt financial instruments issued | 22 | 8,326,189 | 7,918,036 |
| Other financial obligations | 22 | 148,414 | 148,414 |
| Issued regulatory capital financial instruments | 23 | 1,212,041 | 1,176,306 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

| | Note | Recorded amount | Estimated fair value |
|---|------|---------------------|----------------------|
| | | 12/31/2023 MCh\$ | 12/31/2023 MCh\$ |
| ASSETS | | | |
| Cash and deposits in banks | 7 | 1,209,884 | 1,209,884 |
| Transactions pending settlement | 7 | 389,141 | 389,141 |
| Financial assets to be traded at fair value through profit or loss | | | |
| Financial derivatives contracts | 8 | 5,694,324 | 5,694,324 |
| Debt financial instruments | 8 | 193,820 | 193,820 |
| Other | 8 | 56,197 | 56,197 |
| Financial assets at fair value through other comprehensive income | | | |
| Debt financial instruments | 11 | 2,188,905 | 2,188,905 |
| Financial derivative contracts for accounting hedge | 12 | 317,308 | 317,308 |
| Financial assets at amortized cost | | | |
| Rights for repurchase arrangements and securities loan | 13 | 226,394 | 225,559 |
| Debt financial instruments | 13 | 1,387,601 | 1,386,004 |
| Owed by banks | 13 | 25,223 | 25,223 |
| Loans and accounts receivable from customers - Commercial | 13 | 13,738,775 | 13,671,515 |
| Loans and accounts receivable from customers - Mortgage | 13 | 13,846,343 | 11,794,649 |
| Loans and accounts receivable from customers - Consumer | 13 | 3,814,689 | 3,826,427 |
| Securitized bonds | | 13,268 | 13,113 |
| LIABILITIES | | | |
| Transactions pending settlement | 7 | 333,372 | 333,372 |
| Financial liabilities to be traded at fair value through profit or loss | | | |
| Financial derivatives contracts | 21 | 4,606,750 | 4,606,750 |
| Financial derivative contracts for accounting hedge | 12 | 1,455,656 | 1,455,656 |
| Financial liabilities at amortized cost | | | |
| Deposits and other on-demand obligations | 22 | 4,850,696 | 4,848,811 |
| Deposits and other time deposits | 22 | 13,181,368 | 13,368,736 |
| Obligations for repurchase arrangements and securities loans | 22 | 163,647 | 163,647 |
| Obligations with banks | 22 | 5,368,647 | 5,215,123 |
| Debt financial instruments issued | 22 | 8,186,492 | 7,811,727 |
| Other financial obligations | 22 | 156,392 | 156,392 |
| Issued regulatory capital financial instruments | 23 | 1,201,214 | 1,216,408 |

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

Analysis and explanation of calculations

For assets 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 June 30, 2024 and December 31, 2023. 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 has an influence on two key aspects:

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

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Fair value measurement and hierarchy

The Bank establishes a fair value hierarchy, which segregates the inputs and/or assumptions of the valuation techniques used in measuring the fair value of financial instruments. The hierarchy assigns 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 (level 3). The three levels of the fair value hierarchy are as follows:

- **Level 1:** inputs 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. Instruments and criteria defined are the following:
 - a) Local sovereign debt securities issued by Banco Central de Chile or the Chilean Treasury, which meet the following two criteria:
 - The instrument has been traded during 15 days of the last month.
 - The instrument has been traded during 2 of the last 3 days prior to the date of generation of the report.
 - b) Domestic equity securities traded in a stock exchange.
 - c) Local mutual funds with unit values published daily by the regulator (CMF).
 - d) Treasury Bonds and Treasury Bills.

For shares and Government bonds, prices are observed directly in the Stock Exchange, Bloomberg or Riskamerica (provider of financial information on the local market).

For Treasury, the information is directly observed in Bloomberg. For domestic mutual funds, the information can be noted 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 (i.e., as prices) or indirectly (i.e., derived from prices). In this category, instruments are measured through the discount of contractual cash flows based on a zero-coupon curve determined through the prices of instruments with similar features and issuer risk. Instruments and criteria defined are the following:
 - a) Local Government debt securities that do not meet the requirements defined for Level 1.
 - b) Corporate debt securities.
 - c) Domestic equity securities not complying with the requirement of being traded in the stock market defined by Bolsa de Santiago.

For shares and Government bonds, prices are observed directly in the Stock Exchange, Bloomberg or Riskamerica (provider of financial information on the local market).

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

- **Level 3:** the fair value is based on models which use significant inputs that are not based on observable inputs. It is used when the necessary prices, inputs are not observable, directly or indirectly, for similar instruments for the asset or liability at the measurement date. These fair value measurement models are subjective in nature. Accordingly, they base their price estimates on a number of assumptions that are widely accepted by the market. Instruments and criteria defined are the following:
 - a) Housing lease bonds (BVL).
 - b) Local and foreign investment funds.
 - c) Domestic equity securities 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 that is significant to the fair value measurement in its entirety. The table below presents the assets and liabilities that are measured at fair value on a recurring basis as at June 30, 2024 and December 31, 2023:

| As at June 30, 2023 | Carrying amount MCh\$ | Fair value measures | | |
|---|--------------------------|---------------------|------------------|------------------|
| | | Level 1 MCh\$ | Level 2 MCh\$ | Level 3 MCh\$ |
| Assets | | | | |
| Financial assets to be traded at fair value through profit or loss | 6,313,306 | 67,490 | 6,245,816 | - |
| Financial assets at fair value with changes in other comprehensive income | 1,460,831 | - | 1,460,831 | - |
| Financial derivative contracts for accounting hedge | 302,019 | - | 302,019 | - |
| Securitized bonds | 13,007 | - | - | 13,360 |
| Total assets | 8,089,163 | 67,490 | 8,008,666 | 13,360 |
| Liabilities | | | | |
| Financial derivative contracts | 5,162,718 | - | 5,162,718 | - |
| Financial derivative contracts for accounting hedge | 1,442,966 | - | 1,442,966 | - |
| Total liabilities | 6,605,684 | - | 6,605,684 | - |

| As at December 31, 2023 | Carrying amount MCh\$ | Fair value measures | | |
|---|--------------------------|---------------------|------------------|------------------|
| | | Level 1 MCh\$ | Level 2 MCh\$ | Level 3 MCh\$ |
| Assets | | | | |
| Financial assets to be traded at fair value through profit or loss | 5,944,341 | 56,197 | 5,888,144 | - |
| Financial assets at fair value with changes in other comprehensive income | 2,188,905 | - | 2,188,905 | - |
| Financial derivative contracts for accounting hedge | 317,308 | - | 317,308 | - |
| Securitized bonds | 13,268 | - | - | 13,113 |
| Total assets | 8,463,822 | 56,197 | 8,394,357 | 13,113 |
| Liabilities | | | | |
| Financial derivative contracts | 4,606,750 | - | 4,606,750 | - |
| Financial derivative contracts for accounting hedge | 1,455,656 | - | 1,455,656 | - |
| Total liabilities | 6,062,406 | - | 6,062,406 | - |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Sensitivity analysis for financial instruments under Level 3

The table below provides information about significant unobservable inputs used in measuring financial instruments classified as Level 3 in the fair value hierarchy.

| As at June 30, 2024 | Valuation technique | Significant unobservable data | Range of estimates for unobservable data | Changes in fair value from reasonably possible alternatives(in MCh\$) |
|---------------------|--------------------------|-------------------------------|--|---|
| Other assets | | | | |
| Securitized bonds | Comparable in the market | Market TIR | +1% -1% | (244) 253 |

| As at December 31, 2023 | Valuation technique | Significant unobservable data | Range of estimates for unobservable data | Changes in fair value from reasonably possible alternatives(in MCh\$) |
|-------------------------|--------------------------|-------------------------------|--|---|
| Other assets | | | | |
| Securitized bonds | Comparable in the market | Market TIR | +1% -1% | (336) 352 |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

Note 45 Maturity per remaining balances of financial assets and liabilities

The detail of this line item is as follows:

| As at June 30, 2024 | Note | On-demand MCh\$ | Up to 1 month MCh\$ | More than 1 up to 3 months MCh\$ | More than 3 months up to 1 year MCh\$ | More than 1 up 3 years MCh\$ | More than 3 up to 5 years MCh\$ | More than 5 years MCh\$ | Total MCh\$ |
|---|------|--------------------|---------------------------|--|---|------------------------------------|---------------------------------------|-------------------------------|-------------------|
| Cash and deposits in banks | 7 | 1,264,539 | - | - | - | - | - | - | 1,264,539 |
| Transactions pending settlement | 7 | 837,201 | - | - | - | - | - | - | 837,201 |
| Financial assets to be traded at fair value through profit or loss | | | | | | | | | |
| Financial derivative contracts (1) | 8 | 8,846 | 158,690 | 288,816 | 976,551 | 1,529,282 | 1,137,421 | 1,856,675 | 5,956,281 |
| Debt financial instruments (2) | 8 | - | 18,986 | 1,390 | 132,934 | 26,767 | 9,524 | 99,934 | 289,535 |
| Other | 8 | 61,700 | 5,790 | - | - | - | - | - | 67,490 |
| Financial assets at fair value through other comprehensive income | | | | | | | | | |
| Debt financial instruments (2) | 11 | - | - | - | 492,718 | 157,817 | 95,937 | 714,359 | 1,460,831 |
| Other | 11 | - | - | - | - | - | - | - | - |
| Financial derivative contracts for accounting hedge | 12 | - | 3,727 | 1 | 63,507 | 127,209 | 51,662 | 55,913 | 302,019 |
| Financial assets at amortized cost | | | | | | | | | |
| Rights for repurchase arrangements and securities loans | 13 | - | 299,087 | 4,514 | 402 | - | - | - | 304,003 |
| Debt financial instruments | 13 | - | 842,468 | - | - | - | - | 28,013 | 870,481 |
| Owed by banks | 13 | 298 | 1,656 | 12,880 | 4,243 | - | - | - | 19,077 |
| Loans and accounts receivable from customers (3) | 13 | 1,962,723 | 1,841,054 | 1,977,530 | 4,902,182 | 5,945,050 | 3,998,217 | 11,626,721 | 32,253,477 |
| Total financial assets | | 4,135,307 | 3,171,458 | 2,285,131 | 6,572,537 | 7,786,125 | 5,292,761 | 14,381,615 | 43,624,934 |
| Transactions pending settlement | 7 | 827,825 | - | - | - | - | - | - | 827,825 |
| Financial liabilities to be traded at fair value through profit or loss | | | | | | | | | |
| Financial derivative contracts (1) | 21 | 9,809 | 173,071 | 310,545 | 834,949 | 1,235,997 | 1,023,498 | 1,574,849 | 5,162,718 |
| Other | 21 | - | - | - | - | - | - | - | - |
| Financial derivative contracts for accounting hedge (1) | 12 | - | 11,478 | 9,943 | 189,833 | 590,006 | 324,054 | 317,652 | 1,442,966 |
| Financial liabilities at amortized cost | | | | | | | | | |
| Deposits and other on-demand obligations | 22 | 5,017,372 | 39,812 | - | - | - | - | - | 5,057,184 |
| Deposits and other term deposits | 22 | 560,620 | 5,583,573 | 2,102,888 | 4,691,459 | 655,489 | 28 | 26 | 13,594,083 |
| Obligations for repurchase arrangements and securities lending | 22 | - | 305,314 | 3,757 | - | - | - | - | 309,071 |
| Obligations with banks | 22 | 837,132 | 73,458 | 373,747 | 1,234,429 | 225,248 | 706,844 | - | 3,450,858 |
| Debt financial instruments issued | 22 | 947 | 1,099,600 | 2,310,473 | 4,842,730 | 28,945 | 15,120 | 28,374 | 8,326,189 |
| Other Financial Obligation | 22 | 47,686 | 40,504 | 43,591 | 16,481 | 152 | - | - | 148,414 |
| Obligations for lease contracts | 17 | - | 645 | 2,084 | 7,952 | 21,883 | 22,734 | 84,851 | 140,149 |
| Regulatory capital financial instruments issued | 23 | - | - | - | - | 401 | 59,844 | 1,151,796 | 1,212,041 |
| Total financial liabilities | | 7,301,391 | 7,327,455 | 5,157,028 | 11,817,833 | 2,758,121 | 2,152,122 | 3,157,548 | 39,671,498 |
| Net financial position | | (3,166,084) | (4,155,997) | (2,871,897) | (5,245,296) | 5,028,004 | 3,140,639 | 11,224,067 | 3,953,436 |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

| As at December 31, 2023 | Note | On-demand MCh\$ | Up to 1 month MCh\$ | More than 1 up to 3 months MCh\$ | More than 3 months up to 1 year MCh\$ | More than 1 up 3 years MCh\$ | More than 3 up to 5 years MCh\$ | More than 5 years MCh\$ | Total MCh\$ |
|---|------|--------------------|---------------------------|--|---|------------------------------------|---------------------------------------|-------------------------------|-------------------|
| Cash and deposits in banks | 7 | 1,209,884 | - | - | - | - | - | - | 1,209,884 |
| Transactions pending settlement | 7 | 389,141 | - | - | - | - | - | - | 389,141 |
| Financial assets to be traded at fair value through profit or loss | | | | | | | | | |
| Financial derivative contracts (1) | 8 | - | 283,840 | 352,034 | 834,023 | 1,481,089 | 963,671 | 1,779,667 | 5,694,324 |
| Debt financial instruments (2) | 8 | - | 2,200 | 2,317 | 147,166 | 16,868 | 9,384 | 15,885 | 193,820 |
| Other | 8 | 45,946 | 10,251 | - | - | - | - | - | 56,197 |
| Financial assets at fair value through other comprehensive income | | | | | | | | | |
| Debt financial instruments (2) | 11 | 772 | - | 49,190 | 504,000 | 834,972 | 59,377 | 740,594 | 2,188,905 |
| Other | 11 | - | - | - | - | - | - | - | - |
| Financial derivative contracts for accounting hedge | 12 | - | 856 | 6,860 | 66,205 | 105,350 | 43,588 | 94,449 | 317,308 |
| Financial assets at amortized cost | | | | | | | | | |
| Rights for repurchase arrangements and securities loans | 13 | - | 208,948 | 16,589 | 857 | - | - | - | 226,394 |
| Debt financial instruments | 13 | - | - | - | 1,359,475 | - | - | 28,126 | 1,387,601 |
| Owed by banks | 13 | 244 | 19,805 | 4,884 | 290 | - | - | - | 25,223 |
| Loans and accounts receivable from customers (3) | 13 | 1,805,991 | 1,356,736 | 2,080,750 | 5,123,069 | 5,657,477 | 3,762,840 | 12,319,467 | 32,106,330 |
| Total financial assets | | 3,451,978 | 1,882,636 | 2,512,624 | 8,035,085 | 8,095,756 | 4,838,860 | 14,978,188 | 43,795,127 |
| Transactions pending settlement | 7 | 333,372 | - | - | - | - | - | - | 333,372 |
| Financial liabilities to be traded at fair value through profit or loss | | | | | | | | | |
| Financial derivative contracts (1) | 21 | - | 181,377 | 197,424 | 647,825 | 1,220,546 | 875,623 | 1,483,955 | 4,606,750 |
| Other | 21 | - | - | - | - | - | - | - | - |
| Financial derivative contracts for accounting hedge (1) | 12 | - | 21,292 | 74,350 | 117,327 | 499,482 | 338,222 | 404,983 | 1,455,656 |
| Financial liabilities at amortized cost | | | | | | | | | |
| Deposits and other on-demand obligations | 22 | 4,838,095 | 12,601 | - | - | - | - | - | 4,850,696 |
| Deposits and other term deposits | 22 | 599,346 | 5,775,604 | 2,225,052 | 3,692,406 | 888,846 | 88 | 26 | 13,181,368 |
| Obligations for repurchase arrangements and securities lending | 22 | 52,515 | 107,601 | 3,531 | - | - | - | - | 163,647 |
| Obligations with banks | 22 | 4,366 | 12,908 | 318,601 | 4,272,453 | 279,658 | 480,661 | - | 5,368,647 |
| Debt financial instruments issued | 22 | 1,022 | 3,515 | 145,583 | 862,991 | 2,348,089 | 1,271,363 | 3,553,929 | 8,186,492 |
| Other Financial Obligation | 22 | 53,212 | 47,532 | 36,202 | 19,281 | 165 | - | - | 156,392 |
| Obligations for lease contracts | 17 | - | 921 | 2,600 | 8,217 | 22,044 | 22,908 | 92,618 | 149,308 |
| Regulatory capital financial instruments issued | 23 | - | - | 1,298 | - | 513 | 67,014 | 1,132,389 | 1,201,214 |
| Total financial liabilities | | 5,881,928 | 6,163,351 | 3,004,641 | 9,620,500 | 5,259,343 | 3,055,879 | 6,667,900 | 39,653,542 |
| Net financial position | | (2,429,950) | (4,280,715) | (492,017) | (1,585,415) | 2,836,413 | 1,782,981 | 8,310,288 | 4,141,585 |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

Note 46 Financial and non-financial assets and liabilities by currency

a) The detail of financial assets and liabilities is as follows:

| As at June 30, 2024 | | | | | | | | | | | | | |
|---|------|--------------------|-------------------|--------------------------|--------------------|----------|--------------|---------------|------------------|------------------|--------------|-----------------|-------------------|
| Financial Assets-Liabilities | Note | \$ | UF | Adjustable Exchange Rate | US\$ | COP | GBP | EUR | CHF | JPY | CNY | Other MX | Total |
| | N° | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Cash and deposits in banks | 7 | 699,971 | - | - | 528,458 | - | 1,079 | 24,206 | 1,558 | - | 934 | 8,333 | 1,264,539 |
| Transactions pending settlement | 7 | 568,232 | - | - | 258,576 | - | 4 | 1,926 | - | 7,445 | 2 | 1,016 | 837,201 |
| Financial assets to be traded at fair value through profit or loss | 8 | 6,153,401 | 147,764 | - | 12,141 | - | - | - | - | - | - | - | 6,313,306 |
| Financial assets at fair value through other comprehensive income | 11 | 1,248,168 | 181,151 | - | 13,727 | - | - | 17,785 | - | - | - | - | 1,460,831 |
| Financial derivative contracts for accounting hedge | 12 | 302,019 | - | - | - | - | - | - | - | - | - | - | 302,019 |
| Financial assets at amortized cost | 13 | 9,022,552 | 18,614,086 | 140,665 | 4,886,703 | - | - | 35,436 | - | - | 5,813 | (9) | 32,705,246 |
| Total financial assets | | 17,994,343 | 18,943,001 | 140,665 | 5,699,605 | - | 1,083 | 79,353 | 1,558 | 7,445 | 6,749 | 9,340 | 42,883,142 |
| Transactions pending settlement | 7 | 528,995 | - | - | 278,804 | - | - | 19,121 | - | 204 | - | 701 | 827,825 |
| Financial liabilities to be traded at fair value through profit or loss | 21 | 5,162,718 | - | - | - | - | - | - | - | - | - | - | 5,162,718 |
| Financial derivative contracts for accounting hedge | 12 | 1,442,966 | - | - | - | - | - | - | - | - | - | - | 1,442,966 |
| Financial liabilities at amortized cost | 22 | 15,377,931 | 7,635,290 | - | 7,206,515 | - | 343 | 49,636 | 402,258 | 150,860 | 5,922 | 57,044 | 30,885,799 |
| Obligations for lease contracts | 17 | 9 | 140,140 | - | - | - | - | - | - | - | - | - | 140,149 |
| Issued regulatory capital financial instruments | 23 | - | 1,212,041 | - | - | - | - | - | - | - | - | - | 1,212,041 |
| Total financial liabilities | | 22,512,619 | 8,987,471 | - | 7,485,319 | - | 343 | 68,757 | 402,258 | 151,064 | 5,922 | 57,745 | 39,671,498 |
| Net financial position | | (4,518,276) | 9,955,530 | 140,665 | (1,785,714) | - | 740 | 10,596 | (400,700) | (143,619) | 827 | (48,405) | 3,211,644 |

| As at December 31, 2023 | | | | | | | | | | | | | |
|---|------|--------------------|-------------------|--------------------------|--------------------|----------|---------------|---------------|------------------|------------------|--------------|-----------------|-------------------|
| Financial Assets-Liabilities | Note | \$ | UF | Adjustable Exchange Rate | US\$ | COP | GBP | EUR | CHF | JPY | CNY | Other MX | Total |
| | N° | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Cash and deposits in banks | 7 | 772,612 | - | - | 407,613 | - | 3,221 | 15,956 | 1,266 | 400 | 730 | 8,086 | 1,209,884 |
| Transactions pending settlement | 7 | 213,087 | - | - | 160,498 | - | 8,740 | 3,531 | - | - | 582 | 2,703 | 389,141 |
| Financial assets to be traded at fair value through profit or loss | 8 | 5,786,424 | 120,259 | - | 37,658 | - | - | - | - | - | - | - | 5,944,341 |
| Financial assets at fair value through other comprehensive income | 11 | 1,759,754 | 367,059 | - | 36,130 | - | - | 25,962 | - | - | - | - | 2,188,905 |
| Financial derivative contracts for accounting hedge | 12 | 317,308 | - | - | - | - | - | - | - | - | - | - | 317,308 |
| Financial assets at amortized cost | 13 | 9,704,638 | 18,431,124 | 128,171 | 4,736,663 | - | - | 27,805 | - | 6,279 | 4,346 | (1) | 33,039,025 |
| Total financial assets | | 18,553,823 | 18,918,442 | 128,171 | 5,378,562 | - | 11,961 | 73,254 | 1,266 | 6,679 | 5,658 | 10,788 | 43,088,604 |
| Transactions pending settlement | 7 | 153,417 | - | - | 163,769 | - | 7,588 | 7,155 | - | - | 359 | 1,084 | 333,372 |
| Financial liabilities to be traded at fair value through profit or loss | 21 | 4,606,750 | - | - | - | - | - | - | - | - | - | - | 4,606,750 |
| Financial derivative contracts for accounting hedge | 12 | 1,455,656 | - | - | - | - | - | - | - | - | - | - | 1,455,656 |
| Financial liabilities at amortized cost | 22 | 16,713,978 | 7,709,144 | - | 6,833,632 | - | 37 | 31,030 | 401,164 | 159,678 | 4,522 | 54,057 | 31,907,242 |
| Obligations for lease contracts | 17 | 9 | 149,299 | - | - | - | - | - | - | - | - | - | 149,308 |
| Issued regulatory capital financial instruments | 23 | - | 1,201,214 | - | - | - | - | - | - | - | - | - | 1,201,214 |
| Total financial liabilities | | 22,929,810 | 9,059,657 | - | 6,997,401 | - | 7,625 | 38,185 | 401,164 | 159,678 | 4,881 | 55,141 | 39,653,542 |
| Net financial position | | (4,375,987) | 9,858,785 | 128,171 | (1,618,839) | - | 4,336 | 35,069 | (399,898) | (152,999) | 777 | (44,353) | 3,435,062 |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

The detail of non-financial assets and liabilities is as follows:

| As at June 30, 2024 | | | | | | | | | | | | | |
|--|------|------------------|-----------------|--------------------------|------------------|--------------|-------------|--------------|-------|------------|-------|----------------|------------------|
| Non-Financial Assets-Liabilities | Note | \$ | UF | Adjustable Exchange Rate | US\$ | COP | GBP | EUR | CHF | JPY | CNY | Other MX | Total |
| | N° | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Investment in companies | 14 | 35,663 | - | - | - | - | - | 11 | - | - | - | - | 35,674 |
| Intangible assets | 15 | 258,902 | - | - | - | - | - | - | - | - | - | - | 258,902 |
| Property, equipment | 16 | 80,119 | - | - | - | - | - | - | - | - | - | - | 80,119 |
| Assets for the right to use leased assets | 17 | 148,676 | - | - | - | - | - | - | - | - | - | - | 148,676 |
| Current taxes | 18 | - | 1,095 | - | - | - | - | - | - | - | - | - | 1,095 |
| Deferred taxes | 18 | 372,082 | - | - | - | - | - | - | - | - | - | - | 372,082 |
| Other assets | 19 | 322,786 | 18,967 | - | 516,598 | - | - | 1,376 | - | - | - | 153 | 859,880 |
| Non-current assets and disposal groups held for sale | 20 | 20,750 | - | - | - | - | - | - | - | - | - | - | 20,750 |
| Total non-financial assets | | 1,238,978 | 20,062 | - | 516,598 | - | - | 1,387 | - | - | - | 153 | 1,777,178 |
| Provisions for contingencies | 24 | 61,189 | - | - | - | - | - | - | - | - | - | 41 | 61,230 |
| Provisions for dividends, payment of interest and revaluation of issued regulatory capital financial instruments | 25 | 69,722 | - | - | - | - | - | - | - | - | - | - | 69,722 |
| Special provisions for credit risk | 26 | 179,255 | - | - | 8,597 | 17 | 0 | 25 | - | 1 | - | - | 187,895 |
| Current taxes | 18 | 15,000 | - | - | - | - | - | - | - | - | - | - | 15,000 |
| Deferred taxes | 18 | 842 | - | - | - | - | - | - | - | - | - | - | 842 |
| Other liabilities | 27 | 161,191 | 31,773 | - | 729,231 | 480 | 38 | - | - | 6 | - | 6,520 | 929,239 |
| Total non-financial liabilities | | 487,199 | 31,773 | - | 737,828 | 497 | 38 | 25 | - | 7 | - | 6,561 | 1,263,928 |
| Net non-financial position | | 751,779 | (11,711) | - | (221,230) | (497) | (38) | 1,362 | - | (7) | - | (6,408) | 513,250 |

| As at December 31, 2023 | | | | | | | | | | | | | |
|--|------|------------------|----------------|--------------------------|------------------|--------------|-------------|------------|-------|-------------|-------------|----------------|------------------|
| Non-Financial Assets-Liabilities | Note | \$ | UF | Adjustable Exchange Rate | US\$ | COP | GBP | EUR | CHF | JPY | CNY | Other MX | Total |
| | N° | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Investment in companies | 14 | 34,209 | - | - | - | - | - | 11 | - | - | - | - | 34,220 |
| Intangible assets | 15 | 255,425 | - | - | - | - | - | - | - | - | - | - | 255,425 |
| Property, equipment | 16 | 84,327 | - | - | - | - | - | - | - | - | - | - | 84,327 |
| Assets for the right to use leased assets | 17 | 159,569 | - | - | - | - | - | - | - | - | - | - | 159,569 |
| Current taxes | 18 | 9 | 2,404 | - | - | - | - | - | - | - | - | - | 2,413 |
| Deferred taxes | 18 | 360,658 | - | - | - | - | - | - | - | - | - | - | 360,658 |
| Other assets | 19 | 287,523 | 21,332 | - | 398,204 | - | - | 890 | - | - | - | 582 | 708,531 |
| Non-current assets and disposal groups held for sale | 20 | 19,734 | - | - | - | - | - | - | - | - | - | - | 19,734 |
| Total non-financial assets | | 1,201,454 | 23,736 | - | 398,204 | - | - | 901 | - | - | - | 582 | 1,624,877 |
| Provisions for contingencies | 24 | 55,152 | - | - | - | - | - | - | - | - | - | 122 | 55,274 |
| Provisions for dividends, payment of interest and revaluation of issued regulatory capital financial instruments | 25 | 122,388 | - | - | - | - | - | - | - | - | - | - | 122,388 |
| Special provisions for credit risk | 26 | 181,333 | - | - | 11,697 | 17 | - | 53 | - | 24 | 10 | - | 193,134 |
| Current taxes | 18 | 63,222 | - | - | - | - | - | - | - | - | - | - | 63,222 |
| Deferred taxes | 18 | 795 | - | - | - | - | - | - | - | - | - | - | 795 |
| Other liabilities | 27 | 233,024 | 30,327 | - | 780,353 | 814 | 22 | 21 | - | 7 | - | 5,580 | 1,050,148 |
| Total non-financial liabilities | | 655,914 | 30,327 | - | 792,050 | 831 | 22 | 74 | - | 31 | 10 | 5,702 | 1,484,961 |
| Net non-financial position | | 545,540 | (6,591) | - | (393,846) | (831) | (22) | 827 | - | (31) | (10) | (5,120) | 139,916 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

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 number 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 such risks are managed within levels consistent with the risk appetite defined by Management and in accordance with the strategy defined by Corporate Governance. This allows the Bank and its subsidiaries to establish a balance between risks and benefits in order to maximize value for the shareholders.

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.
- Understanding 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.
- Focus on customers - 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 considering the regulatory environment related to compensation.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

2) Risk management structure

- **Board of Directors**

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**

Corresponds to a support committee, which helps the Bank's Board of Directors of in the supervision of 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)**

The mission of this Committee is to deliver strategic guidelines that allow for 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 several issues concerning growth, funding, products, pricing, risks and Bank's profit or loss.

- **Model committee**

The model 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.

- **Capital management and profitability committee**

The Capital Management and Profitability Committee's mission is to provide strategic guidelines to maximize the Bank's profitability within the internal and regulatory risk appetite, in accordance with the objectives set by the Board of Directors and the policies of Scotiabank Chile (SBC).

- **Committee for the prevention of money laundering and financing of terrorism of the Bank and its 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.

- **Consequence Management Committee**

The Consequence Management Committee is intended to oversee the management of conduct risk in the Bank, through general direction and guidance, promoting the consistent and collaborative application of the guiding principles contained in the Code of Conduct throughout the Bank, being responsible for the governance and oversight of local conduct risk. In line with this, it is responsible for ensuring effective conduct risk management that ensures clear and permanent communication of the Bank's values and its global principles with respect to the required ethical conduct.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

- **External Suppliers Committee of Scotiabank Chile and Subsidiaries**

It manages in a central and unified manner the issues related to the different aspects of outsourcing of the Bank and its Subsidiaries with external suppliers, or with other members of the Group.

- **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/her capacity as Chairman and Officer in charge, or in his/her 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 meeting, the Chairman and Officer in Charge of the Committee, or in his/her 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 Bank's Board of Directors, which is in charge of the different aspects that involve efficiency, maintenance, application and operation of the internal control systems of the Bank and its subsidiaries; carefully monitor compliance with the regulatory standards and procedures that govern their practice; have a clear understanding of the risks that the business performed may mean for the institution; reinforce and support the function of the Comptroller's Office, as well as its independence from management 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

This Division supports the Bank's objectives and must maintain an efficient and ongoing management framework at all the Bank's levels. 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 reward in order to maximize value for the shareholders.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Certain key tasks in risk management performed 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 loans, exceptions and other operations of the different service channels for the business, large business, wholesale, corporate and real estate portfolios.

Risk data engineering and reporting

- Centralize the areas of engineering and risk data management in order to homogenize, standardize, streamline and reduce the risk of data processing and reporting (including regulatory provisions).
- Coordinate within risk the tasks related to Basel III, generating EESAR (Effective Equity Self-Assessment Report) and stress tests.
- Model risk is one that produces adverse financial results (for example, capital, losses, income) 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.

Standardization companies and BRP

- Manages debtors transferred from the commercial areas (corporate, large companies, wholesale, real estate and companies) including the lease operations and factoring transactions 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 assets received in lieu of payment.

Market risk management

- 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 Bank's risk appetite and expectations complying with local and the Parent's regulations.
- In view of the announcement issued by the Financial Conduct Authority (FCA), regarding that LIBOR rates would no longer be published, the Chilean market assessed the replacement with new benchmark rates such as SOFR, ESTR and SONIA.
- The Bank adopted the required actions to comply with the standard "Interest Rate Benchmark Reform Stage 2", identifying all transactions affected by the change in the benchmark rate, implementing the necessary IT developments to support the new rate model, drafting the legal language to be included in the contracts and promissory notes, both for those transactions maturing after the end of the publication of LIBOR rates, and for those transactions performed using the new benchmark rate, adhered to not providing loans under LIBOR from January 2022, only providing financing to third parties at SOFR and made valuation price changes at SOFR curves.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

A summary of the exposure of the different LIBOR-indexed products (notional amounts) not yet remedied as at December 31, 2023 is presented below. As at June 30, 2024, there are no transactions not yet remedied.

| LIBOR-based operations | Non-derivative assets (1) | Non-derivative liabilities (2) | Derivative assets (3) | Derivative liabilities (3) |
|--------------------------------|---------------------------|--------------------------------|-----------------------|----------------------------|
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| US\$ | 9,692 | - | - | - |
| EUR | - | - | - | - |
| Other | - | - | - | - |
| As at December 31, 2023 | 9,692 | - | - | - |

The table above details the Bank's exposures to IBORs through financial assets and liabilities subject to the IBOR reform, which as at December 31, 2023, have not yet begun a process of transition to benchmark rates. As at June 30, 2024, there are no transactions not yet remedied.

Enterprise risk management

Develop and implement methods to identify, assess, measure, and monitor the operational, cybersecurity and technological, data, business continuity 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, and having the necessary capacities to avoid or mitigate the impact of an event that causes a disruption of operations in one or more business units.
- Information technology (IT) risk relates to the risk of financial loss, disruption or reputational damage due to a failure in IT systems.
- Cybersecurity risk is the risk of loss of confidentiality, integrity or availability of information, data or information systems, and reflects the potential adverse impacts on the organization's operations and assets, customers and other stakeholders.
- Data risk is the exposure to adverse financial or non-financial consequences due to mismanagement, misinterpretation or misuse of the Bank's data assets. This risk can arise from poor data quality; inadequate data management or data architecture; and/or unethical use of data.
- Operational risk is the risk of loss derived 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.
- 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.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Compliance

- Support management through the application of the compliance program and in implementation of the rules issued by regulatory bodies and corporate procedures of Scotiabank Chile and its subsidiaries; monitor and advise on the application of the Bank's code of conduct; and support senior management in the identification and management of the risk of non-compliance.
- 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 products of the Bank and its subsidiaries for the commission of crimes associated with money laundering and terrorist financing, reducing the associated reputational risk.

3) Loss 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 loss through a number of tools that include 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 they operate.

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 write-offs and loan recoveries.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

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

Individual assessment:

Debtors having the characteristics described in Note 2 "Significant accounting policies", letter (aa) "Special allowances for credit losses" are considered as individually evaluated commercial portfolio.

In accordance with Chapter B-1 of the CNC for Banks issued by the CMF, the individual assessment 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.

Collective assessment - Collective expected loss models:

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

In addition, a model committee exists 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 collective allowances. The aforementioned validation is performed by an internal area different from the area developing such models, carrying out an objective review and without conflicts of interest.

There is a model risk management policy (MRMP) that follows the Risk Management's internal guidelines that allow developments to show a standard defined by the Bank, regardless of the team that performs the work. The guidelines cover different stages in the model life cycle such as: collective models methodology, monitoring and control, data validation, model validation and model development, and adequacy 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.

Thus, the allowance models are integrated with the management of account administration, collections and account origination.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

The different collective credit risk models are presented below according to the Bank's portfolios:

Non-retail group commercial model

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

Customers are evaluated at Taxpayer ID level, which are grouped as follows: renegotiated customers, and non-renegotiated customers.

In addition, the commercial portfolio has a standard model published by CMF that is divided into three sub-matrices: lease, student and other commercial. These matrices are generally double-entry where an expected loss (EL) 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: lease, student and other commercial. These matrices are generally double-entry where an EL 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 is applicable to customers with an operation classified as mortgage loans (for new and old customers). Customers are evaluated at Taxpayer 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 loan to value (LTV). 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. Models are: quota consumption (for new and old customers), revolving consumption, renegotiated consumption (at customer level) and agreements.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

CAT subsidiary allowance model

The model used for subsidiary CAT uses the same formulation as for the collective consumption model, based on a statistical model with probability of default (PD) and a loss given default (LGD). Models are integrated with the management of the customer; e.g., for non-payment of obligations, considering the different CAT recovery and collection strategies.

Credit quality by class of financial asset – Individual assessment

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

| Individual evaluation | As at June 30, 2024 | | | | | | | | Total |
|-----------------------|---------------------|-------------------|--------------------|----------------|----------------|----------------|------------------|-------------------|-------|
| | Owed by banks | Commercial loans | Commercial leasing | Factoring | Consumer loans | Mortgage loans | Contingent loans | | |
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | |
| A1 | 17,205 | 122,308 | - | - | - | - | 101,514 | 241,027 | |
| A2 | 1,879 | 2,891,357 | 54,944 | 7,990 | - | - | 722,313 | 3,678,483 | |
| A3 | - | 1,808,119 | 162,469 | 53,368 | - | - | 68,162 | 2,092,118 | |
| A4 | - | 2,430,469 | 320,650 | 52,496 | - | - | 153,323 | 2,956,938 | |
| A5 | - | 1,204,996 | 159,445 | 90,480 | - | - | 78,969 | 1,533,890 | |
| A6 | - | 1,144,848 | 71,762 | 63,142 | - | - | 17,824 | 1,297,576 | |
| B1 | - | 316,359 | 19,803 | 50,577 | - | - | 24,980 | 411,719 | |
| B2 | - | 276,338 | 8,166 | - | - | - | 5,158 | 289,662 | |
| B3 | - | 150,231 | 6,989 | - | - | - | 10,318 | 167,538 | |
| B4 | - | 136,858 | 4,033 | - | - | - | 2,947 | 143,838 | |
| C1 | - | 133,009 | 3,745 | 8,474 | - | - | 1,651 | 146,879 | |
| C2 | - | 126,317 | 9,595 | - | - | - | 311 | 136,223 | |
| C3 | - | 31,565 | 574 | - | - | - | 4 | 32,143 | |
| C4 | - | 20,726 | 850 | - | - | - | 155 | 21,731 | |
| C5 | - | 72,679 | 664 | 513 | - | - | 312 | 74,168 | |
| C6 | - | 61,552 | 214 | 581 | - | - | 766 | 63,113 | |
| Total | 19,084 | 10,927,731 | 823,903 | 327,621 | - | - | 1,188,707 | 13,287,046 | |

| Individual evaluation | As at December 31, 2023 | | | | | | | | Total |
|-----------------------|-------------------------|-------------------|--------------------|----------------|----------------|----------------|------------------|-------------------|-------|
| | Owed by banks | Commercial loans | Commercial leasing | Factoring | Consumer loans | Mortgage loans | Contingent loans | | |
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | |
| A1 | 12,354 | 73,442 | - | 628 | - | - | 73,377 | 159,801 | |
| A2 | 12,884 | 2,948,952 | 55,038 | 34,679 | - | - | 540,795 | 3,592,348 | |
| A3 | - | 1,728,678 | 140,392 | 19,817 | - | - | 91,680 | 1,980,567 | |
| A4 | - | 2,687,685 | 328,086 | 117,092 | - | - | 218,982 | 3,351,845 | |
| A5 | - | 1,260,656 | 169,212 | 83,484 | - | - | 62,398 | 1,575,750 | |
| A6 | - | 1,098,749 | 64,978 | 34,805 | - | - | 18,272 | 1,216,804 | |
| B1 | - | 314,932 | 14,450 | 26,120 | - | - | 4,077 | 359,579 | |
| B2 | - | 205,255 | 12,945 | 3,090 | - | - | 6,590 | 227,880 | |
| B3 | - | 213,303 | 6,116 | - | - | - | 10,771 | 230,190 | |
| B4 | - | 75,612 | 4,394 | - | - | - | 3,101 | 83,107 | |
| C1 | - | 121,628 | 3,383 | 2,131 | - | - | 124 | 127,266 | |
| C2 | - | 36,848 | 6,507 | - | - | - | 6 | 43,361 | |
| C3 | - | 22,494 | 1,263 | - | - | - | 17 | 23,774 | |
| C4 | - | 18,162 | 1,095 | - | - | - | 19 | 19,276 | |
| C5 | - | 76,016 | 560 | 721 | - | - | 832 | 78,129 | |
| C6 | - | 55,491 | 2,050 | 780 | - | - | 462 | 58,783 | |
| Total | 25,238 | 10,937,903 | 810,469 | 323,347 | - | - | 1,031,503 | 13,128,460 | |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Credit quality by class of financial asset – Collective assessment

For collective assessment, credit quality is presented (regular or in default), tabulating loans according to the class of financial asset.

| As at June 30, 2024 | | | | | | | | |
|---------------------|---------------|------------------|--------------------|------------|------------------|-------------------|------------------|-------------------|
| Group evaluation | Owed by banks | Commercial loans | Commercial leasing | Factoring | Consumer loans | Mortgage loans | Contingent loans | Total |
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Regular | - | 1,646,439 | 29,483 | 764 | 3,798,995 | 13,494,352 | 540,447 | 19,510,480 |
| Default | - | 259,797 | 1,841 | 23 | 465,644 | 476,884 | 17,493 | 1,221,682 |
| Total | - | 1,906,236 | 31,324 | 787 | 4,264,639 | 13,971,236 | 557,940 | 20,732,162 |

| As at December 31, 2023 | | | | | | | | |
|-------------------------|---------------|------------------|--------------------|------------|------------------|-------------------|------------------|-------------------|
| Group evaluation | Owed by banks | Commercial loans | Commercial leasing | Factoring | Consumer loans | Mortgage loans | Contingent loans | Total |
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Regular | - | 1,711,864 | 28,570 | 407 | 3,724,903 | 13,485,431 | 555,164 | 19,506,339 |
| Default | - | 252,818 | 1,854 | 135 | 422,348 | 406,281 | 25,548 | 1,108,984 |
| Total | - | 1,964,682 | 30,424 | 542 | 4,147,251 | 13,891,712 | 580,712 | 20,615,323 |

Financial assets at amortized cost

The following stages are defined for individual and collective assessment:

| Stage | Description | Individual | Group |
|---------|---|------------|-------------|
| Stage 1 | Assets without a significant increase in credit risk since initial recognition | A1 to A6 | Regular |
| Stage 2 | Assets with a significant increase in credit risk since initial recognition but without credit impairment | B1 to B4 | Substandard |
| Stage 3 | Credit-impaired assets | C1 to C6 | Default |

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

| As at June 30, 2024 | | Stage 1 | Stage 2 | Stage 3 | Total |
|-------------------------------|--|-------------------|------------------|------------------|-------------------|
| | | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Individual | | | | | |
| Owed by banks | | 19,084 | - | - | 19,084 |
| Loans and accounts receivable | | 11,780,948 | 1,012,757 | 474,257 | 13,267,962 |
| Group | | | | | |
| Owed by banks | | - | - | - | - |
| Loans and accounts receivable | | 19,510,480 | - | 1,221,682 | 20,732,162 |
| Total | | 31,310,512 | 1,012,757 | 1,695,939 | 34,019,208 |

| As at December 31, 2023 | | Stage 1 | Stage 2 | Stage 3 | Total |
|-------------------------------|--|-------------------|----------------|------------------|-------------------|
| | | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Individual | | | | | |
| Owed by banks | | 25,238 | - | - | 25,238 |
| Loans and accounts receivable | | 11,851,876 | 900,756 | 350,590 | 13,103,222 |
| Group | | | | | |
| Owed by banks | | - | - | - | - |
| Loans and accounts receivable | | 19,506,339 | - | 1,108,984 | 20,615,323 |
| Total | | 31,383,453 | 900,756 | 1,459,574 | 33,743,783 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Collateral

Collateral accepted by the Bank comply with the requirements established in in Chapter 12-3 of the RAN, which establishes that for the purposes of the individual credit limit, all sureties constituted on real or personal property are collateral. Collateral (co-debtors or sureties), as well as those constituted on bills of exchange, commercial promissory notes, shares and, in general, all those that do not affect tangible property, will not be considered for these purposes, except for certain specific documents indicated in the regulations and that comply with the conditions indicated therein. Having guarantees reduces the risk for the Bank.

For the group and individual evaluation, the collateral limitation amount for customers with secured transactions is classified into the following categories:

| Individual | As at June 30, 2024 | | | As at December 31, 2023 | | |
|------------------|---------------------|------------------|----------------|-------------------------|------------------|----------------|
| | Loans | Guarantee | Allowance | Loans | Guarantee | Allowance |
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Commercial loans | 12,079,255 | 4,252,195 | 272,755 | 12,071,719 | 4,256,123 | 249,036 |
| Consumer loans | - | - | - | - | - | - |
| Mortgage loans | - | - | - | - | - | - |
| | 12,079,255 | 4,252,195 | 272,755 | 12,071,719 | 4,256,123 | 249,036 |

| Group (*) | As at June 30, 2024 | | | As at December 31, 2023 | | |
|------------------|---------------------|-------------------|----------------|-------------------------|-------------------|----------------|
| | Loans | Guarantee | Allowance | Loans | Guarantee | Allowance |
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Commercial loans | 1,946,585 | 2,621,733 | 69,385 | 2,005,282 | 2,557,483 | 68,233 |
| Consumer loans | 2,722,230 | - | 147,162 | 2,655,839 | - | 154,109 |
| Mortgage loans | 13,939,092 | 24,687,848 | 46,161 | 13,857,128 | 24,169,277 | 44,808 |
| | 18,607,907 | 27,309,581 | 262,708 | 18,518,249 | 26,726,760 | 267,150 |

(*) Subsidiaries are not considered for the group portfolio.

Individual portfolio risk profile by probability of default

The table below shows a tabulated breakdown by probability of default (PD) of the Bank's individual portfolio of secured and unsecured debt.

| Tranches for probability of default | As at June 30, 2024 | | As at December 31, 2023 | |
|-------------------------------------|---------------------|-------------------|-------------------------|-------------------|
| | Secured | Unsecured | Secured | Unsecured |
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| 0.0 - 0.1 | 130,594 | 5,256,864 | 130,273 | 5,151,317 |
| 0.11 - 0.4 | 430,646 | 1,662,487 | 410,405 | 1,572,669 |
| 1.01 - 3.0 | 1,217,979 | 1,738,959 | 1,388,673 | 1,963,170 |
| 3.01 - 6.0 | 679,248 | 854,641 | 729,422 | 846,328 |
| 6.01 - 11.0 | 773,124 | 524,452 | 747,089 | 470,693 |
| 11.01 - 17.0 | 224,618 | 187,101 | 229,227 | 131,800 |
| 17.01 - 25.0 | 236,255 | 53,406 | 169,083 | 58,797 |
| 25.01 - 50.0 | 243,490 | 68,587 | 244,907 | 69,847 |
| 50.01 + | 344,268 | 129,987 | 231,969 | 118,620 |
| Total | 4,280,222 | 10,476,484 | 4,281,048 | 10,383,241 |

The information does not consider guarantees for substitution purposes.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Risk profile of the collective portfolio by probability of default

The table below shows a tabulated breakdown by probability of default (PD) of the Bank's different collective portfolio banking.

| Tranches for probability of default | | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|-------------------------------------|-------------------------|--------------------|---------------------|
| Commercial | | | |
| | 0.84 - 3.81 | 840,132 | 837,537 |
| | 3.81 - 8 | 359,207 | 372,968 |
| | 8 - 12.41 | 148,862 | 155,248 |
| | 12.41 - 12.722 | 141,651 | 174,403 |
| | 12.722 - 25.27 | 65,860 | 60,252 |
| | 25.27 + | 390,873 | 404,874 |
| | Total commercial | 1,946,585 | 2,005,282 |
| Mortgage | | | |
| | 0.14 - 0.37 | 8,606,271 | 8,630,213 |
| | 0.37 - 1.79 | 2,566,597 | 2,648,246 |
| | 1.79 - 4.5 | 1,201,037 | 1,151,327 |
| | 4.5 - 16.8 | 13,925 | 13,861 |
| | 16.8 - 23.04 | 1,076,897 | 1,010,002 |
| | 23.04 + | 474,365 | 403,479 |
| | Total mortgage | 13,939,092 | 13,857,128 |
| Consumer | | | |
| | 0.82 - 2.36 | 747,240 | 736,319 |
| | 2.36 - 5.61 | 715,311 | 671,210 |
| | 5.61 - 9.94 | 441,695 | 410,830 |
| | 9.94 - 15.59 | 223,608 | 229,298 |
| | 15.59 - 40.58 | 295,014 | 284,806 |
| | 40.58 + | 299,362 | 323,376 |
| | Total consumer | 2,722,230 | 2,655,839 |
| | Total | 18,607,907 | 18,518,249 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Offset of financial assets and liabilities

For accounting purposes, Scotiabank does not offset derivatives.

Credit limits to related groups

For groups related to Scotiabank, the total of their obligations may not exceed 5% of the Bank's effective equity, this limit increases to 25% only if that exceeding 5% corresponds to obligations with collateral (article 84, number 2 of the General Banking Law).

All groups related to Scotiabank are within the regulatory limits, detailed as follows:

As at June 30, 2024

| | Total obligations | % Effective equity | |
|----------------------------|-------------------|--------------------|-------------|
| | MCh\$ | Secured | Unsecured |
| BNS Group | 505,078 | 9.6% | 0.9% |
| Said Group | 217,190 | 3.6% | 1.0% |
| Generico por gestión Group | 168,960 | 2.8% | 0.7% |
| Karen Ergas Group | 48,067 | 0.4% | 0.6% |
| Business Support Group | 30,000 | 0.0% | 0.6% |
| Salvador Said Group | 25,763 | 0.0% | 0.5% |
| Víctor Carpio Group | 23,011 | 0.3% | 0.2% |
| Emilio Deik Group | 11,194 | 0.1% | 0.2% |
| Diego Masola Group | 35 | 0.0% | 0.0% |
| Other related groups | 59,218 | 0.9% | 0.3% |
| Total main debtors | 1,088,516 | | |
| Regulatory limits | | 25.0% | 5.0% |

As at December 31, 2023

| | Total obligations | % Effective equity | |
|----------------------------|-------------------|--------------------|-------------|
| | MCh\$ | Secured | Unsecured |
| BNS Group | 512,207 | 10.9% | 0.1% |
| Said Group | 213,782 | 3.6% | 1.0% |
| Generico por gestión Group | 163,909 | 2.8% | 0.7% |
| Karen Ergas Group | 44,759 | 0.3% | 0.7% |
| Business Support Group | 30,000 | 0.0% | 0.7% |
| Salvador Said Group | 27,389 | 0.0% | 0.6% |
| Víctor Carpio Group | 18,717 | 0.3% | 0.1% |
| Emilio Deik Group | 9,359 | 0.1% | 0.1% |
| Other related groups | 53,760 | 0.9% | 0.3% |
| Total main debtors | 1,073,882 | | |
| Regulatory limits | | 25.0% | 5.0% |

Concentration by industries

See information on concentration by industry in letter e) "Gross loans and allowances made grouped by type of economic activity of debtors and concentration of credit risk" in note 13 "Financial assets at amortized cost."

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Total allowances on loans

The total level of allowances on loans reached MCh\$741,792 as at June 30, 2024, which implies an increase of approximately 4.99% compared to the stock of allowances as at December 31, 2023, which reached MCh\$706,523. Accordingly, and considering an increase in total loans (an increase of 0.46% in the same period), the percentage of allowances on total loans was up from 2.20% in December 2023 to 2.30% in June 2024.

| Risk rates and allowances | 6/30/2024 | 12/31/2023 |
|------------------------------------|--------------|--------------|
| | MCh\$ | MCh\$ |
| Total allowances on loans | 741,792 | 706,523 |
| Total loans | 32,253,477 | 32,106,330 |
| Allowance / loan percentage | 2.30% | 2.20% |

The increase in credit loss allowances in the period between January and December 2023 and June 2024 occurs mainly in retail and CAT Administradora de Tarjetas S.A.

4) Market risk

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. Market risks is classified as follows:

- 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**
 Spread risk is the risk of losses related to adverse changes in spreads existing in the yield of 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.
- Option volatility 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.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

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 Sheet 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 funded in Chilean 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 held for trading at fair value through profit or loss of the Individual Bank, is detailed as follows:

| As at June 30, 2024 | (Individual bank) | | | | |
|---------------------|-------------------------|-------------------|-----------------------|-----------------|-----------------------------------|
| | Purchase value MCh\$ | Purchase TIR % | Market value MCh\$ | Market TIR % | Unrecognized gain (loss) MCh\$ |
| Papers \$ | 1,311,351 | 3.10 | 1,216,411 | 5.74 | (94,940) |
| PDBC | - | - | - | - | - |
| BCP | - | - | - | - | - |
| BTP | 1,311,351 | 3.10 | 1,216,411 | 5.74 | (94,940) |
| Term deposits Ch\$ | - | - | - | - | - |
| Papers UF | 220,700 | 0.78 | 213,785 | 2.73 | (6,915) |
| BCU | - | - | - | - | - |
| BTU | 220,700 | 0.78 | 213,785 | 2.73 | (6,915) |
| Term deposits UF | - | - | - | - | - |
| Securitized bonds | - | - | - | - | - |
| Papers US\$ | 28,809 | 3.93 | 31,540 | 6.38 | 2,731 |
| Term deposits US\$ | 28,809 | 3.93 | 31,540 | 6.38 | 2,731 |
| Total | 1,560,860 | 2.79 | 1,461,736 | 5.31 | (99,124) |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

| As at December 31, 2023 | (Individual bank) | | | | |
|-------------------------|-------------------|--------------|------------------|-------------|--------------------------|
| | Purchase value | Purchase TIR | Market value | Market TIR | Unrecognized gain (loss) |
| | MCh\$ | % | MCh\$ | % | MCh\$ |
| Papers \$ | 1,862,294 | 4.62 | 1,807,484 | 6.01 | (54,810) |
| PDBC | 393,432 | 9.99 | 420,810 | 7.58 | 27,378 |
| BCP | - | - | - | - | - |
| BTP | 1,468,862 | 3.18 | 1,386,674 | 5.53 | (82,188) |
| Term deposits Ch\$ | - | - | - | - | - |
| Papers UF | 365,202 | 1.68 | 356,238 | 2.55 | (8,964) |
| BCU | - | - | - | - | - |
| BTU | 365,202 | 1.68 | 356,238 | 2.55 | (8,964) |
| Term deposits UF | - | - | - | - | - |
| Securitized bonds | - | - | - | - | - |
| Papers US\$ | 59,870 | 4.15 | 62,225 | 6.60 | 2,355 |
| Term deposits US\$ | 59,870 | 4.15 | 62,225 | 6.60 | 2,355 |
| Total | 2,287,366 | 4.14 | 2,225,947 | 5.47 | (61,419) |

Trading activities/customers

The Bank has a Trading area responsible for the active trading of highly liquid instruments, whether these are Banco Central de Chile, bank and/or corporate paper, 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).

As at June 30, 2024, the total VaR (includes rate and currency) reached a value of MCh\$1,617 (MCh\$2,878 as at December 31, 2023).

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

The impact by the risk factor on the VaR at each closing date is shown below:

| | 6/30/2024 | 12/31/2023 |
|----------------------|----------------|----------------|
| | MCh\$ | MCh\$ |
| Bonds in UF | (1) | 2 |
| Derivatives UF | 141 | (532) |
| Bonds in Ch\$ | (1,073) | (29) |
| Derivatives in Ch \$ | 174 | 252 |
| Derivatives in US\$ | (126) | (1,217) |
| Basis US\$/ | (638) | (1,361) |
| Basis L3L6 | - | - |
| Other | - | 7 |
| FX | (94) | - |
| Total | (1,617) | (2,878) |

Where others, corresponds to the diversification effect, product of having books with different risk measurements.

Interest rate flow sensitivity

Structural interest rate risk is measured using a metric that sensitizes the flows of asset and liability positions.

The metric considers financial assets, liabilities and derivatives not belonging to the trading portfolio. Items, or a portion thereof, that are previously designated as not sensitive to changes in interest rates are excluded, such as:

- Cash.
- Other assets and liabilities.
- Past due portfolio.
- Allowances.
- Capital and reserves.

Interest rate mismatches are built as follows:

- a) Cash flows are determined by the maturity of fixed rate transactions and by the revaluation period in variable rate transactions.
- b) Assets, liabilities and derivatives used in balance management should be grouped according to their currency of accrual: Chilean pesos (Ch\$), Unidad de Fomento (UF), U.S. dollars (US\$) and other foreign currencies combined.
- c) Flows consider only principal of transactions.
- d) Interest rate curves do not consider the spread between assets and liabilities.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

f) Adjustments:

To properly calculate the sensitivity of assets and liabilities to changes in interest rates, the flows of financial products having particular characteristics must be modified:

- i) The balance in chequing accounts is distributed in terms of up to 8 years for the local report and up to 5 years for regulatory report. Both as obtained in the stability models of demand accounts with no maturity.
- ii) The ability of customers to prepay loans modifies the risk profile of the balance sheet, as actual maturities differ from the contractual maturities.
- iii) For education loans, the expected flow should be estimated according to the factors that determine the maturity profile of this portfolio. In addition, all disbursements and resales that will be accounted for in the current year, related to those students who are pursuing their studies and that the Bank has committed to deliver the necessary funds, must be entered.

Short-term sensitivity (Net interest income sensitivity)

Quantifies the impact of an adverse change in interest rates in the short term. This impact discloses the deviation that the budgeted financial margin may experience at a year-end.

The interest rate shock is weighted by the residual term of each time band, i.e., a 100 bp shock is applied to the overnight band until it is gradually reduced to 8.33 bp in the eleventh month.

The calculation is made for each currency, then the individual results are aggregated to obtain the overall risk exposure.

$$St = ABS (\sum Spm)$$

Where:

St: Short-term sensitivity to a change in interest rates.

Sp: Sensitivity of a change in interest rate (100 bps) weighted by the annual residual term.

m: The currencies of each book measured: Ch\$, UF, US\$, MX.

Long-term sensitivity (Economic value sensitivity)

Quantifies the impact of an adverse change in interest rates on the Bank's equity, or in other words, represents the variation that the value of the share would experience in the event of a movement in the yield curve.

This impact is obtained by comparing the market value of the balance sheet structure with the present value of the mismatches discounted at market rates modified by a sensitivity factor equivalent to +/- 100bp.

$$Stl = ABS (\min (\sum St+m , \sum St-m))$$

Where:

Stl: Long-term sensitivity to a change in interest rates.

St: Sensitivity to an increase (+) and drop (-) in interest rates.

m: The currencies of each book measured: Ch\$, UF, US\$, MX.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Inflation position sensitivity

The sensitivity of the inflation position results from applying a 100 bp shock to the difference between assets and liabilities denominated in Unidad de Fomento (UF). The mismatch considers on and off-balance sheet transactions, except for those of the trading portfolio. Derivatives the maturity date of which falls within the known UF term are excluded from the measurement.

$$I_f = ABS (P_i) * 1\%$$

Where:

 I_f: Inflation sensitivity

 P_i: Inflation position

The Bank uses long-term sensitivity (EvE), short-term sensitivity (NII) and sensitivity to inflation risk to quantify the interest rate risk of the balance sheet book (banking book). These measures include all assets and liabilities, except for trading portfolios.

The impact on present value per currency of a parallel movement of 100 points is illustrated below.

As at June 30, 2024

| | VPN | VPN + 1% | VPN - 1% |
|--------------|------------------|-----------|----------|
| Ch\$ | 1,662,642 | (42,412) | 42,917 |
| UF | 2,844,841 | (189,328) | 129,622 |
| US\$ | (1,032,309) | 2,549 | (2,810) |
| MX | 42,413 | (1,503) | 1,591 |
| Usage | (230,694) | | |

As at December 31, 2023

| | VPN | VPN + 1% | VPN - 1% |
|--------------|------------------|-----------|----------|
| Ch\$ | 2,452,985 | (57,996) | 63,969 |
| UF | 2,473,099 | (109,270) | 33,166 |
| US\$ | (1,076,081) | 2,280 | (2,546) |
| MX | 48,623 | (1,542) | 1,639 |
| Usage | (166,528) | | |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

The impact on the financial margin by currency of a parallel movement of 100 points is illustrated below:

As at June 30, 2024

| | Net present value | | | | Financial margin | | | |
|--------------|-------------------|-------------|---------------|-------------|------------------|----------------|---------------|-------------|
| | \$ MCh\$ | UF MCh\$ | US\$ MCh\$ | MX MCh\$ | \$ MCh\$ | UF MCh\$ | US\$ MCh\$ | MX MCh\$ |
| 1 Month | 190,371 | 216,326 | (690,495) | (6,293) | (1,824) | (2,119) | 6,617 | 60 |
| 2 Months | (558,285) | 180,564 | (989,577) | (12,001) | 4,885 | (1,621) | 8,659 | 105 |
| 3 Months | 473,928 | 131,905 | (483,238) | 3,617 | (3,752) | (1,082) | 3,826 | (29) |
| 4 Months | (28,939) | 274,174 | 603,313 | 2,836 | 205 | (1,974) | (4,273) | (20) |
| 5 Months | 176,499 | 81,501 | 357,640 | 4,634 | (1,103) | (537) | (2,235) | (29) |
| 6 Months | 630,748 | 33,403 | 338,815 | 3,578 | (3,417) | (205) | (1,835) | (19) |
| 7 Months | 112,210 | 283,450 | (49,606) | 859 | (514) | (1,318) | 227 | (4) |
| 8 Months | (225,636) | 264,523 | (830) | 1,050 | 846 | (1,008) | 3 | (4) |
| 9 Months | 83,411 | 139,003 | 63,988 | 351 | (243) | (417) | (187) | (1) |
| 10 Months | (55,002) | 47,435 | 10,478 | 3,759 | 115 | (107) | (22) | (8) |
| 11 Months | 101,937 | (390,553) | 59,751 | 343 | (128) | 483 | (75) | - |
| 12 Months | 136,615 | 146,038 | 20,263 | 1,429 | (57) | (62) | (8) | (1) |
| Total | | | | | (4,987) | (9,967) | 10,697 | 50 |

Exposure to inflation
Usage 17,347

13,140
As at December 31, 2023

| | Net present value | | | | Financial margin | | | |
|--------------|-------------------|-------------|---------------|-------------|------------------|--------------|-----------------|-------------|
| | \$ MCh\$ | UF MCh\$ | US\$ MCh\$ | MX MCh\$ | \$ MCh\$ | UF MCh\$ | US\$ MCh\$ | MX MCh\$ |
| 1 Month | 1,486,799 | 36,225 | (950,985) | (4,618) | 14,248 | 284 | (9,114) | (44) |
| 2 Months | (166,181) | 36,219 | (1,133,418) | 531 | (1,454) | 260 | (9,917) | 5 |
| 3 Months | 709,255 | 67,374 | (357,769) | 8,073 | 5,615 | 481 | (2,832) | 64 |
| 4 Months | 294,064 | 137,901 | 469,184 | (1,506) | 2,083 | 932 | 3,323 | (11) |
| 5 Months | (2,283,570) | 158,670 | 478,911 | 3,462 | (14,272) | 953 | 2,993 | 22 |
| 6 Months | 317,749 | 116,006 | 582,750 | 2,236 | 1,721 | 594 | 3,157 | 12 |
| 7 Months | (632,489) | 73,588 | 67,422 | 1,085 | (2,899) | 310 | 309 | 5 |
| 8 Months | (137,420) | (43,950) | (65,338) | 2,444 | (515) | (187) | (245) | 9 |
| 9 Months | 162,178 | 78,782 | 12,802 | (52) | 473 | 213 | 37 | - |
| 10 Months | (214,293) | 196,271 | 38,472 | - | (446) | 397 | 80 | - |
| 11 Months | 77,859 | (7,994) | (4,442) | 565 | 97 | (17) | (6) | 1 |
| 12 Months | 508,167 | (145,208) | (636) | 869 | 212 | (63) | - | - |
| Total | | | | | 4,863 | 4,157 | (12,215) | 63 |

Exposure to inflation
Usage 14,427

11,295

Net present value, equivalent to the net present value of asset and liability flows.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Accounting hedges

Transactions under the accounting hedging modality are governed by the technical and procedure specifications described in the Accounting Hedging Policy, managed by the Finance Division. This policy indicates the strategies for hedging with derivatives, specific risk being hedged, effectiveness testing, accounting for hedging relationships and general descriptions related to this product.

As a general concept, a derivative position, which is hedging a certain financial instrument, that arises in the ALM book continues to belong to that book in the event that the hedged item has, for instance, been sold. This translates into no effect on the related regulatory reports and follows the logical determination to separate products and instruments from the trading book and the banking book, as established in RAN Chapter 21-7.

The Market Risk Management Department supervises the deals entered under this modality in the peak system, reviewing concepts such as type of strategy, type of product entered, currency, term and counterparty, making an effective comparison between the system and the confirmation forms received from the back-office area, in order to subsequently provide its final approval.

Additionally, for the management process, on a monthly basis it compares the amounts of results that were entered on a daily basis and the final results received from the Parent, making the related adjustments should differences exist.

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 the volatility in 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.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

The following tables show the exposures to the different currencies, whether of banking products or derivatives in their equivalent in local currency:

| | As at June 30, 2024 | | | As at December 31, 2023 | | |
|------------------|---------------------|----------------------|--------------|-------------------------|----------------------|--------------|
| | Assets MCh\$ | Liabilities MCh\$ | Net MCh\$ | Assets MCh\$ | Liabilities MCh\$ | Net MCh\$ |
| US\$ | 52,404,382 | 52,413,999 | (9,617) | 50,287,492 | 49,930,076 | 357,416 |
| CAD | 24,315 | 23,577 | 738 | 21,555 | 21,177 | 378 |
| BRL | 13,733 | 11,835 | 1,898 | 11,707 | 9,672 | 2,035 |
| PEN | 5 | - | 5 | 5 | - | 5 |
| AUD | 231,615 | 234,500 | (2,885) | 222,188 | 223,981 | (1,793) |
| CNY | 130,314 | 129,295 | 1,019 | 121,094 | 120,547 | 547 |
| DKK | - | - | - | - | - | - |
| JPY | 428,658 | 423,088 | 5,570 | 424,887 | 418,349 | 6,538 |
| CHF | 588,966 | 590,893 | (1,927) | 584,780 | 588,740 | (3,960) |
| NOK | 3,200 | 3,193 | 7 | 2,488 | 2,471 | 17 |
| NZD | 126 | - | 126 | 65 | - | 65 |
| GBP | 209,557 | 209,530 | 27 | 270,404 | 270,293 | 111 |
| SEK | 12,901 | 12,938 | (37) | 19,937 | 19,987 | (50) |
| HKD | 1 | - | 1 | 631 | 629 | 2 |
| ZAR | 33 | - | 33 | 31 | - | 31 |
| COP | 99,753 | 98,253 | 1,500 | 33,356 | 32,070 | 1,286 |
| MXN | 166,537 | 166,168 | 369 | 163,794 | 163,604 | 190 |
| EUR | 1,240,885 | 1,230,344 | 10,541 | 1,262,428 | 1,256,986 | 5,442 |
| Other currencies | - | - | - | 807 | 807 | - |

Balance Book interest rate risk

The Bank is exposed to the volatility in the structure of market interest rates over its structural exposures. As a result of the 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.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

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 June 30, 2024 | | | | As at December 31, 2023 | | | |
|---------------|----------------------|-------------|-------------|----------|-------------------------|-----------|-------------|----------|
| | Mismatch due to term | | | | Mismatch due to term | | | |
| | \$ | UF | US\$ | MX (*) | \$ | UF | US\$ | MX (*) |
| 00002-00030 | (528,765) | 99,162 | (775,056) | (6,294) | 1,042,456 | (67,755) | (953,358) | (4,618) |
| 00031-00060 | (672,045) | 179,550 | (1,002,719) | (12,002) | (210,839) | 35,173 | (1,144,343) | 531 |
| 00061-00090 | 392,587 | 130,891 | (489,635) | 3,617 | 663,266 | 66,352 | (364,790) | 8,072 |
| 00091-00120 | (94,327) | 273,160 | 598,229 | 2,836 | 251,454 | 136,879 | 460,702 | (1,507) |
| 00121-00150 | 108,008 | 80,484 | 352,522 | 4,634 | (2,327,494) | 157,649 | 472,673 | 3,462 |
| 00151-00180 | 582,620 | 32,387 | 334,468 | 3,577 | 268,281 | 114,984 | 577,663 | 2,235 |
| 00181-00210 | 58,039 | 282,428 | (53,475) | 858 | (676,700) | 72,565 | 60,347 | 1,084 |
| 00211-00240 | (282,662) | 263,494 | (6,264) | 1,050 | (181,018) | (44,976) | (72,792) | 2,443 |
| 00241-00270 | 15,934 | 137,989 | 60,197 | 350 | 119,769 | 77,760 | 5,155 | (52) |
| 00271-00300 | (109,470) | 46,421 | 6,109 | 3,758 | (255,614) | 195,247 | 32,252 | - |
| 00301-00330 | 46,913 | (391,610) | 53,260 | 343 | 30,516 | (9,025) | (9,642) | 564 |
| 00331-00360 | 97,449 | 145,004 | 16,514 | 1,429 | 465,359 | (146,230) | (5,894) | 868 |
| 00361-00720 | 1,475,233 | (476,534) | (3,571) | 1,698 | 2,036,205 | 483,703 | (15,661) | 1,317 |
| 00721-01080 | 794,491 | 183,008 | (20,486) | 20,377 | 1,323,866 | (119,450) | (15,085) | 19,272 |
| 01081-01440 | 259,802 | 322,581 | (26,559) | 1,169 | 459,696 | 172,066 | (29,359) | 847 |
| 01441-01800 | (622,683) | 187,931 | (29,861) | 1,174 | (469,723) | 485,066 | (31,146) | 722 |
| 01801-02160 | (371,683) | 500,345 | (38,854) | 1,283 | (394,622) | 444,961 | (35,025) | 841 |
| 02161-02520 | 1,096,556 | (1,050,978) | (40,464) | 1,274 | 287,080 | 150,850 | (38,087) | 1,753 |
| 02521-02880 | (261,172) | 48,603 | (43,218) | 38,617 | 421,943 | (759,472) | (42,071) | 49,655 |
| 02881-03240 | (119,835) | (376,928) | (3,750) | - | 16,751 | (281,728) | (1,832) | (12,804) |
| 03241-03600 | 2,730 | 385,089 | - | - | (90,767) | 32,612 | - | - |
| 03601-05400 | 53,574 | 2,736,177 | - | - | 54,660 | 1,992,918 | - | - |
| 05401-07200 | 13 | (212,234) | - | - | 14 | (258,624) | - | - |
| 07201-09000 | 4 | (137,520) | - | - | 4 | (141,667) | - | - |
| 09001-10800 | 4 | 1,441 | - | - | 4 | 815 | - | - |
| 10800->>>> | 129 | 11 | - | - | 127 | 10 | - | - |
| NRS | (814,903) | 27,800 | (973,568) | - | (1,191,147) | 20,611 | (957,848) | - |

(*) MX Any foreign currency other than the US dollar

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Regulatory limits

The following table shows the regulatory measurement of interest rate risk and indexation of banking book for the short and long-term.

| | Amount 6/30/2024 MCh\$ | Amount 12/31/2023 MCh\$ |
|---|------------------------------|-------------------------------|
| Short-term (margin) | | |
| Short-term interest rate risk | 45,182 | 53,682 |
| Indexation risk | 17,836 | 38,943 |
| Lower income due to commissions sens. | - | - |
| Total short-term risk | 63,018 | 92,625 |
| | | |
| Short-term risk limit (35% of the margin) | 379,727 | 427,377 |
| Short-term usage limit percentage | 16.60% | 21.67% |
| | | |
| Long-term (value) | | |
| Long-term interest rate risk | 407,101 | 400,461 |
| Interest rate optionality risk | - | - |
| Total long-term risk | 407,101 | 400,461 |
| | | |
| Lon-term limit (*) | 713,405 | 862,707 |
| Long-term limit usage percentage | 57.06% | 46.42% |

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 Banco Central de 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 the CMF 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 credit risk and market risk weighted assets.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

The following tables show the regulatory measure of risks on the trading book:

| | Amount 6/30/2024 MCh\$ | Amount 12/31/2023 MCh\$ |
|---|------------------------------|-------------------------------|
| Interest rate risk | 224,421 | 208,534 |
| Currency risk | 1,899 | 30,067 |
| Shares risk | 2,395 | 1,408 |
| Currency optionality risk | 22 | 4 |
| | | |
| Consolidated risk-weighted assets | 31,381,853 | 30,758,320 |
| | | |
| Credit risk regulatory capital (8% CRWA) | 2,048,913 | 2,001,538 |
| Market risk regulatory capital (8% MRWA) | 228,736 | 240,013 |
| Operational risk regulatory capital (8% ORWA) | 232,899 | 219,115 |
| Total regulatory capital | 2,510,548 | 2,460,666 |
| | | |
| Consolidated effective equity | 4,796,491 | 4,629,910 |
| Consumption % (including CR and MR) | 52.34% | 53.15% |
| | | |
| Basel ratio (including market risk) | 15.28% | 15.05% |

5) Risk data engineering and reporting

Risk data engineering and reporting includes the management of provisions and regulatory limits, quality assurance, risk reporting and model risk management.

Model risk management

Model risk is that type of risk that produces adverse financial results (e.g., 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 presumptions, 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 risk management cycle of the models. 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.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

6) Enterprise risk management (operational risk, cybersecurity & IT risk, business continuity and risk management)

The Bank recognizes cybersecurity & IT, data, operational, continuity risks as the main risks for the Bank. Within Enterprise risk management are the cybersecurity & IT, data risk, 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

Information technology risk relates to the risk of financial loss, disruption or reputational damage due to a failure in IT systems.

Cybersecurity risk is the risk of loss of confidentiality, integrity, or availability of information, data, or information systems, and reflects potential adverse impacts on the organization's operations (i.e., mission, duties, image, or reputation) and assets, customers, and other stakeholders.

Cybersecurity risk is addressed within the cybersecurity strategy, which is the adoption of the National Institute of Standards and Technology (NIST). Within this strategy, the functions of identify, detect, protect, respond and recover have been implemented. These functions contain a series of controls that manage cybersecurity risk and indicators have been established to measure it, one of them is the Security Risk Index (SRI) – Protect, that measures the risk of exposure of all technology platforms. Activities and action plans are constantly developed when the level of risk is outside the threshold.

Operational risk

Operational risk is the risk of loss derived 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 related responsibilities for managing operational risk.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

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 June 30, 2024, the Bank and its subsidiaries have recognized MCh\$8,068 for operational risk events (MCh\$16,074 as at December 31, 2023).

| Net loss expense, gross loss and expense recoveries from operational risk events | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|--|--------------------|---------------------|
| Internal fraud | (1,049) | (248) |
| External fraud | (7,365) | (15,550) |
| Labor practices and safety in the business | (46) | (126) |
| Customers, products and business practices | (25) | (1,760) |
| Damage to physical assets | (10) | (29) |
| Business interruption and system failures | (59) | (555) |
| Execution, delivery and process management | (1,331) | (2,139) |
| gross loss in the period due to operational risk events | (9,885) | (20,407) |
| Internal fraud | - | 1,030 |
| External fraud | 1,499 | 2,707 |
| Labor practices and safety in the business | - | 15 |
| Customers, products and business practices | 10 | - |
| Damage to physical assets | - | 7 |
| Business interruption and system failures | 9 | - |
| Execution, delivery and process management | 298 | 574 |
| gross loss recoveries in the period due to operational risk events | 1,816 | 4,333 |
| net loss in the period due to operational risk events | (8,069) | (16,074) |

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 the related background 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 related instances as appropriate with their related status and action plans and according to RAN Chapter 20-8 to the CMF.

Data risk

Data risk is the exposure to adverse financial and non-financial consequences (e.g., loss of revenue, reputational risk, regulatory risk, suboptimal management decisions) caused by mismanagement, misinterpretation, or misuse of the Bank's data assets. This risk can arise from poor data quality; inadequate data management or data architecture; and/or unethical use of data.

The Data Risk Management Framework (DRMF) describes the general guiding principles of data risk management and defines the governance structure of the institutional data risk management program. The Data Risk Management Policy (DRMP) categorizes and explains data-related risks and describes the interaction model and the duties and responsibilities of the key stakeholders involved in data risk management within the organization.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Self-assessment program on risks and control

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 such 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 of 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 a mean for supervising the actions of management to eliminate deficiencies identified and measure efficiency of the measures.

Cloud computing

In compliance with the CISO Directive (Chief information security officer) on Cloud Outsourcing, TPRM (Third party risk management) 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 supplied and released with minimal management effort and interaction by the service provider.

Outsourcing of strategic and non-strategic services

A service is strategic for the Bank when it has the greater potential to impact or have a significant influence (either quantitative or qualitative) on the Bank's operations or reputation. 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 rating established by the business unit itself.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

7) 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 distinguished:

(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, cash 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/She chairs the assets and liabilities committee, a body in which he/she actively participates in liquidity risk management. The CEO delegates authority to manage liquidity risk to other members of the senior management, committees and appropriate departments.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Daily management of liquidity is the responsibility of the treasury unit, particularly, ALM management, which is in charge of implementing efficient investment and financing strategies compared to our significant competitors. For such purpose, it must adjust the liability maturity profile considering revenue, capital and liquidity recorded in the current and forecasted 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/enforceable liabilities.
- c) Concentration of depositors.
- d) Liquidity stress tests.
- e) Measurement of liquidity ratios such as the liquidity coverage ratio and net stable financing.

Finally, and based on continuous monitoring, the Bank reviews all aspects of the liquidity management process considering the potential risks to which it is exposed in this matter. Liquidity contingency planning is a critical component of this review, and its objective is to provide a framework to establish appropriate actions in the face of liquidity crisis events. For such purpose, the Bank has a "liquidity contingency plan" that is reviewed and approved on an annual basis by the local Board of Directors and is recommended by our Headquarters.

In order to become aware of and quantify the risk profile, Management focuses on the maturity flows, the concentration of financing, the maintenance of sufficient liquid assets, the quantification of assets committed and liquidity stress tests. The development, implementation and quantification of metrics is performed by the market risk management with A&C of global risk management market risk management (GRM MRM).

| As at June 30, 2024 All currencies | Local systemic GAP | | Global systemic GAP | | Idiosyncratic GAP | | Combined GAP | |
|---------------------------------------|--------------------|------------------|---------------------|------------------|-------------------|------------------|------------------|------------------|
| | 30 days | 90 days | 30 days | 90 days | 30 days | 90 days | 30 days | 90 days |
| Liquidity gap | (684,222) | (771,845) | (752,441) | (896,792) | (934,918) | (1,048,480) | (1,058,305) | (1,267,763) |
| Liquid asset hedge | 3,132,674 | 3,132,674 | 3,132,674 | 3,132,674 | 3,136,166 | 3,136,166 | 3,136,166 | 3,136,167 |
| Liquidity need / excess | 2,448,452 | 2,360,829 | 2,380,233 | 2,235,882 | 2,201,248 | 2,087,686 | 2,077,861 | 1,868,404 |

| As at December 31, 2023 All currencies | Local systemic GAP | | Global systemic GAP | | Idiosyncratic GAP | | Combined GAP | |
|---|--------------------|------------------|---------------------|------------------|-------------------|------------------|------------------|------------------|
| | 30 days | 90 days | 30 days | 90 days | 30 days | 90 days | 30 days | 90 days |
| Liquidity gap | 2,267,355 | 2,267,355 | 2,267,355 | 2,267,355 | 2,273,238 | 2,273,238 | 2,273,238 | 2,273,238 |
| Liquid asset hedge | 1,542,301 | 1,513,044 | 1,500,732 | 1,536,511 | 1,411,976 | 1,399,329 | 1,276,177 | 1,202,039 |
| Liquidity need / excess | 3,809,656 | 3,780,399 | 3,768,087 | 3,803,866 | 3,685,214 | 3,672,567 | 3,549,415 | 3,475,277 |

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. This is strengthened by the proper segregation of duties, accountability and control by opposition defined in the Bank's organizational structure and its subsidiaries, allowing liquidity management to be performed without conflict of interest.

Supplementing the liquidity management, liquidity stress tests are performed. Indeed, such tests estimate the impact that the different internal, systemic and global liquidity 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 (liquidity excess), horizon of survival, state of internal and regulatory 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 and liquidity ratios.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

In addition, it has complementary tools that allow managing the concentration of assets and liabilities compared to sources, counterparties, terms and currencies.

Regarding the measurement of adjusted term mismatches, the Bank separates its exposures into two large groups of currencies.

- **Local currency:** includes operations designated in domestic currency, including revalued currencies under local indexation 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 90 days, including the flows from operations with financial derivatives. Additionally, the institution projects the movements of income and expense flows for the next 10 days.

| As at June 30, 2024 | 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 | (5,187,724) | (5,880,193) | (6,951,567) | (10,393,218) | | | | |
| Income | 4,262,897 | 5,164,426 | 5,780,427 | 7,224,886 | | | | |
| Mismatch | (924,827) | (715,767) | (1,171,140) | (3,168,332) | - | - | - | - |
| Foreign currency | | | | | | | | |
| Expenses | (1,087,239) | (1,510,349) | (1,894,585) | (3,119,902) | | | | |
| Income | 903,802 | 982,939 | 1,297,668 | 1,837,298 | | | | |
| Mismatch | (183,437) | (527,410) | (596,917) | (1,282,604) | - | - | 2,988,991 | - |
| Consolidated currencies | | | | | | | | |
| Expenses | (6,274,964) | (7,390,542) | (8,846,152) | (13,513,120) | | | | |
| Income | 5,166,699 | 6,147,365 | 7,078,095 | 9,062,183 | | | | |
| Mismatch | (1,108,264) | (1,243,177) | (1,768,057) | (4,450,937) | - | - | 1,817,851 | 2,720,879 |
| | | | | | | | Basic capital | 3,585,908 |
| | | | | | | | 2 Basic capital | 7,171,816 |
| | | | | | | | File C46 limit "Liquidity position" | |

| As at December 31, 2023 | 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 | (3,876,649) | (5,097,678) | (6,708,344) | (11,517,739) | | | | |
| Income | 3,103,108 | 4,455,729 | 5,546,123 | 8,743,427 | | | | |
| Mismatch | (773,541) | (641,949) | (1,162,221) | (2,774,312) | - | - | - | - |
| Foreign currency | | | | | | | | |
| Expenses | (1,202,594) | (2,015,406) | (3,743,372) | (7,601,626) | | | | |
| Income | 998,700 | 1,541,814 | 2,613,081 | 5,659,911 | | | | |
| Mismatch | (203,894) | (473,592) | (1,130,291) | (1,941,715) | - | - | 2,358,476 | - |
| Consolidated currencies | | | | | | | | |
| Expenses | (5,079,243) | (7,113,084) | (10,451,716) | (19,119,365) | | | | |
| Income | 4,101,808 | 5,997,543 | 8,159,204 | 14,403,338 | | | | |
| Mismatch | (977,435) | (1,115,541) | (2,292,512) | (4,716,027) | - | - | 1,196,255 | 2,261,507 |
| | | | | | | | Basic capital | 3,488,767 |
| | | | | | | | 2 Basic capital | 6,977,534 |
| | | | | | | | File C46 limit "Liquidity position" | |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Volume and composition of liquid assets

| | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|--|--------------------|---------------------|
| Available funds | 640,510 | 670,768 |
| Sight deposits and Overnight in Banco Central de Chile | 165,827 | 159,678 |
| Financial investments | 1,520,520 | 1,462,790 |
| Total liquid assets | 2,326,857 | 2,293,236 |

Composition of main sources of financing

| | 6/30/2024 MCh\$ | 12/31/2023 MCh\$ |
|--|--------------------|---------------------|
| Deposits and other on-demand obligations | 5,086,530 | 4,872,271 |
| Deposits and term loans | 13,717,334 | 13,269,408 |
| Obligations with banks | 3,483,855 | 5,388,854 |
| Debt instruments issued | 9,548,333 | 9,384,319 |
| Other financial obligations | 8,387,030 | 7,634,130 |
| Total | 40,223,082 | 40,548,982 |

Maturities of assets and liabilities reported as at June 30, 2024 and December 31, 2023 are detailed as follows:

| As at June 30, 2024 | On-demand MCh\$ | Up to 1 month MCh\$ | More than 1 up to 3 months MCh\$ | More than 3 up to 1 year MCh\$ | More than 1 up to 3 years MCh\$ | More than 3 up to 5 years MCh\$ | More than 5 years MCh\$ |
|--|--------------------|------------------------|---|--------------------------------------|---------------------------------------|---------------------------------------|-------------------------------|
| Cash | 1,264,539 | - | - | - | - | - | - |
| Effective loans-cash loans | 365,690 | 1,144,774 | 1,291,186 | 3,716,803 | 30,827,023 | 86,402 | 4,852 |
| Loans in Adjustable Mortgage Letters of Credit | 50 | 1,559 | 2,839 | 10,983 | 72,478 | - | - |
| Leased contracts | - | 30,126 | 58,336 | 234,284 | 593,922 | 78,770 | 61,580 |
| Covenants | 27,543 | 276,326 | - | - | - | - | - |
| Financial investments | 889,895 | 1,754,973 | 1,317 | 3,865 | 14,981 | 17,855 | 2,027 |
| Other asset accounts | 1,057,977 | - | - | - | - | - | 382,849 |
| TOTAL ASSET | 3,605,694 | 3,207,758 | 1,353,678 | 3,965,935 | 31,508,404 | 183,027 | 451,308 |
| On-demand obligations | (2,044,333) | (57,439) | (176,741) | (1,868,737) | (930,792) | - | - |
| Term deposits, bonds and other | (107,986) | (3,500,674) | (3,333,825) | (7,494,301) | (3,446,715) | (1,574,890) | (5,428,713) |
| Covenants | (837,000) | (269,734) | (1,678) | - | - | - | - |
| Obligations due to AMLC | (1) | (4,444) | (253) | (13,384) | (26,224) | (18,208) | (36,630) |
| Obligations in Chile | - | - | - | - | - | - | - |
| Obligations abroad | (5,527) | (68,055) | (388,137) | (1,289,262) | (242,992) | (881,124) | - |
| Other liability accounts | (986,240) | (278) | (59,303) | - | - | - | (490,012) |
| TOTAL LIABILITIES | (3,981,087) | (3,900,624) | (3,959,937) | (10,665,684) | (4,646,723) | (2,474,222) | (5,955,355) |

SCOTIABANK CHILE AND SUBSIDIARIES
Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

| As at December 31, 2023 | On-demand | Up to 1 month | More than 1 up to 3 months | More than 3 up to 1 year | More than 1 up to 3 years | More than 3 up to 5 years | More than 5 years |
|--|--------------------|--------------------|----------------------------------|--------------------------------|------------------------------|------------------------------|----------------------|
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ |
| Cash | 1,209,884 | - | - | - | - | - | - |
| Effective loans-cash loans | 277,989 | 885,825 | 1,498,631 | 3,937,559 | 30,284,155 | 80,603 | 277,949 |
| Loans in Adjustable Mortgage Letters of Credit | 52 | 1,569 | 2,846 | 12,071 | 79,258 | - | - |
| Leased contracts | - | 30,763 | 59,045 | 224,002 | 588,059 | 78,526 | 58,526 |
| Covenants | 22,692 | 170,824 | 15,265 | - | - | - | - |
| Financial investments | (11,082) | 1,499,094 | 3,059 | 2,124,577 | 18,586 | 21,474 | 89,957 |
| Other asset accounts | 552,525 | - | - | - | - | - | 377,008 |
| TOTAL ASSET | 2,052,060 | 2,588,075 | 1,578,846 | 6,298,209 | 30,970,058 | 180,603 | 803,440 |
| On-demand obligations | (1,960,189) | (53,632) | (169,433) | (1,797,881) | (898,941) | - | - |
| Term deposits, bonds and other | (118,660) | (3,626,649) | (3,250,408) | (6,700,112) | (3,705,658) | (1,526,550) | (5,406,706) |
| Covenants | - | (160,297) | (3,497) | (3,030,026) | - | - | - |
| Obligations due to AMLC | (1) | (4,714) | (271) | (13,831) | (28,827) | (19,099) | (40,002) |
| Obligations in Chile | - | - | - | - | - | - | - |
| Obligations abroad | (8,335) | (6,963) | (319,400) | (1,298,472) | (302,160) | (598,896) | - |
| Other liability accounts | (536,590) | - | (4,672) | (107,866) | - | - | (502,950) |
| TOTAL LIABILITIES | (2,623,775) | (3,852,255) | (3,747,681) | (12,948,188) | (4,935,586) | (2,144,545) | (5,949,658) |

The following table provides the detail of changes in liabilities arising from financing activities, including those changes that represent cash flows and non-cash changes, for the period ended June 30, 2024:

| Reconciliation of liabilities arising from financing activities: | Changes other than cash | | | | | | | Final balance 6-30-2024 |
|--|----------------------------|-----------|--------------------------|---------------------------|-----------------|----------------------|-----------|-------------------------|
| | Opening balance 12/31/2023 | Cash Flow | Acquisition/ (Disposals) | Foreign currency movement | Movements in UF | Change in fair value | Interests | |
| | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | MCh\$ | |
| Current bonds | 8,098,199 | (197,804) | - | 11,052 | 148,278 | 86,651 | 97,505 | 8,243,881 |
| Subordinated bonds | 1,201,214 | (35,440) | - | - | 30,632 | - | 15,635 | 1,212,041 |
| Dividends paid - Owners | 122,388 | (122,388) | 69,722 | - | - | - | - | 69,722 |
| Dividends paid - Non-controlling interest | - | (17,388) | - | - | - | - | - | (17,388) |
| Lease contract obligations | 149,308 | (7,385) | (3,949) | - | - | - | 2,175 | 140,149 |
| Total liabilities from financing activities | 9,571,109 | (380,405) | 65,773 | 11,052 | 178,910 | 86,651 | 115,315 | 9,648,405 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

8) 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.

| 6/30/2024 | Asset fair value MCh\$ | Credit risk adjustment MCh\$ |
|-----------|---------------------------|---------------------------------|
| Total | (336,268) | 10,810 |

| 12/31/2023 | Asset fair value MCh\$ | Credit risk adjustment MCh\$ |
|------------|---------------------------|---------------------------------|
| Total | (40,988) | 9,756 |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Note 48 Disclosure on regulatory capital and capital adequacy ratios**Capital management**

The Bank's capital management objective is to maintain adequate equity strength and ensure capital adequacy, complying with internal objectives and regulatory capital adequacy requirements, which allows the Bank to sustain its business strategy and face possible adverse scenarios that may materialize in the short and medium-term, meeting its solvency and credit rating objectives. The Bank has maintained solvency levels higher than those required by current regulations.

The Capital management and profitability committee's objective is to provide strategic guidelines to maximize the Bank's profitability within the internal and regulatory risk appetite, in line with the objectives set by the Board of Directors and the policies defined for such purposes. The Bank has a Capital Management Unit, reporting to the Chief Financial Officer, responsible for the regular monitoring and control of capital adequacy. This unit is responsible for ensuring capital levels that allow the sustained and profitable growth of the business units, and the monitoring of early warnings defined in the risk appetite framework that both such committee and the Board of Directors have approved as part of the corporate governance structure for capital matters.

All the aspects relevant to capital management are contained in the capital management policy, which includes a permanent internal evaluation process for the availability of capital, the definition of standards for conducting stress tests and the calculation of regulatory and internal capital.

Implementation of Basel III

In 2019, the CMF initiated the regulatory process for the implementation of Basel III standards in Chile, in accordance with the provisions of Law No.21.130 modernizing banking legislation. Through the present date, the CMF enacted the different standards to adapt the Basel III standard to local banks, which are applicable beginning on December 1, 2021. These regulations describe requirements and conditions applicable to: equity definition and calculations of risk-weighted assets (Pillar 1), the issuance of hybrid capital instruments and subordinated bonds, the criteria for determining additional equity requirements for banks with deficiencies identified in the supervisory process (Pillar 2), requirements on disclosures to the market (Pillar 3), and definitions for the determination of capital buffers (countercyclical and conservation), and additional requirements to which banks defined as systemically important (systemic buffer) may be subject, among others.

As at December 1, 2021, in accordance with the implementation schedule of the CMF and the regulatory convergence process towards the Basel III standards, the new determination of the calculation of Risk-Weighted Assets (RWA) became effective, as described in the following regulations; RAN 21-6 for Credit Risk Weighted Assets, RAN 21-7 for Market Risk Weighted Assets and RAN 21-8 for Operational Risk Weighted Assets.

In April 2023, the first full IAPE was delivered as established in the schedule for the implementation of Basel III, such report is intended to perform a self-assessment process (Pillar II), which ensures that banks keep a capital level that is in accordance with their risk profile and foster development and the use of proper processes for monitoring and managing the risks they face. This is an internal evaluation process, which subsequently the CMF uses to assess such process fulfilling its oversight role will allow it to require capital additional to the floor requirement in the event of noting risks not hedged by Pillar I to guarantee a level adequate to face risks, especially in adverse credit cycles.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Additionally, during 2023, information tables required by Pillar III have started being reported, which refers to market discipline and financial transparency through disclosing significant and timely information, which allows keeping the different market players informed and allows information users to perform a better assessment of each entity's position, by being aware of the risk profile of the different local banking institutions, their position and capital structure in a unique format, thereby decreasing information mismatch.

Capital requirements

In accordance with the General Banking Law, the Bank must maintain minimum effective equity to risk-weighted consolidated assets ratio of 8%, net of allowances required, and a minimum basic capital ratio of 4.5% over risk-weighted assets, 6% of basic capital plus AT1 bonds, and 3% on total consolidated assets, net of allowances required. In addition, and in accordance with the regulatory implementation schedule for such law, capital buffers such as the conservation buffer, the systemically important buffer, the countercyclical buffer and/or Pillar 2 capital charges must be complied with.

For these purposes, effective equity is determined based on capital and reserves or basic capital with the following adjustments:

- a) Adding bonds with no maturity and/or preference shares that meet the requirements and conditions contained in RAN 21-2, if any.
- b) Adding subordinated bonds that meet the requirements established in RAN 21-3 with a limit of 50% of the Basic Capital.
- c) Additional allowances are added with a limit of 1.25% of credit risk weighted assets.

Note that, with respect to the equity adjustments described in RAN 21-1, 15% is applicable beginning on December 1, 2022, and beginning on December 1, 2023, this percentage was increased to 30%, in accordance with the standard's implementation schedule.

In March 2024, the CMF reported that Scotiabank maintains its rating as a systemically important bank, confirming the 1.25% systemic buffer already required from the Bank (as at June 2024, 50% of such systemic buffer is required). In addition, during May 2023, Banco Central de Chile informed that its Board decided to activate the countercyclical capital requirement (CCR) of 0.5% of RWA, which became enforceable in May 2024.

Lastly, following the review and overview assessment process performed by the CMF, Scotiabank has been informed of the resolution adopted by the Board for the additional effective equity requirements and on January 17, 2024, established Pillar 2 additional capital charges of 1% for the Bank. The CMF's decision establishes a Pillar 2 requirement at consolidated level of 1% of which at least 56.3% must be met with Common Equity Tier 1 ("CET1") and the remaining balance using other capital instruments (AT1 or Tier 2), such additional requirement must be met within 4 years (25% as at June 24), and will be evaluated on an annual basis through the oversight process.

As at June 2024, in accordance with the transitional provisions applicable to the systemic charge, considering 100% of the conservation buffer in order to maintain grade A solvency, 25% of Pillar 2 charge, and 0.5% of countercyclical buffer, the minimum required level of regulatory capital for the Bank is 11.88%.

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

Basic capital and effective equity levels at each closing date are detailed as follows:

| Total assets, risk-weighted assets and effective equity components under Basel III | Local consolidated 6/30/2024 MCh\$ | Local consolidated 12/31/2023 MCh\$ |
|--|--|---|
| Total assets as per statement of financial position | 44,660,320 | 44,713,481 |
| Investment in subsidiaries not subject to consolidation | - | - |
| Assets discounted from regulatory capital , other than item 2 | (89,267) | (89,724) |
| Credit equivalent | (4,037,169) | (3,674,704) |
| Contingent loans | 1,625,036 | 1,585,586 |
| Assets generated by the intermediation of financial instruments | - | - |
| Total assets for regulatory purposes | 42,158,920 | 42,534,639 |
| Credit risk weighted assets, estimated under standard methodologies (CRWA) | 25,611,412 | 25,019,225 |
| Credit risk weighted assets, estimated under internal methodologies (CRWA) | - | - |
| Market risk weighted assets (MRWA) | 2,859,204 | 3,000,163 |
| Operational risk weighted assets (ORWA) | 2,911,237 | 2,738,932 |
| Risk weighted assets (RWA) | 31,381,853 | 30,758,320 |
| Risk weighted assets, after applying output floor (RWA) | 31,381,853 | 30,758,320 |
| Owners' equity | 3,594,767 | 3,436,157 |
| Non-controlling interest | 130,127 | 138,821 |
| Goodwill | - | - |
| Excess of minority investments | - | - |
| Common Equity Tier 1 equivalent (CET1) | 3,724,894 | 3,574,978 |
| Additional deductions from common equity tier 1, other than Tier 2 | (118,573) | (124,151) |
| Common Equity Tier 1 (CET1) | 3,606,321 | 3,450,827 |
| Voluntary (additional) provisions allocated as Additional Tier 1 Capital (AT1) | - | - |
| Subordinated bonds allocated as Additional Tier 1 Capital (AT1) | - | - |
| Preference shares allocated to Additional Tier 1 Capital (AT1) | - | - |
| Bonds with no maturity allocated to Additional Tier 1 Capital (AT1) | - | - |
| Discounts on AT1 | - | - |
| Additional Tier 1 Capital (AT1) | - | - |
| Tier 1 Capital | 3,606,321 | 3,450,827 |
| Voluntary (additional) provisions allocated as Additional Tier 2 Capital (AT2) | 164,248 | 164,248 |
| Subordinated bonds allocated as Tier 2 Capital (AT2) | 1,025,922 | 1,014,835 |
| Tier 2 Capital equivalent (T2) | 1,190,170 | 1,179,083 |
| Discounts on AT2 | - | - |
| Tier Capital level 2(T2) | 1,190,170 | 1,179,083 |
| Effective equity | 4,796,491 | 4,629,910 |
| Additional basic capital required to constitute a conservation buffer | 588,410 | 392,401 |
| Additional basic capital required to constitute a countercyclical buffer | 156,909 | - |
| Additional basic capital required from systemically important banks | 196,137 | 98,100 |
| Additional capital required to assess the adequacy of effective equity (Pillar 2) | 78,455 | - |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at June 30, 2024 and 2023 and December 31, 2023

| Item N° | Solvency ratios and regulatory compliance ratios under Basel III (as % including two decimals) | Local | Local |
|---------|---|--------------------------------|---------------------------------|
| | | consolidated 6/30/2024 % | consolidated 12/31/2023 % |
| 1 | Leverage ratio (T1_I18/T1_I7) | 8.55% | 8.11% |
| 1.a | Leverage ratio to be complied with by the Bank, considering minimum requirements | 3.00% | 3.00% |
| 2 | Basic capital ratio (T1_I18/T1_I11.b) | 11.49% | 11.22% |
| 2.a | Basic capital ratio to be complied with by the Bank, considering minimum requirements | 5.27% | 6.63% |
| 2.b | Deficit in capital buffers | 0.00% | 0.00% |
| 3 | Tier 1 capital ratio (T1_I25/T1_I11.b) | 11.49% | 11.22% |
| 3a | Tier 1 capital ratio to be complied with by the Bank, considering minimum requirements | 6.77% | 6.63% |
| 4 | Effective equity ratio (T1_I31/T1_I11.b) | 15.28% | 15.05% |
| 4.a | Effective equity ration to be complied with by the Bank, considering minimum requirements | 8.88% | 8.63% |
| 4.b | Effective equity ratio to be complied with by the Bank, considering the charge per Article 35bis, if applicable | 8.88% | 8.63% |
| 4.c | Effective equity ratio to be complied with by the Bank, considering minimum requirements, conservation buffer and countercyclical buffer | 11.88% | 10.50% |
| 5 | Solvency rating | A | A |
| | Solvency regulatory compliance ratios | | |
| 6 | Voluntary (additional) provisions associated with CRWA allocated to Tier 2 Capital (T2) (T1_I26/(T1_I8.a ó 8.b)) | 0.64% | 0.66% |
| 7 | Subordinated bonds allocated to Tier 2 Capital (T2) associated with Common Equity Tier 1 (CET1) | 28.45% | 29.41% |
| 8 | Additional Tier 1 Capital (AT1) associated with basic capital (T1_I24/T1_I18) | 0.00% | 0.00% |
| 9 | Voluntary (additional provisions) and subordinated bonds associated with RWA allocated to Additional Tier 1 Capital (AT1) ((T1_I19+T1_I20)/T1_I11.b) | 0.00% | 0.00% |

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements
As at June 30, 2024 and 2023 and December 31, 2023

Note 49 Subsequent events

The Interim Consolidated Financial Statements were approved by the Audit Committee of Scotiabank Chile on August 9, 2024.

In the view of the Bank's Management and its subsidiaries, between July 1, 2024 and the date of issuance of these Interim Consolidated Financial Statements, no subsequent events have occurred that could have a significant effect on the figures presented herein or on the economic and financial position of the Bank and its subsidiaries.

LUIS ALVAREZ P.
Finance Division Manager

DIEGO MASOLA
Chief Executive Officer