



Scotiabank

SCOTIABANK CHILE AND SUBSIDIARIES

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

SCOTIABANK CHILE AND SUBSIDIARIES**CONTENTS**

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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

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Interim Consolidated Statements of Financial Position

As at March 31, 2024 and December 31, 2023

	Notes	3/31/2024 MCh\$	12/31/2023 MCh\$
ASSETS			
Cash and deposits in banks	7	915,374	1,209,884
Transactions pending settlement	7	586,699	389,141
Financial assets held for trading at fair value through profit or loss			
Derivative instruments	8	6,670,665	5,694,324
Financial debt securities	8	296,095	193,820
Other	8	75,894	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	2,269,482	2,188,905
Other	11	-	-
Derivative instruments for accounting hedge	12	383,543	317,308
Financial assets at amortized cost			
Rights under resale agreements and securities lending agreements	13	258,312	226,394
Financial debt securities	13	2,272,588	1,387,601
Loans and advances to banks	13	194,589	25,223
Loans and accounts receivable from customers - Commercial Loans	13	14,162,675	13,738,775
Loans and accounts receivable from customers - Mortgage Loans	13	13,854,114	13,846,343
Loans and accounts receivable from customers - Consumer Loans	13	3,879,055	3,814,689
Investments in companies	14	34,936	34,220
Intangible Assets	15	256,946	255,425
Property and equipment	16	82,329	84,327
Right-of-use assets under lease contracts	17	157,584	159,569
Current taxes	18	2,100	2,413
Deferred tax assets	18	359,867	360,658
Other assets	19	797,358	708,531
Non-current assets and disposal groups held for sale	20	22,934	19,734
TOTAL ASSETS		47,533,139	44,713,481

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Interim Consolidated Statements of Financial Position

As at March 31, 2024 and December 31, 2023

	Notes	3/31/2024 MCh\$	12/31/2023 MCh\$
LIABILITIES			
Transactions pending settlement	7	522,635	333,372
Financial liabilities held for trading at fair value through profit or loss			
Derivative instruments	21	5,702,869	4,606,750
Other	21	-	-
Financial liabilities designated at fair value through profit or loss	10	-	-
Derivative instruments for accounting hedge	12	1,425,701	1,455,656
Financial liabilities at amortized cost			
Deposits and other on-demand liabilities	22	5,132,518	4,850,696
Term and other on-demand deposits	22	14,010,568	13,181,368
Liabilities under repurchase agreements and securities lending	22	118,925	163,647
Bank borrowings	22	5,726,935	5,368,647
Debt financial instruments issued	22	8,404,149	8,186,492
Other financial liabilities	22	146,906	156,392
Lease liabilities	17	148,174	149,308
Regulatory capital financial instruments issued	23	1,215,414	1,201,214
Provisions for contingencies	24	53,181	55,274
Provisions for dividends, interest payments and repricing of issued regulatory capital financial instruments	25	34,176	122,388
Special allowances for credit losses	26	189,148	193,134
Current taxes	18	73,996	63,222
Deferred tax liabilities	18	827	795
Other liabilities	27	1,012,225	1,050,148
Liabilities included in disposal groups held for sale	20	-	-
TOTAL LIABILITIES		43,918,347	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	5,049	5,044
Items that can be reclassified to profit or loss	28	(66,729)	(41,189)
Retained earnings from previous years	28	1,722,476	1,436,903
Profit for the period	28	113,919	407,961
Less: Provisions for dividends, payment of interest and repricing of issued regulatory capital financial instruments	28	(34,176)	(122,388)
Attributable to the owners of the Bank:	28	3,490,365	3,436,157
Non-controlling interest	28	124,427	138,821
TOTAL EQUITY		3,614,792	3,574,978
TOTAL LIABILITIES AND EQUITY		47,533,139	44,713,481

SCOTIABANK CHILE AND SUBSIDIARIES

Interim Consolidated Statements of Income
for the periods ended March 31, 2024 and 2023

	Notes	3/31/2024 MCh\$	3/31/2023 MCh\$
Interest income		577,253	615,726
Interest expense		<u>(362,977)</u>	<u>(395,846)</u>
Net interest income	30	214,276	219,880
Indexation income		205,443	183,077
Indexation expense		<u>(93,579)</u>	<u>(110,402)</u>
Net indexation income	31	111,864	72,675
Fee and commission income	32	75,319	70,477
Fee and commission expense	32	<u>(26,980)</u>	<u>(24,523)</u>
Net fee and commission income	32	48,339	45,954
<i>Net financial result for :</i>			
Financial assets and liabilities held for trading	33	185,051	(59,765)
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	(841)	807
Foreign currency translation differences, indexation and accounting hedge of foreign currency	33	(138,808)	66,492
Reclassifications of financial assets due to change in business model	33	-	-
Other financial result	33	<u>(298)</u>	<u>(997)</u>
Net financial result	33	45,104	6,537
Equity in net income of investees	34	678	1,759
Gain or loss from non-current assets and disposal groups not qualifying as discontinued operation	35	(839)	546
Other operating income	36	<u>8,308</u>	<u>7,520</u>
TOTAL OPERATING INCOME		427,730	354,871
Expenses for employee benefit obligations	37	(75,236)	(77,745)
Administrative expenses	38	(64,686)	(59,997)
Depreciation and amortization	39	(17,888)	(16,520)
Impairment of non-financial assets	40	(338)	(33)
Other operating expenses	36	<u>(8,765)</u>	<u>(8,985)</u>
TOTAL OPERATING EXPENSES		(166,913)	(163,280)
OPERATING INCOME BEFORE CREDIT LOSSES		260,817	191,591

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Interim Consolidated Statements of Income
for the periods ended March 31, 2024 and 2023

	Notes	3/31/2024 MCh\$	3/31/2023 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	(138,792)	(117,166)
Special allowances for credit losses	41	5,299	(1,102)
Recovery of written-off loans	41	18,955	14,885
Impairment for credit risk on other financial assets at amortized cost and financial assets at fair value through other comprehensive income	41	(72)	(306)
Credit loss expense	41	<u>(114,610)</u>	<u>(103,689)</u>
OPERATING INCOME		<u>146,207</u>	<u>87,902</u>
Profit or loss from continuing operations before taxes		146,207	87,902
Income tax expense	18	<u>(29,295)</u>	<u>(14,088)</u>
Profit or loss from continuing operations after taxes		116,912	73,814
Profit or loss from discontinued operations before taxes	42	-	-
Taxes from discontinued operations	18	<u>-</u>	<u>-</u>
Income from discontinued operations after taxes	42	<u>-</u>	<u>-</u>
CONSOLIDATED PROFIT FOR THE PERIOD		<u>116,912</u>	<u>73,814</u>
Attributable to:			
Owners of the Bank	28	113,919	71,681
Non-controlling interest		2,993	2,133
Earnings per share attributable to equity owners:			
Basic and diluted earnings	28	\$ 9.30	\$5.85

SCOTIABANK CHILE AND SUBSIDIARIES

Interim Consolidated Statements of Other Comprehensive Income
for the periods ended March 31, 2024 and 2023

	3/31/2024 MCh\$	3/31/2023 MCh\$
CONSOLIDATED PROFIT FOR THE PERIOD	116,912	73,814
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)	(22)
Changes in the fair value of equity instruments designated at fair value through other comprehensive income	42	-
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	(9)	(22)
Income tax on other comprehensive income that will not be reclassified to profit or loss	14	6
TOTAL OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS AFTER TAX	5	(16)
ITEMS THAT CAN BE RECLASSIFIED TO PROFIT OR LOSS		
Changes in the fair value of financial assets at fair value through other comprehensive income	167	21,868
Translation differences for foreign entities	-	-
Accounting hedges of net investments in foreign entities	-	-
Cash flow hedge accounting	(35,351)	(87,327)
Undesignated items of hedging accounting instruments	-	-
Other	109	(62)
OTHER COMPREHENSIVE INCOME THAT CAN BE RECLASSIFIED TO PROFIT OR LOSS BEFORE TAXES	(35,075)	(65,521)
Income tax on other comprehensive income that can be reclassified to profit or loss	9,536	17,600
TOTAL OTHER COMPREHENSIVE INCOME THAT CAN BE RECLASSIFIED TO PROFIT OR LOSS AFTER TAXES	(25,539)	(47,921)
OTHER TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	(25,534)	(47,937)
CONSOLIDATED COMPREHENSIVE INCOME FOR THE PERIOD	91,378	25,877
Attributable to:		
Owners of the Bank	88,384	23,746
Non-controlling interest	2,994	2,131

SCOTIABANK CHILE AND SUBSIDIARIES

Interim Consolidated Statements of Cash Flows
for the periods ended March 31, 2024 and 2023

	Notes	3/31/2024 MCh\$	3/31/2023 MCh\$
A) CASH FLOWS FROM OPERATING ACTIVITIES:			
CONSOLIDATED INCOME BEFORE TAXES FOR THE PERIOD		146,207	87,902
Debit (credit) to profit or loss not representing movements in cash flows:			
Income tax expense	18	(28,497)	(31,935)
Changes in deferred tax assets and liabilities	18	(798)	17,847
Depreciation and amortization	39	17,888	16,520
Impairment of assets	40	410	339
Allowances for credit losses	41	133,493	118,268
Net income from assets received in lieu of payment or awarded in legal auction	35	653	(311)
Net gain (loss) from non-current assets held for sale	35	(1)	(373)
Net gain (loss) from disposal groups held for sale	35	-	-
Net interest income	30	(214,276)	(219,880)
Net indexation income	31	(111,864)	(72,675)
Net fee and commission income	32	(48,339)	(45,954)
Equity share of profit (loss) from investments in related companies	34	(678)	(1,759)
Effect of fair value adjustment on derivative instruments		(148,572)	137,951
Other operating income	36	-	-
Other debits (credits) to profit or loss not representing movements in cash flows		58,469	31,138
Changes due to increase / decrease of assets and liabilities affecting the operating flow			
(Increase) decrease in financial debt securities		(930,750)	115,497
(Increase) decrease in loans and advances to banks		(166,311)	(175,117)
(Increase) decrease under resale agreements and securities lending agreements		47,993	1,793
(Increase) decrease in loans and advances to customers		(450,676)	720,273
Increase (decrease) in other assets		(83,789)	17,496
(Increase)decrease in non-current assets and disposal groups held for sale		(3,278)	(1,272)
Net change in financial derivative contracts / financial derivative contracts for hedge		172,160	(80,477)
Net variation on deposits and other on-demand liabilities		349,079	(147,623)
Net variation on debt financial instruments issued		(89,978)	(377,749)
Net variation on regulatory capital financial instruments issued		26,982	93,795
Net change in other financial obligations		(8,186)	473
(Decrease) increase in deposits and other on-demand liabilities		281,205	(130,408)
(Decrease) increase in liabilities under repurchase agreements and securities lending		(42,078)	(85,536)
(Decrease) increase in term and other on-demand deposits		784,160	(51,831)
(Decrease) increase in other liabilities		(26,971)	124,362
Interest received		514,869	574,346
Interest paid		(327,546)	(383,821)
Indexation received		148,794	72,693
Indexation paid		(58,686)	(44,777)
Fees and commissions received	32	75,319	70,477
Fees and commissions paid	32	(26,980)	(24,523)
Taxes and fines paid	38	(17)	(7)
Collection of remaining balance of taxes from previous years		4,309	-
Total net cash flows generated from (used in) operating activities		(6,281)	325,142

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Interim Consolidated Statements of Cash Flows
for the periods ended March 31, 2024 and 2023

	Notes	3/31/2024 MCh\$	3/31/2023 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	5	2
Acquisitions of Property and equipment	16	(1,110)	(2,105)
Disposals of Property and equipment		1	938
Acquisitions of intangible assets	15	(13,145)	(10,511)
Disposals of intangible assets		-	-
Disposal of assets received in lieu of payment or awarded		3,126	3,822
Net change in investment securities		13,250	188,721
Total net cash flows generated from (used in) investing activities		2,127	180,867
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		265,203	328,168
Redemption and payment of interest / principal on current bonds		(200,497)	(262,057)
Issuance of mortgage bonds		-	-
Redemption and payment of interest / principal on mortgage bonds		-	-
Payment of interest/principal on lease contracts	17	(3,704)	(3,842)
Subordinated bonds issuance		-	-
Payment of interest and principal on subordinated bonds	23	(5,764)	(2,578)
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)	(9,833)
Total net cash flows generated from (used in) financing activities		(84,538)	(96,402)
D) INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS FOR THE PERIOD		(88,692)	409,607
EFFECT OF EXCHANGE RATE FLUCTUATIONS ON CASH HELD		(22,348)	(17,156)
INITIAL BALANCE OF CASH AND CASH EQUIVALENTS		1,539,860	2,241,570
FINAL BALANCE OF CASH AND CASH EQUIVALENTS		1,428,820	2,634,021

The Interim Consolidated Statements of Cash Flows as at March 31, 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 March 31, 2024 and 2023

	Equity attributable to owners						Non-controlling interest	Total Equity
	Capital	Reserves	Accumulated other comprehensive income	Retained earnings from previous years and profit for the period	Total			
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$		
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	-	-	-	88,212	88,212	-		88,212
Subtotal: Transactions with the owners for the period	1,368,421	381,405	(36,145)	1,688,300	3,401,981	121,433		3,523,414
Profit for the period	-	-	-	113,919	113,919	2,993		116,912
Other comprehensive income (loss) for the period	-	-	(25,535)	-	(25,535)	1		(25,534)
Subtotal: Comprehensive income (loss) for the period	-	-	(25,535)	113,919	88,384	2,994		91,378
Closing balances as at March 31, 2024	1,368,421	381,405	(61,680)	1,802,219	3,490,365	124,427		3,614,792
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)	(9,833)		(156,093)
Provision for payment of ordinary shares dividends	-	-	-	124,756	124,756	-		124,756
Subtotal: Transactions with the owners in the period	1,368,421	381,405	(139,638)	1,415,399	3,025,587	130,394		3,155,981
Profit for the period	-	-	-	71,681	71,681	2,133		73,814
Other comprehensive income (loss) for the period	-	-	(47,935)	-	(47,935)	(2)		(47,937)
Subtotal: Comprehensive income (loss) for the period	-	-	(47,935)	71,681	23,746	2,131		25,877
Closing balances as at March 31, 2023	1,368,421	381,405	(187,573)	1,487,080	3,049,333	132,525		3,181,858

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at March 31, 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 March 31, 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 March 31, 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 March 31, 2024 and December 31, 2023 for the Interim Consolidated Statements of Financial Position, and in addition, the cumulative periods as at March 31, 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.

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.

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Notes to the Interim Consolidated Financial Statements
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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.

These Interim Consolidated Financial Statements are presented for comparative purposes as follows:

- Interim Consolidated Statements of Financial Position as at March 31, 2024 and December 31, 2023.
- Interim Consolidated Statements of Income for the year, Interim Consolidated Statements of Other Comprehensive Income, Statements of Changes in Equity and Statements of Cash Flows for the three-month period between January 1 and March 31, 2024 and for the three-month period between January 1 and March 31, 2023.

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.

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

Company	Direct March 2024 %	Indirect March 2024 %	Direct December 2023 %	Indirect December 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

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.

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(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\$980.79 per US\$1 as at March 31, 2024 (Ch\$794.42 as at March 31, 2023 and Ch\$873.93 as at 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\$138,808 as at March 31, 2024, related to "Foreign currency translation differences, indexation and accounting hedge of foreign currencies" (gain of MCh\$66,492 as at March 31, 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.

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(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 March 31, 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.

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(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

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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.

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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.

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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.

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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.

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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 March 31, 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.

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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.

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(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.

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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.

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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.

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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.

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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.

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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.

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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.

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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.

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(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.

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(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.

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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

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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 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.

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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.

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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.

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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.

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(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\$37,093.52 as at March 31, 2024 (Ch\$35,575.48 as at December 31, 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.

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(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.

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(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.

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Notes to the Interim Consolidated Financial Statements
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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. the new regulations will become effective beginning in the new accounting close of January 2025.

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	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.

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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.

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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.

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Accounting pronouncements issued but not yet effective

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

Amendments to IFRS	Mandatory application date
Sale or Contribution of Assets Between and Investor and its Associate or Joint Venture (Amendments to IFRS10 and IAS28)	Effective date deferred indefinitely.
Lack of Exchangeability (Amendment to IAS21)	Annual periods beginning on or after January 1, 2025. Early adoption is permitted.

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 International Accounting Standards Board (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.

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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.

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Notes to the Interim Consolidated Financial Statements
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Note 4 Changes in accounting policies

During the three-month period ended March 31, 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.

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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.

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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 March 31, 2024					
	Retail MCh\$	Wholesale MCh\$	CAT MCh\$	Treasury MCh\$	Other MCh\$	Total MCh\$
Net interest income	141,355	83,347	77,306	(87,782)	50	214,276
Other income	30,980	56,982	21,180	105,680	(2,046)	212,776
Equity in net income of investees	-	-	-	-	678	678
Total operating income	172,335	140,329	98,486	17,898	(1,318)	427,730
Operating expenses	(79,360)	(32,139)	(34,132)	(1,733)	(1,661)	(149,025)
Depreciation and amortization	(12,099)	(2,373)	(3,559)	(38)	181	(17,888)
Credit losses expense	(41,996)	(18,489)	(53,602)	-	(523)	(114,610)
Segment operating profit (loss)	38,880	87,328	7,193	16,127	(3,321)	146,207
Income tax expense	(8,064)	(21,282)	(1,142)	(4,354)	5,547	(29,295)
Profit (loss) for the period	30,816	66,046	6,051	11,773	2,226	116,912
Spot Volumes						
Assets (loans)	18,822,470	11,400,957	1,650,627	-	21,790	31,895,844
Liabilities (Core and Term deposits)	7,028,699	5,570,737	-	5,865,456	678,194	19,143,086

	As at March 31, 2023					
	Retail MCh\$	Wholesale MCh\$	CAT MCh\$	Treasury MCh\$	Other MCh\$	Total MCh\$
Net interest income	131,217	77,228	67,361	(56,084)	158	219,880
Other income	28,021	45,966	23,032	37,739	(1,526)	133,232
Equity in net income of investees	-	-	-	-	1,759	1,759
Total operating income	159,238	123,194	90,393	(18,345)	391	354,871
Operating expenses	(80,659)	(33,319)	(32,317)	(2,428)	1,963	(146,760)
Depreciation and amortization	(8,969)	(2,690)	(2,879)	(228)	(1,754)	(16,520)
Credit losses expense	(47,661)	(4,389)	(50,688)	-	(951)	(103,689)
Segment operating profit (loss)	21,949	82,796	4,509	(21,001)	(351)	87,902
Income tax expense	(4,436)	(19,912)	(230)	5,670	4,820	(14,088)
Profit (loss) for the period	17,513	62,884	4,279	(15,331)	4,469	73,814
Spot Volumes						
Assets (loans)	18,528,288	11,796,194	1,687,973	-	88,513	32,100,968
Liabilities (Core and Term deposits)	6,322,584	6,053,924	-	5,879,344	592,439	18,848,291

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.

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Note 7 Cash and cash equivalents

The detail of cash and cash equivalents is as follows:

	3/31/2024 MCh\$	12/31/2023 MCh\$
Cash and deposits in banks		
Cash	167,102	160,130
Deposits in Banco Central de Chile (i)	503,399	670,316
Deposits in foreign Central Banks	-	-
Deposits in domestic Banks	4,555	12,316
Deposits in foreign Banks	240,318	367,122
Subtotal - Cash and deposits in Banks	915,374	1,209,884
Net trading operations pending settlement (ii)	64,064	55,769
Other cash equivalents (iii)	449,382	274,207
Total cash and cash equivalents	1,428,820	1,539,860

- (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:

	3/31/2024 MCh\$	12/31/2023 MCh\$
Assets		
Notes in charge of other banks (exchange)	24,163	33,243
Transfer of funds pending receipt	562,536	355,898
Subtotal assets	586,699	389,141
Liabilities		
Transfer of funds pending delivery	(522,635)	(333,372)
Subtotal liabilities	(522,635)	(333,372)
Net trading operations pending settlement	64,064	55,769

- (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.

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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:

	3/31/2024 MCh\$	12/31/2023 MCh\$
Derivative instruments		
Forwards	1,056,071	780,562
Swaps	5,614,515	4,913,421
Call options	64	298
Put options	15	43
Forwards	-	-
Other	-	-
Financial debt securities		
Government and Banco Central de Chile	123,307	34,446
Other debt financial instruments issued in Chile	160,185	147,934
Debt financial instruments issued abroad	12,604	11,440
Other debt financial instruments		
Investments in mutual funds	69,289	48,839
Equity instruments	6,605	7,358
Loans originated and acquired by the entity	-	-
Other	-	-
Total	7,042,655	5,944,341

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

As at March 31, 2024		Notional amounts of contracts with final maturity (1)							Fair Value
Product	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	
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	
Forward									
Future arbitration	1,499	362,474	455,148	632,737	255,329	20,657	-	33,568	
Paper forward	-	2,000	-	-	-	-	-	9	
Exchange insurance	361,460	11,604,966	6,493,069	5,902,218	1,909,480	503,596	910,264	860,513	
Inflation insurance	33,142	785,466	1,433,289	3,556,343	3,621,301	1,449,663	3,961,382	161,981	
Subtotal forward	396,101	12,754,906	8,381,506	10,091,298	5,786,110	1,973,916	4,871,646	1,056,071	
Options									
Call option	-	-	1,679	1,679	-	-	-	64	
Put Option	-	-	-	1,940	-	-	-	15	
Subtotal options	-	-	1,679	3,619	-	-	-	79	
Swap									
Cross currency swap	44,615	978,011	1,329,474	7,574,496	14,296,296	8,410,849	13,882,965	3,587,086	
Rate Swap	351,204	9,723,018	18,001,942	44,139,886	24,635,018	12,886,889	19,076,810	2,027,429	
Subtotal swap	395,819	10,701,029	19,331,416	51,714,382	38,931,314	21,297,738	32,959,775	5,614,515	
Total	791,920	23,455,935	27,714,601	61,809,299	44,717,424	23,271,654	37,831,421	6,670,665	

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

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As at March 31, 2024 and 2023 and December 31, 2023

As at December 31, 2023		Notional amounts of contracts with final maturity (1)						Fair Value
Product	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
	MCh\$	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

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

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

As at March 31, 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\$	MCh\$
Debt financial instruments								
Debt financial instruments issued by Banco Central de Chile	-	-	9,051	-	-	-	-	9,051
Bonds or promissory notes issued by the Treasury	-	-	20,660	26,601	30,761	8,860	27,904	114,256
Other Treasury debt financial instruments	-	-	-	-	-	-	-	-
Government and Banco Central de Chile:	-	-	29,711	26,601	30,761	8,860	27,904	123,307
Debt financial instruments issued by other domestic banks	-	1	6,970	142,683	3,720	1,050	2,993	157,417
Domestic corporate bonds and commercial paper	-	-	-	-	1,934	917	-	2,768
Other debt financial instruments issued in Chile	-	-	-	-	-	-	-	-
Other debt financial instruments issued in Chile	-	1	6,970	142,683	5,654	1,967	2,993	160,185
Debt financial instruments issued by foreign Central Banks	-	-	-	-	-	-	-	-
Debt financial instruments of foreign governments and fiscal entities abroad	-	6,865	-	-	-	-	5,885	12,604
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	-	6,865	-	-	-	-	5,885	12,604
Other financial instruments								
Investments in mutual funds	61,972	7,317	-	-	-	-	-	69,289
Equity instruments	6,605	-	-	-	-	-	-	6,605
Loans originated and acquired by the entity	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Investments in mutual funds	68,577	7,317	-	-	-	-	-	75,894
Total	68,577	14,183	36,681	169,284	36,415	10,827	36,782	371,990

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As at December 31, 2023	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	-	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 maturity amounts 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 March 31, 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 March 31, 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:

	3/31/2024	12/31/2023
	MCh\$	MCh\$
Debt financial instruments	2,269,482	2,188,905
Other	-	-
Total	2,269,482	2,188,905

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

As at March 31, 2024	Nominal amounts							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\$	MCh\$
Debt financial instruments								
Debt financial instruments issued by Banco Central de Chile	-	379,000	127,000	-	-	-	-	503,154
Bonds or promissory notes issued by the Treasury	-	-	110,000	514,052	343,962	104,390	753,589	1,755,744
Other Treasury debt financial instruments	-	-	-	12	568	1,271	8,733	10,584
Government and Banco Central de Chile:	-	379,000	237,000	514,064	344,530	105,661	762,322	2,269,482
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	-	379,000	237,000	514,064	344,530	105,661	762,322	2,269,482

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	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	Fair Value
As at December 31, 2023	MCh\$	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 March 31, 2024, the Financial assets at fair value through other comprehensive income portfolio includes a net unrealized loss of MCh\$116,937 (MCh\$110,969 as at December 31, 2023) recorded as valuation adjustments in equity and a net realized loss of MCh\$785 (gain of MCh\$820 as at March 31, 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."

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

As at March 31, 2024	Stage 1		Stage 2		Stage 3		Total	
	Fair Value	Expected Credit Losses	Fair Value	Expected Credit Losses	Fair Value	Expected Credit Losses	Fair Value	Expected Credit Losses
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
As at January 1, 2024	2,188,905	(830)	-	-	-	-	2,188,905	(830)
Net changes (purchase/sale) for the period	75,076	(30)	-	-	-	-	75,076	(30)
Change in fair value	(3,618)	-	-	-	-	-	(3,618)	-
Transfers to stage 1	-	-	-	-	-	-	-	-
Transfers to stage 2	-	-	-	-	-	-	-	-
Transfers to stage 3	-	-	-	-	-	-	-	-
Impact of transfers in Expected Credit Losses	-	-	-	-	-	-	-	-
Reductions due to discounts	(20)	-	-	-	-	-	(20)	-
Accrued interest	4,069	-	-	-	-	-	4,069	-
Remeasures of Expected Credit Losses at year-end	-	-	-	-	-	-	-	-
Changes in assumptions	-	-	-	-	-	-	-	-
Exchange rate adjustments	5,070	-	-	-	-	-	5,070	-
Balance as at March 31, 2024	2,269,482	(860)	-	-	-	-	2,269,482	(860)

As at December 31, 2023	Stage 1		Stage 2		Stage 3		Total	
	Fair Value	Expected Credit Losses	Fair Value	Expected Credit Losses	Fair Value	Expected Credit Losses	Fair Value	Expected Credit Losses
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
As at January 1, 2023	2,360,643	(919)	-	-	-	-	2,360,643	(919)
Net changes (purchase/sale) for the period	(263,236)	89	-	-	-	-	(263,236)	89
Change in fair value	53,479	-	-	-	-	-	53,479	-
Transfers to stage 1	-	-	-	-	-	-	-	-
Transfers to stage 2	-	-	-	-	-	-	-	-
Transfers to stage 3	-	-	-	-	-	-	-	-
Impact of transfers in Expected Credit Losses	-	-	-	-	-	-	-	-
Reductions due to discounts	(219)	-	-	-	-	-	(219)	-
Accrued interest	31,487	-	-	-	-	-	31,487	-
Remeasures of Expected Credit Losses at year-end	-	-	-	-	-	-	-	-
Changes in assumptions	306	-	-	-	-	-	306	-
Exchange rate adjustments	6,445	-	-	-	-	-	6,445	-
Balance as at December 31, 2023	2,188,905	(830)	-	-	-	-	2,188,905	(830)

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

As at March 31, 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	502,693	503,154	461
Bonds and promissory notes issued by the Treasury	1,873,129	1,755,744	(117,385)
Other treasury debt financial instruments	10,597	10,584	(13)
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	2,386,419	2,269,482	(116,937)

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)

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Note 12 Derivative instruments for accounting hedge

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

	3/31/2024		12/31/2023	
	Asset	Liability	Asset	Liability
	(in favor)	(against)	(in favor)	(against)
	MCh\$	MCh\$	MCh\$	MCh\$
Designated derivatives in fair value hedging relationships	74,490	(53,461)	90,533	(56,982)
Designated derivatives in cash flow hedging relationships	309,053	(1,372,240)	226,775	(1,398,674)
Total derivatives designated in hedging relationships	383,543	(1,425,701)	317,308	(1,455,656)

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

As at March 31, 2024		Notional amounts of contracts with final maturity						Carrying amount	
Product	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	-	68,750	-	110,555	150,890	64,320	254,970	71,562	(47,497)
Rate Swap	-	279,000	127,000	439,865	112,850	-	157,020	2,928	(5,964)
Subtotal	-	347,750	127,000	550,420	263,740	64,320	411,990	74,490	(53,461)
Cash flow hedge derivative									
Future arbitration	-	-	-	-	-	-	-	-	-
Inflation insurance	-	-	74,144	215,018	-	-	-	389	(1,719)
Call option	-	-	-	-	-	-	-	-	-
Put option	-	-	-	-	-	-	-	-	-
Cross currency swap	-	-	244,233	1,096,053	2,984,348	1,388,700	1,895,477	302,507	(1,362,888)
Rate Swap	-	-	-	-	-	146,305	433,309	6,157	(7,633)
Subtotal	-	-	318,377	1,311,071	2,984,348	1,535,005	2,328,786	309,053	(1,372,240)
Total	-	347,750	445,377	1,861,491	3,248,088	1,599,325	2,740,776	383,543	(1,425,701)

As at December 31, 2023		Notional amounts of contracts with final maturity						Carrying amount	
Product	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)

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

As at March 31, 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	-	795,445	105,755	264,423	-	-	-	1,165,623
Other instruments issued in Chile	-	-	-	-	-	-	-	-
Other instruments issued abroad	-	-	-	-	-	-	-	-
Consumption	-	-	-	-	-	-	-	-
Mortgage	-	-	-	-	-	-	-	-
Commercials	-	-	-	-	-	-	-	-
Term deposit	-	-	-	-	-	-	-	-
Current bonds	-	62,013	-	615,389	-	-	-	677,402
Subordinated bonds	-	-	-	-	-	-	-	-
Mortgage bonds	-	-	-	-	-	-	-	-
Promissory notes	-	92,820	-	117,605	-	-	-	210,425
Total	-	950,278	105,755	997,417	-	-	-	2,053,450

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

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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 March 31, 2024	Nominal amount of the hedging instrument MCh\$	Carrying amount of the hedging instrument	
		Assets MCh\$	Liabilities MCh\$
Cash flow hedges:			
Interest rate risk			
Rate Swap	579,614	6,157	(7,633)
Cross currency swap	-	-	-
Exchange rate risk			
Cross currency swap	1,768,560	233,633	(38,052)
Inflation risk			
Inflation insurances	289,162	389	(1,719)
Cross currency swap	5,840,251	68,874	(1,324,836)
Subtotal	8,477,587	309,053	(1,372,240)
Fair value hedges:			
Interest rate risk			
Rate Swap	1,115,735	2,928	(5,964)
Inflation risk			
Cross currency swap	649,485	71,562	(47,497)
Subtotal	1,765,220	74,490	(53,461)
Total	10,242,807	383,543	(1,425,701)

As at December 31, 2023	Nominal amount of the hedging instrument MCh\$	Carrying amount of the hedging instrument	
		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)

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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 March 31, 2024, the Bank has recorded a gain net of tax of MCh\$18,030 (MCh\$43,815 as at December 31, 2023) in other comprehensive income for the adjustment of cash flow hedging instruments.

As at March 31, 2024, a loss from cash flow hedge derivatives of MCh\$102,272 (loss of MCh\$18,684 as at March 31, 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.

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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 March 31, 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 - Assets	-	-	26,034	105,344	553,981	325,784	361,097	1,372,240
Hedged Item - Liabilities	-	-	(29,043)	(55,244)	(153,400)	(39,611)	(31,755)	(309,053)
Net cash flows	-	-	(3,009)	50,100	400,581	286,173	329,342	1,063,187

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 - Assets	-	10,167	74,350	86,967	489,972	338,222	398,996	1,398,674
Hedged Item - Liabilities	-	(856)	(6,860)	(66,204)	(92,416)	(31,843)	(28,596)	(226,775)
Net cash flows	-	9,311	67,490	20,763	397,556	306,379	370,400	1,171,899

i) Cash flows forecast for interest rate risk:

As at March 31, 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	-	-	-	-	5,000	-	2,633	7,633
Outflows	-	-	-	-	(2,044)	(1,083)	(3,030)	(6,157)
Net flows	-	-	-	-	2,956	(1,083)	(397)	1,476
Hedging instrument								
Inflows	-	-	-	-	2,044	1,083	3,030	6,157
Outflows	-	-	-	-	(5,000)	-	(2,633)	(7,633)
Net flows	-	-	-	-	(2,956)	1,083	397	(1,476)

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)

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ii) Cash flows forecast for inflation risk:

As at March 31, 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	-	-	26,034	105,344	541,297	314,225	339,655	1,326,555
Outflows	-	-	(295)	(2,618)	(20,891)	(18,395)	(27,064)	(69,263)
Net flows	-	-	25,739	102,726	520,406	295,830	312,591	1,257,292
Hedging instrument								
Inflows	-	-	295	2,618	20,891	18,395	27,064	69,263
Outflows	-	-	(26,034)	(105,344)	(541,297)	(314,225)	(339,655)	(1,326,555)
Net flows	-	-	(25,739)	(102,726)	(520,406)	(295,830)	(312,591)	(1,257,292)

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 March 31, 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	-	-	-	-	7,684	11,560	18,808	38,052
Outflows	-	-	(28,748)	(52,626)	(130,465)	(20,134)	(1,660)	(233,633)
Net flows	-	-	(28,748)	(52,626)	(122,781)	(8,574)	17,148	(195,581)
Hedging instrument								
Inflows	-	-	28,748	52,626	130,465	20,134	1,660	233,633
Outflows	-	-	-	-	(7,684)	(11,560)	(18,808)	(38,052)
Net flows	-	-	28,748	52,626	122,781	8,574	(17,148)	195,581

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

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Ineffectiveness of accounting hedges

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

	3/31/2024 MCh\$	3/31/2023 MCh\$
<u>Fair value hedges</u>		
Gain (loss) recorded on the hedged items	3,857	(18,659)
Gain (loss) recorded on hedging instruments	(4,151)	12,412
Ineffectiveness	(294)	(6,247)
<u>Cash flow hedges</u>		
Ineffectiveness	(298)	(997)

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 March 31, 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	(68)	37,691
Exchange rate risk	215	(95,241)
Inflation rate risk	(445)	(44,721)
Total	(298)	(102,272)

As at March 31, 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	72	(11,651)
Exchange rate risk	(265)	(55,909)
Inflation rate risk	(804)	48,876
Total	(997)	(18,684)

Note 13 Financial assets at amortized cost

Financial assets at amortized cost are detailed as follows:

	3/31/2024 MCh\$	12/31/2023 MCh\$
Rights under resale agreements and securities lending agreements	258,312	226,394
Debt financial instruments	2,272,588	1,387,601
Loans and advances to banks	194,589	25,223
Loans and advances to customers	31,895,844	31,399,807
Total	34,621,333	33,039,025

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a) Rights under resale agreements and securities lending agreements

The detail of this line item is as follows:

	3/31/2024 MCh\$	12/31/2023 MCh\$
Operations with domestic banks	-	-
Operations with foreign banks	-	-
Operations with other domestic entities		
Repurchase contracts	258,335	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)	(23)	(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	258,312	226,394

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

As at March 31, 2024	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\$	Total MCh\$
Operations with domestic banks	-	-	-	-	-	-	-	-
Operations with foreign banks	-	-	-	-	-	-	-	-
Operations with other domestic entities	-	-	-	-	-	-	-	-
Repurchase contracts	-	254,536	3,231	568	-	-	-	258,335
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)	-	(23)	-	-	-	-	-	(23)
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	-	254,513	3,231	568	-	-	-	258,312

As at December 31, 2023	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\$	Total 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

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

	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, 2024	226,410	(16)	-	-	-	-	226,410	(16)
New assets originated or purchased	3,025,483	(23)	-	-	-	-	3,025,483	(23)
Payments and written-off assets	(2,998,823)	16	-	-	-	-	(2,998,823)	16
Transfers to stage 1	-	-	-	-	-	-	-	-
Transfers to stage 2	-	-	-	-	-	-	-	-
Transfers to stage 3	-	-	-	-	-	-	-	-
Impact on ECL of transfers	-	-	-	-	-	-	-	-
Rebates on discounts	-	-	-	-	-	-	-	-
Accrued interest	5,265	-	-	-	-	-	5,265	-
Year-end remeasurements Expected Credit Losses	-	-	-	-	-	-	-	-
Changes in assumptions	-	-	-	-	-	-	-	-
Exchange rate adjustments	-	-	-	-	-	-	-	-
Balance as at March 31, 2024	258,335	(23)	-	-	-	-	258,335	(23)

	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	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 March 31, 2024 and December 31, 2023, the detail of financial debt securities is as follows:

	3/31/2024	12/31/2023
	MCh\$	MCh\$
Government and Banco Central de Chile	2,244,477	1,359,476
Other debt financial instruments issued in Chile	28,111	28,125
Debt financial instruments issued abroad	-	-
Total	2,272,588	1,387,601

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As at March 31, 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	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, 2024	1,390,382	(2,781)	-	-	-	-	1,390,382	(2,781)
New assets originated or purchased	850,653	(35)	-	-	-	-	850,653	(35)
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	34,369	-	-	-	-	-	34,369	-
Year-end remeasurements Expected Credit Losses	-	-	-	-	-	-	-	-
Changes in assumptions	-	-	-	-	-	-	-	-
Exchange rate adjustments	-	-	-	-	-	-	-	-
Balance as at March 31, 2024	2,275,404	(2,816)	-	-	-	-	2,275,404	(2,816)

	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)

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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 March 31, 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	59,704	-	-	59,704	(34)	-	-	(34)	59,670
Liquidity interbank loans	-	-	-	-	-	-	-	-	-
Commercial interbank loans	-	-	-	-	-	-	-	-	-
Overdrafts on checking accounts	-	-	-	-	-	-	-	-	-
Foreign trade loans Chilean exports	59,704	-	-	59,704	(34)	-	-	(34)	59,670
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	59,704	-	-	59,704	(34)	-	-	(34)	59,670
Banco Central de Chile	134,919	-	-	134,919	-	-	-	-	134,919
Checking accounts deposits for derivative transactions with a central counterparty	-	-	-	-	-	-	-	-	-
Other deposits not available	-	-	-	-	-	-	-	-	-
Other loans	134,919	-	-	134,919	-	-	-	-	134,919
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	134,919	-	-	134,919	-	-	-	-	134,919
Total	194,623	-	-	194,623	(34)	-	-	(34)	194,589

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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

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ii) Loans and accounts receivable from customers

Loans and accounts receivable from customers As at March 31, 2024 (in MCh\$)	Financial assets before provisions						Allowances constituted						Deductible guarantees FOGAPE Covid-19	Subtotal	Total	Net financial asset
	Regular portfolio		Substandard portfolio	Default portfolio		Total	Regular portfolio		Substandard portfolio	Default portfolio						
	Evaluation individual	group	Evaluation individual	Evaluation individual	group		Evaluation individual	group	Evaluation individual	Evaluation individual	group					
Commercial loans																
Commercial loans	8,402,206	1,138,902	908,146	385,834	148,273	10,983,361	(63,075)	(9,902)	(28,158)	(115,681)	(33,863)	(250,679)	(11,149)	(261,828)		
Foreign trade loans - Chilean exports	1,176,825	422	17,302	8,026	-	1,202,575	(16,542)	(12)	(2,248)	(6,395)	-	(25,197)	-	(25,197)		
Foreign trade loans - Chilean imports	451,524	1,700	12,773	3,616	94	469,707	(14,706)	(61)	(1,941)	(2,472)	(53)	(19,233)	-	(19,233)		
Foreign trade loans between third countries	337	-	-	-	-	337	(11)	-	-	-	-	(11)	-	(11)		
Debtors in checking accounts	48,973	12,390	3,903	3,840	3,925	73,031	(738)	(378)	(668)	(2,154)	(2,195)	(6,133)	-	(6,133)		
Credit card debtors	6,571	6,518	1,021	60	118	14,288	(274)	(283)	(171)	(25)	(63)	(816)	-	(816)		
Factoring operations	262,353	381	40,922	3,483	23	307,162	(5,459)	(7)	(1,179)	(1,005)	(8)	(7,658)	-	(7,658)		
Commercial financial leasing operations	774,504	27,181	37,707	15,514	2,049	856,955	(3,496)	(371)	(1,495)	(3,602)	(857)	(9,821)	(241)	(10,062)		
Student loans	-	502,980	-	-	100,183	603,163	-	(6,609)	-	-	(12,385)	(18,994)	-	(18,994)		
Other loans and accounts receivable	419	216	16	3,813	30	4,494	(4)	(10)	(1)	(2,436)	(15)	(2,466)	-	(2,466)		
Subtotal	11,123,712	1,690,690	1,021,790	424,186	254,695	14,515,073	(104,305)	(17,633)	(35,861)	(133,770)	(49,439)	(341,008)	(11,390)	(352,398)	14,162,675	
Mortgage loans :																
Loans with letters of credit	-	63,411	-	-	8,048	71,459	-	(114)	-	-	(157)	(271)	-	(271)		
Loans with endorsable mortgage mutuels	-	29,949	-	-	2,445	32,394	-	(12)	-	-	(14)	(26)	-	(26)		
Loans with mutual funds financed with mortgage bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Other mutual loans for housing	-	13,259,263	-	-	426,837	13,686,100	-	(26,802)	-	-	(19,621)	(46,423)	-	(46,423)		
Financial leasing operations for housing	-	31,067	-	-	2,720	33,787	-	(194)	-	-	(333)	(527)	-	(527)		
Other loans and accounts receivable	-	72,859	-	-	5,089	77,948	-	(154)	-	-	(173)	(327)	-	(327)		
Subtotal	-	13,456,549	-	-	445,139	13,901,688	-	(27,276)	-	-	(20,298)	(47,574)	-	(47,574)	13,854,114	
Consumer loans																
Consumer loans in installments	-	1,520,351	-	-	158,098	1,678,449	-	(47,588)	-	-	(65,709)	(113,297)	-	(113,297)		
Debtors in checking accounts	-	66,922	-	-	7,209	74,131	-	(1,387)	-	-	(2,790)	(4,177)	-	(4,177)		
Credit card debtors	-	2,177,809	-	-	294,852	2,472,661	-	(108,990)	-	-	(120,053)	(229,043)	-	(229,043)		
Consumer financial leasing operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Other loans and accounts receivable	-	303	-	-	39	342	-	(7)	-	-	(4)	(11)	-	(11)		
Subtotal	-	3,765,385	-	-	460,198	4,225,583	-	(157,972)	-	-	(188,556)	(346,528)	-	(346,528)	3,879,055	
Total	11.123.712	18.912.624	1.021.790	424.186	1.160.032	32.642.344	(104.305)	(202.881)	(35.861)	(133.770)	(258.293)	(735.110)	(11.390)	(746.500)	31.895.844	

SCOTIABANK CHILE AND SUBSIDIARIES

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As at March 31, 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
	Evaluation individual	group	Evaluation individual	Evaluation individual	group		Evaluation individual	group	Evaluation individual	Evaluation individual	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)	-	(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 mutuels	-	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	-	(26,655)	-	-	(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 March 31, 2024 and 2023 and December 31, 2023

iii) Contingent loans

Exposure to credit risk for contingent loans	Exposure for contingent loans before allowances						Allowances constituted						Net exposure to credit risk of contingent loans	
	Regular portfolio		Substandard portfolio		Default portfolio		Regular portfolio		Substandard portfolio		Default portfolio			
	Evaluation		Evaluation		Evaluation		Evaluation		Evaluation		Evaluation			
	individual	group	individual	individual	group	individual	group	individual	individual	group	individual	individual		group
As at March 31, 2024 (in MCh\$)						Total							Total	
Guarantees and Sureties	570,831	-	4,309	-	-	575,140	(2,297)	-	(787)	-	-	(3,084)	572,056	
Letters of credit for merchandise circulation operations	26,708	7	-	-	-	26,715	(388)	-	-	-	-	(388)	26,327	
Debt purchase commitments in local currency abroad	-	-	-	-	-	-	-	-	-	-	-	-	-	
Transactions related to contingent events	318,856	187	19,079	2,356	-	340,478	(2,543)	(3)	(4,543)	(663)	-	(7,752)	332,726	
Lines of credit of free disposal of immediate cancellation	104,173	535,437	609	502	19,032	659,753	(493)	(5,302)	(88)	(123)	(5,666)	(11,672)	648,081	
Lines of credit of free disposal	-	-	-	-	-	-	-	-	-	-	-	-	-	
Loans for senior studies Law No. 20027 (CAE)	-	2,222	-	-	-	2,222	-	(34)	-	-	-	(34)	2,188	
Other irrevocable loan commitments	112,227	-	-	-	-	112,227	(433)	-	-	-	-	(433)	111,794	
Other contingent loans	-	-	-	-	-	-	-	-	-	-	-	-	-	
Subtotal	1,132,795	537,853	23,997	2,858	19,032	1,716,535	(6,154)	(5,339)	(5,418)	(786)	(5,666)	(23,363)	1,693,172	

Exposure to credit risk for contingent loans	Exposure for contingent loans before allowances						Allowances constituted						Net exposure to credit risk of contingent loans
	Regular portfolio		Substandard portfolio		Default portfolio		Regular portfolio		Substandard portfolio		Default portfolio		
	Evaluation		Evaluation		Evaluation		Evaluation		Evaluation		Evaluation		
	As at December 31, 2023 (in MCh\$)					Total						Total	
	individual	group	individual	individual	group		individual	group	individual	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 March 31, 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 risk in the period As at March 31, 2024 (in MCh\$)	Movement in provisions constituted by category in the period			
	Regular portfolio	Individual evaluation Substandard portfolio	Default portfolio	Total
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	(6)	-	-	(6)
Change in the measurement due to portfolio reclassification from the beginning to the end of the portfolio year from 1/1/2024 to 3/31/2024:				
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	34	-	-	34
New loans for conversion from contingent to loan	-	-	-	-
New loans purchased	-	-	-	-
Sale or transfers of loans	(9)	-	-	(9)
Payment of loans	-	-	-	-
Application of provisions due to write-offs	-	-	-	-
Recovery of written-off loans	-	-	-	-
Exchange differences	-	-	-	-
Other changes in provisions	-	-	-	-
Balance as at March 31, 2024	34	-	-	34

Summary of movement in allowances constituted by category of credit risk in the period As at December 31, 2023 (in MCh\$)	Movement in provisions constituted by category in the period			
	Regular portfolio	Individual evaluation Substandard portfolio	Default portfolio	Total
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 the measurement due to portfolio reclassification from the beginning to the end of the portfolio year 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 March 31, 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	Movement in allowances constituted by portfolio in the period								
	As at March 31, 2024 (in MCh\$)	Regular portfolio		Substandard portfolio	Default portfolio		Subtotal	Deductible guarantees FOGAPE Covid-19	Total
		Evaluation individual	group		Evaluation 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		8,763	2,648	6,892	762	9,685	28,750	(200)	28,550
Change in the measurement due to portfolio reclassification from the beginning to the end of the portfolio year from 1/1/2024 to 3/31/2024:									
Regular individual up to Substandard		(7,604)	-	8,578	-	-	974	-	974
Regular individual up to individual default		(9)	-	-	138	-	129	-	129
Substandard up to individual default		-	-	(7,450)	17,082	-	9,632	-	9,632
Substandard up to Regular individual		1,624	-	(3,627)	-	-	(2,003)	-	(2,003)
Individual default up to Substandard		-	-	48	(98)	-	(50)	-	(50)
Individual default up to Regular individual		-	-	-	-	-	-	-	-
Regular group up to default group		-	(3,404)	-	-	7,775	4,371	-	4,371
Group default up to group regular		-	149	-	-	(2,360)	(2,211)	-	(2,211)
Individual (regular, substandard, default) up to group (regular, default)		(76)	26	(3)	(97)	61	(89)	-	(89)
Group (regular, default) up to Individual (regular, substandard ,default)		297	(131)	6	2	-	174	-	174
New originated loans		31,895	938	6,581	945	2,385	42,744	13	42,757
New loans for conversion from contingent to loan		764	330	203	20	97	1,414	-	1,414
New loans purchased		-	-	-	-	-	-	-	-
Sale or transfers of loans		-	(629)	-	(330)	(5)	(964)	-	(964)
Payment of loans		(31,690)	(1,665)	(8,000)	(2,886)	(4,598)	(48,839)	(180)	(49,019)
Application of provisions due to write-offs		-	(3)	-	(9,303)	(12,044)	(21,350)	-	(21,350)
Recovery of written-off loans		-	3	-	-	-	3	-	3
Changes in models and methodologies		-	-	-	-	-	-	-	-
Exchange differences		5,742	9	1,450	4,281	6	11,488	-	11,488
Other changes in provisions		-	-	-	-	-	-	-	-
Balance as at March 31, 2024		104,305	17,633	35,861	133,770	49,439	341,008	11,390	352,398

Summary of the movement in allowances constituted by category of credit risk in the period	Movement in allowances constituted by portfolio in the period								
	As at December 31, 2023 (in MCh\$)	Regular portfolio		Substandard portfolio	Default portfolio		Subtotal	Deductible guarantees FOGAPE	Total
		Evaluation			Evaluation				
		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 the measurement due to portfolio reclassification from the beginning to the end of the portfolio year 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	

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iii) Mortgage loans

Summary of the movement in provisions constituted by category of credit risk in the period As at March 31, 2024 (in MCh\$)	Movement in provisions constituted by portfolio in the period Group evaluation		
	Regular portfolio		Total
		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	3,938	692	4,630
Change in the measurement due to portfolio reclassification from the beginning to the end of the portfolio year from 1/1/2024 to 3/31/2024:			
Group regular up to group default	(3,513)	4,686	1,173
Group default up to group regular	66	(677)	(611)
New originated loans	287	-	287
New loans purchased	-	-	-
Sale or transfers of loans	-	-	-
Payment of loans	(629)	(667)	(1,296)
Application of provisions due to write-offs	-	(1,978)	(1,978)
Recovery of written-off loans	-	-	-
Changes in models and methodologies	-	-	-
Exchange differences	-	-	-
Other changes in provisions	-	-	-
Balance as at March 31, 2024	27,276	20,298	47,574

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		
	Regular portfolio		Total
		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 the measurement due to portfolio reclassification from the beginning to the end of the portfolio year 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

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iv) Consumer loans

Summary of the movement in allowances constituted by category of credit risk in the period As at March 31, 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	29,158	41,206	70,364
Change in the measurement due to portfolio reclassification from the beginning to the end of the portfolio year from 1/1/2024 to 3/31/2024:			
Group regular up to group default	(28,925)	64,846	35,921
Group default up to group regular	4,135	(12,080)	(7,945)
New originated loans	8,660	15,949	24,609
New loans for conversion from contingent to loan	13,733	4,432	18,165
New loans purchased	-	-	-
Sale or transfers of loans	-	-	-
Payment of loans	(26,553)	(14,423)	(40,976)
Application of provisions due to write-offs	(29)	(86,498)	(86,527)
Recovery of written-off loans	300	-	300
Changes in models and methodologies	-	-	-
Exchange differences	46	9	55
Other changes in provisions	-	-	-
Balance as at March 31, 2024	157,972	188,556	346,528

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 the measurement due to portfolio reclassification from the beginning to the end of the portfolio year 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
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v) Contingent loans

Summary of the movement in allowances constituted by category of credit risk in the period	Movement in allowances constituted by portfolio in the period						
	As at March 31, 2024 (in MCh\$)	Regular portfolio Evaluation		Substandard portfolio	Default portfolio Evaluation		Total
		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		(1,249)	5,541	(8,143)	(407)	175	(4,083)
Change in the measurement due to portfolio reclassification from the beginning to the end of the portfolio year from 1/1/2024 to 3/31/2024:							
Regular individual up to Substandard		(11)	-	29	-	-	18
Regular individual up to individual default		(1)	-	-	38	-	37
Substandard up to individual default		-	-	(2)	58	-	56
Substandard up to regular individual		-	-	-	-	-	-
Individual default up to Substandard		-	-	-	-	-	-
Individual default up to individual regular		-	-	-	-	-	-
Group regular up to group default		-	(189)	-	-	3,287	3,098
Group default up to group regular		-	46	-	-	(1,330)	(1,284)
Individual (regular, substandard, default) up to group (regular, default)		-	-	-	-	-	-
Group (regular, default) up to Individual (regular, substandard, default)		5	(2)	-	-	-	3
New contingent loans granted		1,245	464	8,025	142	34	9,910
Contingent loans due to conversion to loans		(752)	(6,600)	(183)	(17)	(4,530)	(12,082)
Changes in models and methodologies		-	-	-	-	-	-
Exchange differences		381	-	102	-	-	483
Other changes in provisions		-	-	-	-	-	-
Balance as at March 31, 2024		6,154	5,339	5,418	786	5,666	23,363

Summary of the movement in allowances constituted by category of credit risk in the period	Movement in allowances constituted by portfolio in the period					
	As at December 31, 2023 (in MCh\$)	Regular portfolio		Default portfolio		Total
		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 the measurement due to portfolio reclassification from the beginning to the end of the portfolio year 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

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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 March 31, 2024	Loans and exposure to contingent loans			Loans within		Allowances constituted		
	loans within		Total			Sub-Total	Deductible guarantees FOGAPE Covid 19	Total
	Country	Abroad		Country	Abroad			
(in MCh\$)								
Owed by banks	134,919	59,704	194,623	-	(34)	(34)	-	(34)
Commercial loans								
Agriculture and Livestock	414,173	-	414,173	(17,014)	-	(17,014)	(504)	(17,518)
Sowing and harvesting of fruits	-	-	-	-	-	-	-	-
Forestry	66,692	-	66,692	(1,763)	-	(1,763)	(162)	(1,925)
Fishing	72,075	-	72,075	(1,818)	-	(1,818)	(96)	(1,914)
Mining	353,473	-	353,473	(1,683)	-	(1,683)	(119)	(1,802)
Oil and natural gas	580	-	580	-	-	-	-	-
Product Manufacturing Industry	-	-	-	-	-	-	-	-
Food, beverages and tobacco	578,616	-	578,616	(14,295)	-	(14,295)	(516)	(14,811)
Textile, leather and footwear	21,765	-	21,765	(1,583)	-	(1,583)	(136)	(1,719)
Wood and furniture	64,397	-	64,397	(2,499)	-	(2,499)	(184)	(2,683)
Cellulose, paper and printing	71,688	-	71,688	(4,668)	-	(4,668)	(136)	(4,804)
Chemicals and petroleum derivatives	269,046	-	269,046	(4,891)	-	(4,891)	(505)	(5,396)
Metallic, non-metallic, machinery and others	795,738	-	795,738	(21,339)	-	(21,339)	(998)	(22,337)
Electricity, gas and water	1,436,898	-	1,436,898	(4,148)	-	(4,148)	(33)	(4,181)
Home building	326,138	-	326,138	(5,853)	-	(5,853)	(284)	(6,137)
Non-residential constructions (office, civil works)	255,864	-	255,864	(6,177)	-	(6,177)	(440)	(6,617)
Wholesale trade	1,120,180	127,359	1,247,539	(65,633)	(309)	(65,942)	(2,720)	(68,662)
Retail trade restaurants and hotels	445,783	-	445,783	(28,487)	-	(28,487)	(1,680)	(30,167)
Transport and storage	651,380	49,295	700,675	(12,021)	(41)	(12,062)	(939)	(13,001)
Telecommunications	669,335	-	669,335	(5,902)	-	(5,902)	(50)	(5,952)
Financial Services	1,260,290	24,204	1,284,494	(23,027)	(20)	(23,047)	(121)	(23,168)
Business services	-	-	-	-	-	-	-	-
Real estate services	3,053,435	120,955	3,174,390	(55,410)	(105)	(55,515)	(1,107)	(56,622)
Student loans	603,164	-	603,164	(18,994)	-	(18,994)	-	(18,994)
Public administration, defense and police	16,310	-	16,310	(14)	-	(14)	-	(14)
Social services and other community services	675,779	-	675,779	(13,194)	-	(13,194)	(656)	(13,850)
Personnel services	970,461	-	970,461	(30,120)	-	(30,120)	(4)	(30,124)
Subtotal	14,193,260	321,813	14,515,073	(340,533)	(475)	(341,008)	(11,390)	(352,398)
Mortgage loans	13,901,688	-	13,901,688	(47,574)	-	(47,574)	-	(47,574)
Consumer loans	4,225,583	-	4,225,583	(346,528)	-	(346,528)	-	(346,528)
Contingent loans exposure	1,716,535	-	1,716,535	(23,363)	-	(23,363)	-	(23,363)

Composition of economic activity As at December 31, 2023	Loans and exposure to contingent loans			Loans within		Allowances constituted		
	loans within		Total			Sub-Total	Deductible guarantees FOGAPE Covid 19	Total
	Country	Abroad		Country	Abroad			
(in MCh\$)								
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)

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

As at March 31, 2024		Mortgage loans (MCh\$)					Allowances constituted for Mortgage loans (MCh\$)					
		Days in arrears at the end of the period					Days in arrears at the end of the period					
Loan Tranche / Guarantee (%)	0	1 to 29	30 to 59	60 to 89	>= 90	Total	0	1 to 29	30 to 59	60 to 89	>= 90	Total
PVG <= 40%	1,141,445	45,792	24,592	13,741	26,722	1,252,292	(87)	(36)	(51)	(45)	(346)	(565)
40% < PVG <= 80%	9,877,874	322,381	136,131	71,946	162,314	10,570,646	(6,522)	(3,404)	(2,645)	(1,862)	(4,936)	(19,369)
80% < PVG <= 90%	1,855,065	51,240	17,786	12,388	29,021	1,965,500	(10,834)	(3,459)	(2,213)	(2,262)	(6,452)	(25,220)
PVG >90%	105,436	3,059	1,684	928	2,143	113,250	(949)	(290)	(298)	(235)	(648)	(2,420)
Total	12,979,820	422,472	180,193	99,003	220,200	13,901,688	(18,392)	(7,189)	(5,207)	(4,404)	(12,382)	(47,574)

As at December 31, 2023		Mortgage loans (MCh\$)					Allowances constituted for Mortgage loans (MCh\$)					
		Days in arrears at the end of the period					Days in arrears at the end of the period					
Loan Tranche / Guarantee (%)	0	1 to 29	30 to 59	60 to 89	>= 90	Total	0	1 to 29	30 to 59	60 to 89	>= 90	Total
PVG <= 40%	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)

Concentration of debt owed by banks and commercial loans with their provisions established by classification category		Owed by banks and Commercial Loans																				Regular portfolio	Group default portfolio	Total	Total	Provision deductible guarantees FOGAPE Covid-19
		Individual										Default portfolio														
		Regular portfolio							Substandard portfolio			Default portfolio														
		A1	A2	A3	A4	A5	A6	Subtotal	B1	B2	B3	B4	Subtotal	C1	C2	C3	C4	C5	C6	Subtotal	Total					
As at March 31, 2024	(in MCh\$)	A1	A2	A3	A4	A5	A6	Subtotal	B1	B2	B3	B4	Subtotal	C1	C2	C3	C4	C5	C6	Subtotal	Total	Regular portfolio	default portfolio	Total	Total	
Owed by banks																										
Liquidity interbank loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial interbank loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Overdrafts on checking accounts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Foreign trade loans - Chilean exports	35,603	23,013	1,088	-	-	-	-	59,704	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	59,704	-
Foreign trade loans - Chilean imports	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Foreign trade loans between third countries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits in checking accounts in foreign banks for derivative operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-transferable deposits in banks	134,919	-	-	-	-	-	-	134,919	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	134,919
Other loans with banks	134,919	23,013	1,088	-	-	-	-	194,623	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	194,623
Subtotal	170,522	23,013	1,088	-	-	-	-	194,623	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	194,623
Provisions constituted	13	19	2	-	-	-	-	34	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	34
% provisions constituted	0.01%	0.08%	0.00%	0.00%	0.00%	0.00%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.02%	0.00%	0.00%	0.00%	0.02%	
Commercial loans																										
Commercial loans	74,901	2,705,116	1,396,214	2,331,586	949,263	945,126	8,402,206	450,708	197,096	184,133	76,209	908,146	151,941	71,753	20,939	18,905	69,585	52,711	385,834	9,696,186	1,138,902	148,273	1,287,175	10,983,361	11,149	
Foreign trade loans - Chilean exports	-	444,617	222,169	194,164	252,155	63,720	1,176,825	14,273	1,164	1,613	252	17,302	-	544	-	1,569	5,913	8,026	1,202,153	422	-	-	422	1,202,575	-	
Foreign trade loans - Chilean imports	-	10,144	69,486	170,258	122,723	78,913	451,524	7,939	4,733	101	-	12,773	53	-	100	-	2,683	780	3,616	467,913	1,700	94	1,794	469,707	-	
Foreign trade loans between third countries	-	-	-	261	-	76	337	-	-	-	-	-	-	-	-	-	-	-	337	-	-	-	-	337	-	
Debtors in checking accounts	-	17,124	4,032	12,578	7,562	7,677	48,973	2,164	818	730	191	3,903	511	418	196	363	838	1,514	3,616	56,716	12,390	3,925	16,315	73,031	-	
Credit card debtors	11	487	1,218	686	1,183	2,986	6,571	584	236	185	16	1,021	5	1	18	22	6	8	60	7,652	6,518	118	6,636	14,288	-	
Factoring operations																										

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

Financial Assets before provision										Allowances constituted								
Concentration of credit risk by days past due As at March 31, 2024 (in MCh\$)	Regular portfolio Evaluation		Substandard portfolio Evaluation		Default portfolio Evaluation		Total		Regular portfolio Evaluation		Substandard portfolio Evaluation		Deductible guarantees FOGAPE Covid-19		Subtotal	Deductible guarantees FOGAPE Covid-19	Total	Net financial asset
	individual	group	individual	individual	group	individual	group	individual	individual	group								
Owed by banks																		
0 days	194,534	-	-	-	-	-	194,534	(34)	-	-	-	-	-	-	(34)	-	(34)	194,500
1 to 29 days	89	-	-	-	-	-	89	-	-	-	-	-	-	-	-	-	-	89
30 to 59 days	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
60 to 89 days	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
>= 90 days	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal	194,623	-	-	-	-	-	194,623	(34)	-	-	-	-	-	-	(34)	-	(34)	194,589
Commercial loans																		
0 days	10,949,845	1,577,067	865,622	97,640	51,046	13,541,220	(102,074)	(11,565)	(31,569)	(32,264)	(10,642)	(188,114)	(10,338)	(198,452)	13,342,768			
1 to 29 days	136,185	67,100	104,340	21,329	18,974	347,928	(2,176)	(2,394)	(1,633)	(3,587)	(3,829)	(13,619)	(382)	(14,001)	333,927			
30 to 59 days	2,785	30,109	36,346	14,383	14,102	97,725	(55)	(2,092)	(1,605)	(4,423)	(3,008)	(11,183)	(134)	(11,317)	86,408			
60 to 89 days	34,897	16,414	15,430	22,756	12,461	101,958	-	(1,582)	(1,032)	(2,137)	(2,675)	(7,426)	(96)	(7,522)	94,436			
>= 90 days	-	-	52	268,078	158,112	426,242	-	-	(22)	(91,359)	(29,285)	(120,666)	(440)	(121,106)	305,136			
Subtotal	11,123,712	1,690,690	1,021,790	424,186	254,695	14,515,073	(104,305)	(17,633)	(35,861)	(133,770)	(49,439)	(341,008)	(11,390)	(352,398)	14,162,675			
Mortgage loans																		
0 days	-	12,884,157	-	-	95,663	12,979,820	-	(15,072)	-	-	(3,320)	(18,392)	-	(18,392)	12,961,428			
1 to 29 days	-	373,945	-	-	48,527	422,472	-	(5,423)	-	-	(1,766)	(7,189)	-	(7,189)	415,283			
30 to 59 days	-	133,909	-	-	46,284	180,193	-	(3,643)	-	-	(1,564)	(5,207)	-	(5,207)	174,986			
60 to 89 days	-	64,538	-	-	34,465	99,003	-	(3,138)	-	-	(1,266)	(4,404)	-	(4,404)	94,599			
>= 90 days	-	-	-	-	220,200	220,200	-	-	-	-	(12,382)	(12,382)	-	(12,382)	207,818			
Subtotal	-	13,456,549	-	-	445,139	13,901,688	-	(27,276)	-	-	(20,298)	(47,574)	-	(47,574)	13,854,114			
Consumer loans																		
0 days	-	3,478,364	-	-	176,257	3,654,621	-	(98,910)	-	-	(59,902)	(158,812)	-	(158,812)	3,495,809			
1 to 29 days	-	183,387	-	-	55,635	239,022	-	(33,838)	-	-	(21,108)	(54,946)	-	(54,946)	184,076			
30 to 59 days	-	66,178	-	-	45,904	112,082	-	(15,541)	-	-	(17,833)	(33,374)	-	(33,374)	78,708			
60 to 89 days	-	37,456	-	-	31,322	68,778	-	(9,683)	-	-	(13,542)	(23,225)	-	(23,225)	45,553			
>= 90 days	-	-	-	-	151,080	151,080	-	-	-	-	(76,171)	(76,171)	-	(76,171)	74,909			
Subtotal	-	3,765,385	-	-	460,198	4,225,583	-	(157,972)	-	-	(188,556)	(346,528)	-	(346,528)	3,879,055			
Total loans	11,318,335	18,912,624	1,021,790	424,186	1,160,032	32,836,967	(104,339)	(202,881)	(35,861)	(133,770)	(258,293)	(735,144)	(11,390)	(746,534)	32,090,433			

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Concentration of credit risk by days past due As at December 31, 2023 (in MCh\$)	Financial Assets before provision						Allowances constituted						Subtotal	Deductible guarantees FOGAPE Covid-19	Total	Net financial asset
	Regular portfolio Evaluation		Substandard portfolio Evaluation		Default portfolio Evaluation		Total	Regular portfolio Evaluation		Substandard portfolio Evaluation		Deductible guarantees Evaluation				
	individual	group	individual	individual	group	individual		group	individual	individual	group					
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 March 31, 2024 and 2023 and December 31, 2023

i) Lease operations

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

	3/31/2024			12/31/2023		
	Account receivable	Interest and deferred VAT	Net balance receivable	Account receivable	Interest and deferred VAT	Net balance receivable
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
On-demand	1,585	(105)	1,480	1,332	(31)	1,301
Up to one month	1,077	(228)	849	35,351	(7,235)	28,116
More than one up to three months	5,087	(941)	4,146	67,662	(13,981)	53,681
More than three months up to one year	52,412	(9,071)	43,341	284,338	(60,914)	223,424
More than one up to three years	425,457	(84,838)	340,619	481,922	(110,621)	371,301
More than three up to five years	334,272	(82,761)	251,511	167,776	(42,640)	125,136
More than five years	342,362	(93,566)	248,796	101,847	(28,841)	73,006
Total	1,162,252	(271,510)	890,742	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 March 31, 2024, MCh\$242,878 corresponds to finance leases on real estate (MCh\$241,081 as at December 31, 2023) and MCh\$647,864 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 March 31, 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	3/31/2024 MCh\$	12/31/2023 MCh\$
Par value	6,673	38,571
Provisions	(634)	(1,281)
Net value of provisions	6,039	37,290
Sale value	6,212	47,442
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 March 31, 2023, a loss of MCh\$10 is recorded for the sale of the loans written off from the retail portfolio (as at March 31, 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 March 31, 2024, the subsidiary Bandesarrollo Sociedad de Leasing Inmobiliario S.A., recorded a realized gain from the assignment of portfolio of MCh\$14 (MCh\$18 as at March 31, 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 March 31, 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:

	3/31/2024	12/31/2023
	MCh\$	MCh\$
Housing loan portfolio	2,689	2,934
Carrying amount of associated liabilities	2,357	2,626

As at March 31, 2024, the subsidiary Bandesarrollo Sociedad de Leasing Inmobiliario S.A. recognizes a liability pending repayment of MCh\$2,357 (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 March 31, 2024 and 2023 and December 31, 2023

Note 14 Investment in companies.

The detail of investments in companies is as follows:

	3/31/2024 MCh\$	12/31/2023 MCh\$
Companies locally controlled	-	-
Companies controlled abroad		
Branches controlled abroad	-	-
Other companies controlled abroad	-	-
Companies with significant influence in the country	25,024	24,350
Companies with significant influence abroad	-	-
Investments in companies as a joint venture in the country	-	-
Investments in companies as a joint venture abroad	-	-
Minority investments in other companies in the country	9,871	9,829
Minority investments in other companies abroad	41	41
Total Investments in companies	34,936	34,220

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

	Ownership %	Tax ID No	Country	Company's equity as at 3/31/2024 MCh\$	Investment as at 3/31/2024 MCh\$	Investment as at 12/31/2023 MCh\$
Transbank S.A.	22.69	96.689.310-9	Chile	131,228	25,024	24,350
Total					25,024	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.

	3/31/2024 MCh\$	12/31/2023 MCh\$
Assets and liabilities		
Current assets	1,275,456	1,362,961
Non-current assets	160,127	164,517
Current liabilities	1,267,817	1,357,443
Non-current liabilities	36,538	36,141
Income statements (summary)		
Net sale	14,667	152,861
Operating results	(5,496)	34,481
Profit (loss) for the period	(4,047)	26,814
Depreciation and amortization	(11,046)	(62,594)

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at March 31, 2024 and 2023 and December 31, 2023

b) Minority investments in other domestic companies

	Country	Investment as at 3/31/2024 MCh\$	Investment as at 12/31/2023 MCh\$
Bolsa de Comercio de Santiago	Chile	-	-
Sociedad de Infraestructura de Mercado S.A. (*)	Chile	-	-
Holding Bursátil Chilena S.A. (*)	Chile	5,769	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		9,871	9,829

(*) On November 14, 2023, the subscription and exchange of shares of the Bolsa de Comercio de Santiago and Sociedad de Infraestructuras de Mercado S.A. occurred, whereby 2,000,000 shares were delivered by each of the companies and for such transaction a total of 1,516,436 shares of Holding Bursátil Chilena S.A. were received, where the latter corresponds to the integration of the Chilean, Peruvian and Colombian Stock Exchanges.

c) Minority investments in other companies abroad

	Country	Investment as at 3/31/2024 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:

	3/31/2024 MCh\$	12/31/2023 MCh\$
Carrying amount 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	42	2,521
Participation on results in companies with significant influence	673	5,606
Sale of investments	-	-
Other	1	-
Total	34,936	34,220

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

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Notes to the Interim Consolidated Financial Statements
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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							
	2024	2023	2024	2023	3/31/2024	12/31/2023	3/31/2024	12/31/2023	3/31/2024	12/31/2023
					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					-	-	(82,286)	(79,979)	(82,286)	(79,979)
Other independently originated intangible assets										
Software or computer programs purchased independently	10	10	4	4	17,403	17,292	-	-	17,403	17,292
Software or computer programs generated internally	10	10	4	4	295,231	282,535	-	-	295,231	282,535
Accumulated amortizations					-	-	(111,827)	(102,848)	(111,827)	(102,848)
Total intangible assets					451,059	438,252	(194,113)	(182,827)	256,946	255,425

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

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements
As at March 31, 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 (1)	38	-	-	38
Assets disposal	(11,880)	-	-	(11,880)
Impairment	(362)	-	-	(362)
Other	-	-	-	-
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	13,145	-	-	13,145
Reclassifications (1)	-	-	-	-
Assets disposal	-	-	-	-
Impairment (2)	(338)	-	-	(338)
Other	-	-	-	-
Total gross	312,634	138,425	-	451,059
Accumulated amortization as at January 1,	(102,848)	(79,979)	-	(182,827)
Amortization for the period	(8,979)	(2,307)	-	(11,286)
Assets disposal	-	-	-	-
Impairment (2)	-	-	-	-
Other	-	-	-	-
Total amortization	(111,827)	(82,286)	-	(194,113)
Balance as at March 31, 2024	200,807	56,139	-	256,946

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

(2) As at March 31, 2024, impairment of intangible assets was recorded, which relates to discontinued internal IT projects or developments, amounting to MCh\$338.

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 March 31, 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	
	3/31/2024	12/31/2023	3/31/2024	12/31/2023	3/31/2024	12/31/2023	3/31/2024	12/31/2023	3/31/2024	12/31/2023
	years	years	years	years	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Land and constructions	80	80	35	35	68,358	68,358	(20,487)	(20,085)	47,871	48,273
Equipment	6	6	5	5	137,582	135,461	(106,274)	(103,725)	31,308	31,736
Other	6	6	6	5	17,294	18,308	(14,144)	(13,990)	3,150	4,318
Total					223,234	222,127	(140,905)	(137,800)	82,329	84,327

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

	Buildings 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 (1)	-	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 (1)	-	-	-	-
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	-	507	603	1,110
Asset disposal	-	-	-	-
Reclassification of accounts (1)	-	1,614	(1,617)	(3)
Impairment	-	-	-	-
Gross total	68,358	137,582	17,294	223,234
Accumulated depreciation as at January 1, 2024	(20,085)	(103,725)	(13,990)	(137,800)
Depreciation for the period	(402)	(2,549)	(154)	(3,105)
Asset disposal	-	-	-	-
Reclassification of accounts (1)	-	-	-	-
Impairment	-	-	-	-
Total depreciation	(20,487)	(106,274)	(14,144)	(140,905)
Balance as at March 31, 2024	47,871	31,308	3,150	82,329

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

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

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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	
	3/31/2024	12/31/2023	3/31/2024	12/31/2023	3/31/2024	12/31/2023
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Building and land	190,345	189,843	(50,649)	(48,726)	139,696	141,117
Leased property improvements	41,058	41,055	(23,170)	(22,603)	17,888	18,452
Total	231,403	230,898	(73,819)	(71,329)	157,584	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	1,135	-	1,135
Additions	367	-	367
Increase due to contract modification	113	-	113
Decrease due to contract modification	(974)	-	(974)
Contract modification - subsidiaries	-	-	-
Reclassifications (1)	-	3	3
Withdrawals / Derecognition	(137)	(3)	(140)
Total gross	190,347	41,055	231,402
Accumulated depreciation as at January 1, 2024	(48,726)	(22,603)	(71,329)
Impairment	-	-	-
Depreciation for the period	(2,932)	(565)	(3,497)
Decrease due to contract modification	-	-	-
Withdrawals / derecognition	1,007	1	1,008
Total depreciation	(50,651)	(23,167)	(73,818)
Balance as at March 31, 2024	139,696	17,888	157,584

(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.

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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 March 31, 2024 and 2023, the Bank has no expenses related to leases of low value. Expenses related to short-term leases amount to MCh\$1,375 as at March 31, 2024 (MCh\$1,356 as at March 31, 2023) and are included in "Administrative expenses" in the Interim Consolidated Statements of Income.

Income received from the sub-lease on right-of-use assets amount to MCh\$22 as at March 31, 2024 (MCh\$128 as at March 31, 2023), which are recorded in the caption "Other Operating Income" in the Interim Consolidated Statements of Income.

As at March 31, 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	
	3/31/2024	12/31/2023
	MCh\$	MCh\$
Balances as at January 1	149,308	160,376
Lease liabilities generated	367	1,186
Modification of contract	-	(112)
Modification of contract- subsidiaries	-	(767)
Interest expense	1,061	4,396
Capital payments (*)	(2,643)	(11,026)
Interest payments (*)	(1,061)	(4,396)
Contract adjustments	1,135	6,943
Payments due to cancellation /termination of leases	7	(7,292)
Total	148,174	149,308
(*) Total Payments associated with lease liabilities in the period	(3,704)	(15,422)

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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 March 31, 2024	1,122	2,245	10,064	52,385	111,131	176,947
As at March 31, 2023	1,297	2,590	11,600	60,726	122,846	199,059

Note 18 Taxes
a) Current taxes

	3/31/2024 MCh\$	12/31/2023 MCh\$
Assets:		
Income tax, 27% tax rate	(16,358)	(12,784)
One-off tax under Article 21, 40% tax rate	-	-
Less:		
Monthly tax provisional payments	18,174	14,912
Credit for training expenses	284	285
Credit 104 Income Tax Law	-	-
Previous year recoverable tax	-	-
Other	-	-
Total current tax asset	2,100	2,413
Liabilities:		
Income tax, 27% tax rate	(147,364)	(132,062)
One-off tax under Article 21, 40% tax rate	(43)	(33)
Previous year income tax	-	-
Income tax, absorbed subsidiaries	-	-
Less:		
Monthly tax provisional payments	55,089	49,742
Credit for training expenses	546	546
Previous year recoverable tax	15,839	18,713
Credit 104 Income Tax Law	2,120	9
Other	(183)	(137)
Total current tax liability	(73,996)	(63,222)

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b) Tax benefit (expense)

The effect of tax expense is composed of the following:

	3/31/2024 MCh\$	3/31/2023 MCh\$
Income tax expenses:		
Current year tax	(28,487)	(31,919)
Excess (deficit) allowance previous year	-	-
Previous years tax	-	-
Credit (charge) due to deferred taxes:		
Origination and reversal of temporary differences current year	(798)	17,847
Origination and reversal of temporary differences prior year	-	-
Subtotal	(29,285)	(14,072)
Tax for rejected expenses Article N°21	(10)	(16)
Other	-	-
Net charge to Income due to income tax	(29,295)	(14,088)

The Bank presents no taxes from discontinued operations for the periods ended March 31, 2024 and 2023.

c) Effect of taxes recorded in equity

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

	3/31/2024 MCh\$	12/31/2023 MCh\$
Deferred taxes:		
Financial investments at fair value with changes in other comprehensive income	(30)	(11,981)
Employee defined benefit plans	14	17
Effects of first application Accounting Standards	-	-
Compendium for banks	-	-
Subtotal deferred taxes	(16)	(11,964)
Current taxes:		
Derivatives in cash flow hedges	9,566	(26,030)
Subtotal current taxes	9,566	(26,030)
Total (charge) credit in equity	9,550	(37,994)

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d) Deferred tax assets and liabilities

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

Concept	3/31/2024 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	5,306	6,555
Deferred tax assets associated with defined benefit pension plans	504	495
Deferred tax assets associated with deductible temporary differences		
Loans provisions	230,711	221,485
Financial penalties of loans that are tax assets	-	-
Income from interest and adjustments with accrual suspended for loans in impaired portfolio	17,953	16,764
Provisions for employee benefit obligations	9,905	9,771
Leasing operations	7,569	13,098
Tax-financial differences of property and equipment	11,669	11,597
MTM Financial instruments for trading and other investments	22,959	23,611
Sundry provisions	5,327	5,062
Other	12,523	16,518
Deferred tax assets not associated with deductible temporary differences		
Unused Bank Tax Losses	-	-
Unused tax losses of subsidiaries	3,622	3,854
Unused tax credits	-	-
Deferred taxes with changes in equity	31,819	31,848
Other	-	-
Total deferred tax assets	359,867	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	(827)	(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	(827)	(795)

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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 %	3/31/2024 MCh\$
Income before corporate income tax	27.00%	39,476
Permanent differences		
Price-level restatement on tax equity	(6.62%)	(9,678)
Other permanent differences	0.18%	267
Taxes not recognized on profit or loss in previous years		
Prior year effect	-	-
Other	(0.53%)	(780)
Effective rate and current year income tax proceeds	20.03%	29,285
One-off tax under Article No. 21	0.01%	10
Total income tax expense	20.04%	29,295

	Tax rate %	3/31/2023 MCh\$
Income before corporate income tax	27.00%	23,734
Permanent differences		
Price-level restatement on tax equity	(13.53%)	(11,894)
Other permanent differences	0.39%	343
Taxes not recognized on profit or loss in previous years	-	-
Prior year effect	-	-
Other	2.09%	1,889
Effective rate and current year income tax proceeds	15.95%	14,072
One-off tax under Article No. 21	0.02%	16
Total income tax expense	15.97%	14,088

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As at March 31, 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 3/31/2024

Type of loan	Assets at carrying amount in the Financial MCh\$	Assets at tax value		
		Total MCh\$	Secured overdue portfolio MCh\$	Unsecured overdue portfolio MCh\$
Commercial loans	14,853,250	15,118,938	116,226	59,474
Consumer loans	2,373,330	2,531,601	-	17,963
Mortgage loans	13,867,901	14,272,407	7,808	19
Total	31,094,481	31,922,946	124,034	77,456

Loans and Allowances on overdue portfolio as at 3/31/2024

Type of loan	Balance as at December 31, 2023 MCh\$	Write-offs against allowances MCh\$	Allowances constituted MCh\$	Released allowances MCh\$	Balance as at March 31, 2024 MCh\$
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Commercial loans	56,707	(7,806)	15,588	(5,015)	59,474
Consumer loans	18,505	(14,115)	18,527	(4,955)	17,963
Mortgage loans	21	-	4	(6)	19
Total	75,233	(21,921)	34,119	(9,976)	77,456

Direct write-offs and recoveries as at 3/31/2024

	MCh\$
Direct write-offs as per Art. 31 No. 4 second sub-paragraph	42,325
Debt forgiveness which resulted in the release of allowances	-
Recoveries or renegotiation of loans written-off	14,035

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 MCh\$	Total MCh\$	Assets at tax value	
			Secured overdue portfolio MCh\$	Unsecured overdue portfolio 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 MCh\$	Write-offs against allowances MCh\$	Allowances constituted MCh\$	Released allowances MCh\$	Balance as at December 31, 2023 MCh\$
	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.

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Notes to the Interim Consolidated Financial Statements

As at March 31, 2024 and 2023 and December 31, 2023

Note 19 Other assets

Other assets are detailed as follows:

	3/31/2024	12/31/2023
	MCh\$	MCh\$
Assets to assign in financial leasing as lessor	4,142	2,091
Cash guarantees delivered for derivative financial operations	562,683	532,582
Accounts receivable from third parties	176,784	126,575
VAT tax credit receivable	8,121	9,393
Prepaid expenses	15,527	5,688
Income asset from usual activities from contracts with customers	1,100	482
Other cash collateral provided	4,487	5,990
Outstanding operations	5,221	7,509
Other assets	19,293	18,221
Total other assets	797,358	708,531

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As at March 31, 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	3/31/2024 MCh\$	12/31/2023 MCh\$
Assets received in payment or adjudicated in judicial auction		
Goods received in payment (*)	240	264
Assets adjudicated in judicial auction	19,535	16,222
Provisions for goods received in payment or adjudicated in judicial auction	(97)	(19)
Subtotal	19,678	16,467
Non-current assets held for sale		
Investments in companies	-	-
Intangible assets	-	-
Property and equipment	2,029	2,029
Assets for recovery of goods transferred in financial leasing operations	1,227	1,238
Other assets	-	-
Subtotal	3,256	3,267
Disposal groups for sale	-	-
Total non-current assets and disposal groups for sale	22,934	19,734

(*) 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 0.0051% (0.0057% as at December 31, 2023) of the Bank's effective equity.

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

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As at March 31, 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)	(1,106)	(1,823)
Regularizations	81	23	104
(Constitution)/release	-	(1,138)	(1,138)
Sales / disposals	(14,650)	-	(14,650)
Balance as at December 31, 2023	16,486	3,267	19,753
Provisions			
Balance as at January 1, 2023	(18)	-	(18)
Provisions constituted	(893)	-	(893)
Release on provisions	912	-	912
Sales / disposals	-	-	-
Transfers, other movements and exchange differences	(20)	-	(20)
Balance as at December 31, 2023	(19)	-	(19)
Net Balances as at December 31, 2023	16,467	3,267	19,734
Assets			
Balance as at January 1, 2024	16,486	3,267	19,753
Reposessed assets	7,632	328	7,960
Write-offs on goods	(960)	-	(960)
Alienation	(3,383)	(296)	(3,679)
Regularizations	-	-	-
(Constitution)/release	-	40	40
Sales / disposals	-	(83)	(83)
Balance as at March 31, 2024	19,775	3,256	23,031
Provisions			
Balance as at January 1, 2024	(19)	-	(19)
Provisions constituted	(386)	-	(386)
Release on provisions	308	-	308
Sales / disposals	-	-	-
Transfers, other movements and exchange differences	-	-	-
Balance as at March 31, 2024	(97)	-	(97)
Net Balances as at March 31, 2024	19,678	3,256	22,934

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As at March 31, 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:

	3/31/2024	12/31/2023
	MCh\$	MCh\$
Derivative instruments		
Forwards	966,829	837,758
Swaps	4,735,951	3,768,639
Call options	74	310
Put options	15	43
Other financial instruments	-	-
Total	5,702,869	4,606,750

Financial derivative contracts are detailed as follows:

As at March 31, 2024		Notional amounts of contracts with final maturity (1)						Fair value
Product	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\$	MCh\$
Forward								
Future arbitration	1,499	362,474	455,148	632,737	255,329	20,657	-	23,745
Paper Forward	-	2,000	-	-	-	-	-	-
Exchange insurance	361,460	11,604,966	6,493,069	5,902,218	1,909,480	503,596	910,264	577,732
Inflation insurance	33,142	785,466	1,433,289	3,556,343	3,621,301	1,449,663	3,961,382	365,352
Subtotal forward	396,101	12,754,906	8,381,506	10,091,298	5,786,110	1,973,916	4,871,646	966,829
Options								
Call option	-	-	1,679	1,679	-	-	-	74
Put option	-	-	-	1,940	-	-	-	15
Subtotal options	-	-	1,679	3,619	-	-	-	89
Swap								
Cross currency swap	44,615	978,011	1,329,474	7,574,496	14,296,296	8,410,849	13,882,965	3,338,769
Rate Swap	351,204	9,723,018	18,001,942	44,139,886	24,635,018	12,886,889	19,076,810	1,397,182
Subtotal swap	395,819	10,701,029	19,331,416	51,714,382	38,931,314	21,297,738	32,959,775	4,735,951
Total	791,920	23,455,935	27,714,601	61,809,299	44,717,424	23,271,654	37,831,421	5,702,869

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

As at December 31, 2023		Notional amounts of contracts with final maturity (1)						Fair value
Product	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\$	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 maturity amounts were determined based on the notional values of the financial instruments

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Note 22 Financial liabilities at amortized cost

The detail of this line item is as follows:

	3/31/2024 MCh\$	12/31/2023 MCh\$
Deposits and other on-demand liabilities	5,132,518	4,850,696
Term and on-demand deposits	14,010,568	13,181,368
Liabilities under repurchase agreements and securities lending	118,925	163,647
Bank borrowings	5,726,935	5,368,647
Debt financial instruments issued	8,404,149	8,186,492
Other financial liabilities	146,906	156,392
Total	33,540,001	31,907,242

a) Deposits and other on demand liabilities

	3/31/2024 MCh\$	12/31/2023 MCh\$
Checking accounts	4,144,580	3,872,151
Demand deposit accounts	299,898	299,920
Other on-demand deposits	124,403	149,927
Other on-demand obligations		
Obligations for other credits granted to be completed to other banks and/or the beneficiary of the loan	4,725	5,319
Guarantee bills payable at sight	50,606	48,181
Collections performed to be completed	79,823	87,836
Pending payment orders	24,462	13,174
Payments received on account of loans to be settled	3,939	2,775
Immobilized balances article 156 General Banking Law	15,509	19,648
Overdue time deposits	5,236	8,284
Various mortgage creditors	87,011	95,760
Granting of loans Law No. 20027	111	130
Payments to apply	68,064	68,000
Other sight obligations	224,151	179,591
Total	5,132,518	4,850,696

b) Term and other on-demand deposits

	3/31/2024 MCh\$	12/31/2023 MCh\$
Term deposits	13,910,028	13,080,930
Term saving accounts	100,540	100,438
Other	-	-
Total	14,010,568	13,181,368

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c) Obligations under repurchase agreements and securities lending

	3/31/2024 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	117,462	163,647
Securities lending obligations	1,463	-
Operations with other entities abroad	-	-
Total	118,925	163,647

As at March 31, 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	-	117,462	-	-	-	-	-	117,462
Securities lending obligations	-	1,463	-	-	-	-	-	1,463
Operations with other entities abroad	-	-	-	-	-	-	-	-
Total	-	118,925	-	-	-	-	-	118,925

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

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d) Bank borrowings

	3/31/2024 MCh\$	12/31/2023 MCh\$
Local Banks		
Foreign trade financing	-	-
Borrowings and other obligations	-	-
Banks abroad		
Foreign trade financing	1,642,883	1,386,023
Borrowings and other obligations	1,054,026	952,598
Banco Central de Chile		
Borrowings and other obligations	3,030,026	3,030,026
Total	5,726,935	5,368,647

The detail of bank borrowings is as follows:

	3/31/2024 MCh\$	12/31/2023 MCh\$
Domestic Banks	-	-
Banks abroad		
Scotiabank Caribbean Treasury Ltd	905,029	793,564
Export Development Canada	738,841	666,457
Bank of America, N.A.	226,294	201,667
Caixa D'Estalvis	164,724	145,571
HongKong and Shanghai Banking	163,602	143,667
Corporación Andina de Fomento	99,162	62,531
Zuercher Kantonalbank	89,247	79,535
Sumimoto Mitsui Banking	75,074	60,262
JP Morgan Chase Bank	59,592	-
Wells Fargo Bank	50,245	44,104
Lloyds TSB Bank PLC	49,556	44,170
Citibank N.A.	39,652	61,626
Standard Chartered Bank	-	8,115
Other	35,891	27,352
Banco Central de Chile	3,030,026	3,030,026
Total	5,726,935	5,368,647

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e) Debt securities issued

	3/31/2024 MCh\$	12/31/2023 MCh\$
Letter of credit (1)	84,937	88,293
Current bonds (2)	8,319,212	8,098,199
Total	8,404,149	8,186,492

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

Period between January 1 and March 31, 2024:

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

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	2023-02-15	5,000,000	10	0.40	UF	2020-09-09	2030-09-09
BF	5,000,000,000	2023-01-10	100,000,000,000	4	2.50	\$	2020-12-01	2024-12-01
BF	33,000,000,000	2023-07-12	100,000,000,000	4	2.50	\$	2020-12-01	2024-12-01
BA	300,000	2023-01-13	5,000,000	9	0.40	UF	2020-12-09	2029-12-09
BA	500,000	2023-02-24	5,000,000	9	0.40	UF	2020-12-09	2029-12-09
BA	500,000	2023-02-28	5,000,000	9	0.40	UF	2020-12-09	2029-12-09

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Fiscal year between January 1 and December 31, 2023, continued:

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

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f) Other financial liabilities

	3/31/2024 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	510	401
Due to operators for debit and credit card operation services	118,965	123,266
Obligations in favor of Chilean exporters	315	12,518
Other financial obligations abroad		
Obligations in favor of foreign exporters	27,116	20,207
Total	146,906	156,392

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

	3/31/2024 MCh\$	12/31/2023 MCh\$
Subordinated bonds	1,215,414	1,201,214
Bonds with no fixed term of maturity	-	-
Preferred shares	-	-
Total	1,215,414	1,201,214

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

	3/31/2024 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)	(4,692)	(91,356)
Principal payment to the holder (subordinated bonds)	(1,072)	(25,078)
Accrued interest (subordinated bonds)	10,151	133,131
Adjustments accrued by the UF and/or the exchange rate (subordinated bonds, bonds with no fixed maturity term)	9,813	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	1,215,414	1,201,214

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c) The detail of subordinated bonds is as follows:

Period ended as at March 31, 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	UF	2000-08-16	2025-09-01	10,460.29	388
UDESE30999	200,000	28	6.50	UF	2002-06-05	2027-09-01	65,074.20	2,414
UBBV-A1203	1,300,000	24	6.00	UF	2004-04-01	2027-12-01	379,837.29	14,090
UBBV-A1203	1,500,000	24	6.00	UF	2004-04-01	2027-12-01	443,415.08	16,448
UBBV-A1203	20,000	24	6.00	UF	2004-04-01	2027-12-01	5,924.28	220
UBBV-A1203	250,000	24	6.00	UF	2004-04-01	2027-12-01	74,053.54	2,747
UBBV-A1203	50,000	24	6.00	UF	2004-04-01	2027-12-01	14,785.53	548
UBBV-A1203	180,000	24	6.00	UF	2004-04-01	2027-12-01	53,227.90	1,974
UBBV-A1203	1,250,000	24	6.00	UF	2004-04-01	2027-12-01	369,198.71	13,695
UBBV-A1203	150,000	24	6.00	UF	2004-04-01	2027-12-01	44,485.17	1,650
UBBV-A1203	50,000	24	6.00	UF	2004-04-01	2027-12-01	14,835.98	550
UBBV-A1203	50,000	24	6.00	UF	2004-04-01	2027-12-01	14,830.92	550
UBBV-A1203	100,000	24	6.00	UF	2004-04-01	2027-12-01	29,646.67	1,100
UBBV-A1203	60,000	24	6.00	UF	2004-04-01	2027-12-01	17,794.07	660
UBBV-A1203	40,000	24	6.00	UF	2004-04-01	2027-12-01	11,866.77	440
UBBV-A1203	150,000	24	6.00	UF	2004-04-01	2027-12-01	44,394.33	1,647
UBBV-A1203	200,000	24	6.00	UF	2004-04-01	2027-12-01	59,182.37	2,195
UBBV-A1203	150,000	24	6.00	UF	2004-04-01	2027-12-01	44,349.07	1,645
UBBV-A1203	500,000	24	6.00	UF	2004-04-01	2027-12-01	147,729.73	5,480
UDES-F	500,000	25	6.00	UF	2005-03-30	2029-10-01	257,869.50	9,565
UDES-F	500,000	25	6.00	UF	2005-03-30	2029-10-01	257,682.90	9,558
UDES-G	1,000,000	26	4.75	UF	2005-10-07	2030-10-01	580,548.05	21,535
UDES-H-1006	1,000,000	25	5.00	UF	2006-10-05	2031-10-01	753,435.49	27,948
UBBV-G0506	2,400,000	25	5.00	UF	2006-10-19	2031-05-01	2,568,897.03	95,290
UBBV-G0506	1,000,000	25	5.00	UF	2006-10-19	2031-05-01	1,073,452.23	39,818
UDES-I0307	1,000,000	25	4.50	UF	2007-03-15	2032-03-01	1,021,651.82	37,897
UBBVH90607	900,000	25	3.50	UF	2008-10-24	2032-06-01	793,516.57	29,434
UBBVH90607	500,000	25	3.50	UF	2008-10-24	2032-06-01	441,428.68	16,374
UBBVH90607	1,000,000	25	3.50	UF	2008-10-24	2032-06-01	988,660.17	36,673
UBBVH90607	5,600,000	25	3.50	UF	2008-10-24	2032-06-01	5,540,280.63	205,510
UBNS-AC0615	3,000,000	20	3.10	UF	2015-08-27	2035-06-01	3,032,130.19	112,473
UBNS-AA0215	1,000,000	30	3.50	UF	2018-12-07	2044-08-01	1,120,136.77	41,550
UBVVS10616	1,000,000	25	3.50	UF	2019-08-21	2041-06-09	1,390,788.85	51,589
UBVVS10616	1,000,000	25	3.50	UF	2019-08-21	2041-06-09	1,392,675.82	51,659
UBNSAQ1119	1,000,000	23	3.50	UF	2022-07-11	2042-11-01	1,124,086.39	41,696
UBNSAQ1119	200,000	23	3.50	UF	2022-07-15	2042-11-01	223,300.27	8,283
UBNSAQ1119	350,000	23	3.50	UF	2022-07-15	2042-11-01	390,775.48	14,495
UBNSAQ1119	550,000	23	3.50	UF	2022-07-15	2042-11-01	614,075.75	22,778
UBNSAQ1119	1,900,000	23	3.50	UF	2022-07-15	2042-11-01	2,121,352.59	78,689
UBNSAA0822	70,000	23	2.80	UF	2023-10-16	2045-08-01	61,371.57	2,276
UBNSAA0822	30,000	23	2.80	UF	2023-10-16	2045-08-01	26,302.10	976
UBNSAA0822	70,000	23	2.80	UF	2023-10-16	2045-08-01	61,371.57	2,276
UBNSAA0822	150,000	23	2.80	UF	2023-10-16	2045-08-01	131,510.51	4,878
UBNSAA0822	500,000	23	2.80	UF	2023-10-16	2045-08-01	438,041.93	16,249
UBNSAA0822	20,000	23	2.80	UF	2023-10-17	2045-08-01	17,092.62	634
UBNSAB0822	30,000	21	2.80	UF	2023-11-09	2043-08-01	25,631.99	951
UBNSAB0822	170,000	21	2.80	UF	2023-11-09	2043-08-01	145,247.96	5,388
UBNSAB0822	25,000	21	2.80	UF	2023-11-09	2043-08-01	21,359.99	792
UBNSAB0822	75,000	21	2.80	UF	2023-11-09	2043-08-01	64,079.98	2,377
UBNSAB0822	400,000	21	2.80	UF	2023-11-09	2043-08-01	341,759.92	12,677
UBNSAB0822	1,000,000	21	2.80	UF	2023-11-09	2043-08-01	854,399.79	31,693
UBNSAB0822	300,000	21	2.80	UF	2023-11-16	2043-08-01	262,073.43	9,721
UBNSAA0822	60,000	23	2.80	UF	2023-11-27	2045-08-01	52,683.94	1,954
UBNSAA0822	700,000	23	2.80	UF	2023-11-27	2045-08-01	614,646.00	22,799
UBNSAA0822	700,000	23	2.80	UF	2023-11-27	2045-08-01	614,646.00	22,799
UBNSAA0822	700,000	23	2.80	UF	2023-11-27	2045-08-01	614,646.00	22,799
UBNSAB0822	300,000	21	2.80	UF	2023-12-06	2043-08-01	266,247.93	9,876
UBNSAB0822	400,000	21	2.80	UF	2023-12-06	2043-08-01	354,997.24	13,168
UBNSAB0822	300,000	21	2.80	UF	2023-12-06	2043-08-01	266,247.93	9,876
Total								1,215,414

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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	1999-09-29	2024-03-01	2,937.71	108
UDESE10999	270,000	25	6.00	UF	1999-09-29	2024-03-01	26,469.58	974
UDESE10999	10,000	25	6.00	UF	1999-10-21	2024-03-01	980.17	36
UDESE10999	30,000	25	6.00	UF	1999-11-04	2024-03-01	2,941.06	108
UDESE10999	20,000	25	6.00	UF	1999-11-08	2024-03-01	1,958.47	72
UDESE20999	70,000	26	6.25	UF	2000-08-16	2025-09-01	13,955.95	513
UDESE30999	200,000	28	6.50	UF	2002-06-05	2027-09-01	74,462.33	2,739
UBBV-A1203	20,000	24	6.00	UF	2004-04-01	2027-12-01	5,852.66	215
UBBV-A1203	40,000	24	6.00	UF	2004-04-01	2027-12-01	11,725.80	431
UBBV-A1203	50,000	24	6.00	UF	2004-04-01	2027-12-01	14,660.09	539
UBBV-A1203	50,000	24	6.00	UF	2004-04-01	2027-12-01	14,654.39	539
UBBV-A1203	50,000	24	6.00	UF	2004-04-01	2027-12-01	14,603.30	537
UBBV-A1203	60,000	24	6.00	UF	2004-04-01	2027-12-01	17,581.86	647
UBBV-A1203	100,000	24	6.00	UF	2004-04-01	2027-12-01	29,291.72	1,078
UBBV-A1203	150,000	24	6.00	UF	2004-04-01	2027-12-01	43,954.64	1,617
UBBV-A1203	150,000	24	6.00	UF	2004-04-01	2027-12-01	43,801.42	1,611
UBBV-A1203	150,000	24	6.00	UF	2004-04-01	2027-12-01	43,852.37	1,613
UBBV-A1203	180,000	24	6.00	UF	2004-04-01	2027-12-01	52,571.89	1,934
UBBV-A1203	200,000	24	6.00	UF	2004-04-01	2027-12-01	58,458.51	2,151
UBBV-A1203	250,000	24	6.00	UF	2004-04-01	2027-12-01	73,158.26	2,691
UBBV-A1203	500,000	24	6.00	UF	2004-04-01	2027-12-01	145,891.63	5,367
UBBV-A1203	1,250,000	24	6.00	UF	2004-04-01	2027-12-01	364,588.04	13,413
UBBV-A1203	1,300,000	24	6.00	UF	2004-04-01	2027-12-01	374,526.59	13,779
UBBV-A1203	1,500,000	24	6.00	UF	2004-04-01	2027-12-01	437,929.39	16,111
UDES-F	500,000	25	6.00	UF	2005-03-30	2029-10-01	253,894.06	9,341
UDES-F	500,000	25	6.00	UF	2005-03-30	2029-10-01	253,692.43	9,333
UDES-G	1,000,000	26	4.75	UF	2005-10-07	2030-10-01	573,507.76	21,073
UDES-H1006	1,000,000	25	5.00	UF	2006-10-05	2031-10-01	747,329.88	27,400
UBBV-G0506	1,000,000	25	5.00	UF	2006-10-19	2031-05-01	1,062,726.70	39,097
UBBV-G0506	2,400,000	25	5.00	UF	2006-10-19	2031-05-01	2,542,925.66	93,553
UDES-I0307	1,000,000	25	4.50	UF	2007-03-15	2032-03-01	1,038,290.32	38,021
UBBVH90607	500,000	25	3.50	UF	2008-10-24	2032-06-01	435,565.36	16,024
UBBVH90607	900,000	25	3.50	UF	2008-10-24	2032-06-01	782,939.11	28,804
UBBVH90607	1,000,000	25	3.50	UF	2008-10-24	2032-06-01	979,439.30	36,033
UBBVH90607	5,600,000	25	3.50	UF	2008-10-24	2032-06-01	5,488,740.60	201,927
UBNS-AC0615	3,000,000	20	3.10	UF	2015-08-27	2035-06-01	3,013,820.95	110,697
UBNS-AA0215	1,000,000	30	3.50	UF	2018-12-07	2044-08-01	1,129,935.95	41,570
UBBVS10616	1,000,000	25	3.50	UF	2019-08-21	2041-06-09	1,389,088.37	51,104
UBBVS10616	1,000,000	25	3.50	UF	2019-08-21	2041-06-09	1,387,171.40	51,033
UBNSAQ1119	1,000,000	23	3.50	UF	2022-07-11	2042-11-01	1,116,481.63	41,075
UBNSAQ1119	200,000	23	3.50	UF	2022-07-15	2042-11-01	221,762.81	8,158
UBNSAQ1119	350,000	23	3.50	UF	2022-07-15	2042-11-01	388,084.92	14,277
UBNSAQ1119	550,000	23	3.50	UF	2022-07-15	2042-11-01	609,847.73	22,434
UBNSAQ1119	1,900,000	23	3.50	UF	2022-07-15	2042-11-01	2,106,746.70	77,506
UBNSAA0822	820,000	22	2.80	UF	2023-10-16	2045-08-01	723,884.86	26,631
UBNSAA0822	20,000	22	2.80	UF	2023-10-17	2045-08-01	17,655.73	651
UBNSAB0822	1,700,000	20	2.80	UF	2023-11-09	2043-08-01	1,462,236.69	53,795
UBNSAB0822	300,000	20	2.80	UF	2023-11-16	2043-08-01	264,284.28	9,724
UBNSAA0822	2,160,000	22	2.80	UF	2023-11-27	2045-08-01	1,909,709.59	70,258
UBNSAB0822	1,000,000	20	2.80	UF	2023-12-06	2043-08-01	893,488.89	32,872
Total								1,201,214

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Note 24 Provisions for contingencies
a) The detail of this line item is as follows:

	3/31/2024 MCh\$	12/31/2023 MCh\$
Provisions for employee benefit obligations	36,024	35,565
Provisions of a foreign bank branch for remittances of profits to its parent company	-	-
Provisions for restructuring plans	2,129	5,221
Provisions for trials and litigation (1)	10,398	10,574
Provisions for loyalty program obligations and customer merits	-	-
Provisions for operational risk	834	-
Contract contingency provision (2)	821	789
Other provisions due to other contingencies	2,975	3,125
Total	53,181	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	26,901	-	941	-	-	834	51	28,727
Provision application	(26,442)	-	(4,033)	(176)	-	-	(169)	(30,820)
Provisions releases	-	-	-	-	-	-	-	-
Balance as at March 31, 2024	36,024	-	2,129	10,398	-	834	3,796	53,181

	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

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As at March 31, 2024 and 2023 and December 31, 2023

c) Details of provisions for employee benefits and salaries:

	3/31/2024 MCh\$	12/31/2023 MCh\$
Provision of short-term employee benefits	32,217	32,950
Provision of benefits to employees post-employment	-	-
Provision of long-term employee benefits (1)	2,821	1,993
Provision of benefits to employees for termination of employment contract (2)	986	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	36,024	35,565

- (1) As at March 31, 2024, a provision of MCh\$1,543 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 March 31, 2024, a provision of MCh\$399 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 March 31, 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	30	8	120	35
Costs of past services	-	-	122	(15)
Interest cost	32	16	145	85
Result from actuarial measurements	71	-	(23)	-
Unprovisioned paid benefits	-	-	-	-
Subtotal	133	24	364	105
Included in other comprehensive income				
Result from actuarial measurements	-	51	-	64
Subtotal	-	51	-	64
Other:				
Payment of benefits	(78)	(99)	(192)	(216)
Subtotal	(78)	(99)	(192)	(216)
Total	1,278	587	1,223	611

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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	
	3/31/2024	12/31/2023	3/31/2024	12/31/2023
Discount rate	10.50%	11.75%	10.50%	11.75%
Salary increase rate	N/A	N/A	9.50%	9.50%
Rate of inflation	7.50%	7.50%	7.50%	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	
	3/31/2024	12/31/2023	3/31/2024	12/31/2023
Discount rate	11.75%	14.00%	11.75%	14.00%
Salary increase rate	N/A	N/A	11.50%	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 March 31, 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 March 31, 2024			As at December 31, 2023			As at March 31, 2024			As at December 31, 2023		
	-100BP	Original	+100BP	-100BP	Original	+100BP	-100BP	Original	+100BP	-100BP	Original	+100BP
Discount rate sensitivity	1,307	1,278	1,250	1,251	1,223	1,196	605	587	568	630	611	592
	29		(28)	28		(27)	18		(19)	19		(19)
	-50BP	Original	+50BP	-50BP	Original	+50BP	-50BP	Original	+50BP	-50BP	Original	+50BP
	N/A	1,278	N/A	N/A	1,223	N/A	573	587	601	596	611	625
Salary sensitivity	-		-	-		-	(14)		14	(15)		14

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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:

	3/31/2024 MCh\$	12/31/2023 MCh\$
Provisions for dividends		
Provision for payment of common shares dividends	34,176	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	34,176	122,388

b) The detail of provisions is as follows:

	Payment of interest and repricing of regulatory capital financial instruments issued	Provision for payment of common shares dividends	Provision for payment of dividends on preferred shares	Provision for payment of interest on bonds with no fixed term of maturity	Provision for repricing of bonds with no fixed term of maturity	Total
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Opening balances as at January 1, 2024	-	122,388	-	-	-	122,388
Provisions constituted	-	34,176	-	-	-	34,176
Provision application	-	(122,388)	-	-	-	(122,388)
Provisions releases	-	-	-	-	-	-
Balance as at March 31, 2024	-	34,176	-	-	-	34,176

	Payment of interest and repricing of regulatory capital financial instruments issued	Provision for payment of common shares dividends	Provision for payment of dividends on preferred shares	Provision for payment of interest on bonds with no fixed term of maturity	Provision for repricing of bonds with no fixed term of maturity	Total
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	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

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Notes to the Interim Consolidated Financial Statements

As at March 31, 2024 and 2023 and December 31, 2023

Note 26 Special allowances for credit losses
a) The detail of this line item is as follows:

	3/31/2024 MCh\$	12/31/2023 MCh\$
Allowances due to credit risk for contingent loans	23,360	27,205
Allowances due to country risk on operations with debtors domiciled abroad	1,540	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	189,148	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	1,057	88	-	-	-	-	1,145
Provision application	-	-	-	-	-	-	-
Provisions releases	(6,215)	(229)	-	-	-	-	(6,444)
Exchange rate effect on allowances	1,313	-	-	-	-	-	1,313
Balance as at March 31, 2024	23,360	1,540	-	164,248	-	-	189,148

	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 March 31, 2024 and 2023 and December 31, 2023

Note 27 Other liabilities

The detail of other liabilities is as follows:

Concept	3/31/2024 MCh\$	12/31/2023 MCh\$
Cash guarantees received due to derivative financial operations	767,976	843,959
Creditors due to intermediation of financial instruments	-	-
Accounts payable to third parties	148,049	107,790
Accounts payable by bank subsidiaries (applies only at the individual level of the bank subsidiary)	-	-
Agreed dividends payable	387	278
Valuation adjustments for macro hedges	-	-
Liability for income from regular activities due to contracts with customers	80,766	79,434
VAT fiscal debit payable	9,728	9,957
Other cash guarantees received	16	16
Outstanding operations	2,685	3,435
Other liabilities	2,618	5,279
Total other liabilities	1,012,225	1,050,148

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at March 31, 2024 and 2023 and December 31, 2023

Note 28 Equity

a) Distribution of shares

As at March 31, 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 3/31/2024	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 March 31, 2024 and December 31, 2023, the Bank or subsidiaries included in consolidation do not hold treasury shares.

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

Name of shareholder or Company name	As at March 31, 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 March 31, 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 March 31, 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 March 31, 2024 and 2023, the detail of diluted and basic earnings is as follows:

	Balance as at 3/31/2024	Balance as at 3/31/2023
Result attributable to the owners of the Bank (MCh\$)	113,919	71,681
Weighted average number of shares	12,244,885,748	12,244,885,748
Earning per share (in Chilean pesos)	9.30	5.85

As at March 31, 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 March 31, 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)	42	14	5	167	-	-	(35,351)	-	109	9,536	(25,539)
Closing balances as at March 31, 2024	(106)	5,126	29	5,049	(116,575)	-	-	25,315	(33)	37	24,524	(66,732)
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	(22)	-	6	(16)	21,868	-	-	(87,327)	-	(62)	17,600	(47,921)
Closing balances as at March 31, 2023	(13)	2,581	4	2,572	(139,001)	-	-	(121,322)	(33)	(390)	70,599	(190,147)

SCOTIABANK CHILE AND SUBSIDIARIES

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

f) Accounting equity

Accounting equity is detailed as follows:

	3/31/2024 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		
Other 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	(105)	(55)
Net changes in the fair value of equity instruments designated at fair value through other comprehensive income	5,126	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	28	15
Items that can be reclassified in results		
Fair value changes of financial assets at fair value through other comprehensive income	(84,761)	(84,897)
Translation differences by entities abroad	-	-
Accounting hedging of net investments in entities abroad	-	-
Cash flow accounting hedge	18,030	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	35	(74)
Retained earnings from previous periods	1,722,476	1,436,903
Profit (loss) for the period	113,919	407,961
Provision for minimum dividends, payment of interest and revaluation of issued regulatory capital financial instruments	(34,176)	(122,388)
Provision of a foreign bank branch for remittances of profits to its parent company	-	-
Owner's equity	3,490,365	3,436,157
From Non-controlling interest	124,427	138,821
Total Equity	3,614,792	3,574,978

SCOTIABANK CHILE AND SUBSIDIARIES

Notes to the Interim Consolidated Financial Statements

As at March 31, 2024 and 2023 and December 31, 2023

g) Non-controlling interests

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

As at March 31, 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%	115,057	947	(515)
CAT Corredores de Seguros y Servicios S.A.	49.00%	3,544	707	(8,118)
Servicios Integrales S.A.	49.00%	779	159	(1,686)
Administradora y Procesos S.A.	49.00%	4,043	1,152	(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%	126	15	-
Scotia Azul Sociedad de Leasing Inmobiliario S.A.	2.51%	858	13	-
Total		124,427	2,993	(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)

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Notes to the Interim Consolidated Financial Statements

As at March 31, 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:

	Income (loss) for the period	Total assets	Total liabilities
As at March 31, 2024	MCh\$	MCh\$	MCh\$
CAT Administradora de Tarjetas S.A.	1,932	1,870,682	1,636,646
CAT Corredores de Seguros y Servicios S.A.	1,442	19,714	13,057
Servicios Integrales S.A.	324	3,713	2,253
Administradora y Procesos S.A	2,351	13,570	6,259
Bandesarrollo Leasing Inmobiliario S.A.	(24)	18,178	7,006
Scotia Asesorías Financieras Ltda	1,219	11,585	1,523
Scotia Azul Sociedad de Leasing Inmobiliario S.A.	514	42,130	9,065

	Income (loss) for the period	Total assets	Total liabilities
As at December 31, 2023	MCh\$	MCh\$	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
Servicios Integrales S.A.	1,184	6,629	2,397
Administradora y Procesos S.A	8,215	24,866	7,825
Bandesarrollo Leasing Inmobiliario S.A.	456	18,502	7,306
Scotia Asesorías Financieras Ltda	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 March 31, 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	
	3/31/2024	12/31/2023
	MCh\$	MCh\$
Guarantees and sureties		
Guarantees and sureties in domestic currency	125,680	124,666
Guarantees and sureties in foreign currency	449,459	404,285
Letters of credit for merchandise circulation operations	133,576	143,783
Debt purchase commitments in local currency abroad	-	-
Transactions related to contingent events		
Transactions related to contingent events in Chilean currency	453,034	484,983
Transactions related to contingent events in foreign currency	195,781	167,951
Unrestricted lines of credit for immediate payment		
Available balance line of credit and agreed overdraft in checking account- commercial portfolio	710,854	719,110
Available balance line of credit on credit card – commercial portfolio	56,440	68,577
Available balance line of credit and agreed overdraft in checking account - consumer portfolio	395,501	396,440
Available balance line of credit on credit card – consumer portfolio	4,917,723	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)	14,814	16,427
Other irrevocable credit commitments	112,227	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 March 31, 2024, provisions for legal contingencies amounted to MCh\$10,398 (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 May 31, 2019 (MUS\$200), July 28, 2021 (MUS\$100) and July 13, 2022 (MUS\$250) and August 9, 2023 (MUS\$300). 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.

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Notes to the Interim Consolidated Financial Statements

As at March 31, 2024 and 2023 and December 31, 2023

As at March 31, 2024, the Bank has fully complied with each of the obligations arising from the aforementioned contracts.

d) Responsibilities

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

	3/31/2024	12/31/2023
	MCh\$	MCh\$
Documents in collection	72,383	67,834
Transferred financial assets managed by the Bank	1,361,736	1,380,750
Securities in custody	7,678,200	7,709,504
Assets in guarantee	4,115,491	4,149,397
Total	13,227,810	13,307,485

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. 330-23-00034876 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, 2023 through April 22, 2024.

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. 5837889 for an insured amount of US\$1,000,000 covering the period from May 31, 2023 through May 31, 2024.

To guarantee the operations of the gross settlement compensation system, collateral securities were delivered to the Bolsa de Comercio de Santiago for MCh\$7,006 and Ch\$0 in cash as at March 31, 2024 (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 and compliance with the operations of Stockbrokers, as at March 31, 2024, guarantees were constituted on securities of MCh\$2,271 and in cash for MCh\$0 in favor of the Bolsa de Comercio de Santiago. In favor of the Bolsa Electrónica de Chile, guarantees were established on securities for MCh\$483 and in cash for MCh\$0 (as at December 31, 2023, guarantees were constituted on securities for MCh\$2,002 and in cash for MCh\$0 in favor of Bolsa de Comercio de Santiago, and in favor of the Bolsa Electrónica de Chile guarantees were constituted on securities for MCh\$488 and in cash for MCh\$0).

In order to guarantee share loan transactions, as at March 31, 2024, cash of MCh\$1,018 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 March 31, 2024, the Company holds collateral for simultaneous transactions of MCh\$2,181 in the Bolsa de Comercio de Santiago and MCh\$2,709 in the 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 MCh\$2,526 in the Bolsa Electrónica de Chile, which are held in the Custody Department of the Bolsa de Comercio de Santiago or the Bolsa Electrónica de Chile).

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As at March 31, 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 801,282.01.

iii) At Scotia Corredora de Seguros Chile Limitada

In accordance with the provisions of Article No. 58, letter D of DFL 251, as at March 31, 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°6301424

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, 2024

Additionally, the Company maintains one guarantee certificate in favor of Scotiabank Chile to comply with its obligations as an intermediary of the title insurance portfolio.

Series A : N°6301416

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, 2024

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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 March 31, 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, 2023 and expires on April 14, 2024, 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
10052116	CAT Corredores de Seguros y Servicios S.A.	Brokers guarantee	500
10052115	CAT Corredores de Seguros y Servicios S.A.	Civil Liability	60,000

g) Guarantees on real estate lease operations

As established in contracts of "Administration of Housing Lease Contracts with Purchase Promise" held by Bandesarrollo 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 Bandesarrollo 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 March 31, 2024 and 2023 and December 31, 2023

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

	3-month period ended as at 3/31/2024 MCh\$	3-month period ended as at 3/31/2023 MCh\$
Interest income	626,153	593,493
Interest expense	(374,188)	(398,684)
Subtotal net interest income	251,965	194,809
Net result of accounting hedges due to interest rate risk	(37,689)	25,071
Total net interest income	214,276	219,880

b) Detail of Interest income:

	3-month period ended as at 3/31/2024 MCh\$	3-month period ended as at 3/31/2023 MCh\$
Interest income:		
Financial assets at amortized cost:		
Rights under resale agreements and securities lending agreements	5,265	3,350
Financial debt securities	34,369	-
Loans and advances to banks	2,901	1,234
Commercial loans	251,941	273,559
Mortgage loans	115,879	111,374
Consumer loans	177,669	157,740
Other financial instruments	13,265	10,070
Financial assets at fair value through other comprehensive income		
Debt financial instruments	24,864	36,166
Other financial instruments	-	-
Total	626,153	593,493

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Notes to the Interim Consolidated Financial Statements

As at March 31, 2024 and 2023 and December 31, 2023

c) Detail of Interest expenses:

	3-month period ended as at 3/31/2024 MCh\$	3-month period ended as at 3/31/2023 MCh\$
Interest expense:		
Financial liabilities at amortized cost:		
Deposits and other on-demand liabilities	(7,982)	(11,088)
Term and on-demand deposits	(256,386)	(299,500)
Liabilities under repurchase arrangements and securities lending	(3,803)	(4,739)
Bank borrowings	(44,888)	(32,067)
Debt financial instruments issued	(49,186)	(40,679)
Other financial liabilities	-	-
Lease liabilities	(1,061)	(1,112)
Issued regulatory capital financial instruments	(10,882)	(9,499)
Total	(374,188)	(398,684)

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

	3-month period ended as at 3/31/2024 MCh\$	3-month period ended as at 3/31/2023 MCh\$
Interest income:		
Result of accounting hedges due to interest rate risk:		
Gain from financial derivative contracts for accounting hedge	28,040	5,676
Loss from financial derivative contracts for accounting hedge	(70,518)	(4,470)
Results from adjustments of hedged financial assets	(6,422)	21,027
Interest expense:		
Result of accounting hedges of interest rate risk:		
Gain from financial derivative contracts for accounting hedge	12,098	9,605
Loss from financial derivative contracts for accounting hedge	(1,002)	(1,737)
Results from adjustments of hedged financial liabilities	115	(5,030)
Net result of accounting hedges on risk due to interest rate risk	(37,689)	25,071

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Notes to the Interim Consolidated Financial Statements

As at March 31, 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.

	3-month period ended as at 3/31/2024 MCh\$	3-month period ended as at 3/31/2023 MCh\$
Owed by banks	-	-
Commercial loans	702	1,623
Mortgage loans	1,469	2,874
Consumer loans	4,145	2,382
Total	6,316	6,879

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

	3/31/2024 MCh\$	12/31/2023 MCh\$
Owed by banks	-	-
Commercial loans	11,434	9,606
Mortgage loans	8,308	7,343
Consumer loans	1,223	1,110
Total	20,965	18,059

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

	3-month period ended as at 3/31/2024 MCh\$	3-month period ended as at 3/31/2023 MCh\$
Income due to UF adjustments	151,220	232,080
Expenses due to UF adjustments	(74,013)	(114,547)
Subtotal net income due to UF adjustments	77,207	117,533
Net result of accounting hedges of risk due to UF adjustments	34,657	(44,858)
Total net income due to adjustments	111,864	72,675

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As at March 31, 2024 and 2023 and December 31, 2023

b) Detail of Indexation income:

	3-month period ended as at 3/31/2024 MCh\$	3-month period ended as at 3/31/2023 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	35,643	49,312
Mortgage loans	111,816	176,880
Consumer loans	98	192
Other financial instruments	581	1,078
Financial assets at fair value through in other comprehensive income		
Debt financial instruments	3,082	4,618
Other financial instruments	-	-
Total	151,220	232,080

c) Detail of Indexation expenses:

	3-month period ended as at 3/31/2024 MCh\$	3-month period ended as at 3/31/2023 MCh\$
Expenses due to UF adjustments		
Financial liabilities at amortized cost:		
Deposits and other on-demand obligations	-	-
Deposits and other time deposits	(5,133)	(10,581)
Obligations due to repurchase agreements and securities lending	-	-
Obligations with banks	-	-
Debt financial instruments issued	(59,754)	(91,533)
Other financial obligations	-	-
Regulatory capital financial instruments issued:		
Subordinated bonds	(9,126)	(12,433)
Bonds with no fixed maturity term	-	-
Total	(74,013)	(114,547)

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

	3-month period ended as at 3/31/2024 MCh\$	3-month period ended as at 3/31/2023 MCh\$
Income due to adjustments:		
Result of accounting hedges due to risk in UF adjustments		
Gain from financial derivative contracts for accounting hedges	1,404,304	160,517
Loss from financial derivative contracts for accounting hedges	(1,355,522)	(193,329)
Results from adjustments of hedged financial assets	5,441	(16,190)
Adjustment expenses:		
Result of accounting hedges due to risk in UF adjustments		
Gain from financial derivative contracts for accounting hedges	128,844	63,138
Loss from financial derivative contracts for accounting hedges	(153,012)	(40,508)
Results from adjustment of hedged financial liabilities	4,602	(18,486)
Net result of accounting hedges on risk due to UF adjustments	34,657	(44,858)

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.

	3-month period ended as at 3/31/2024 MCh\$	3-month period ended as at 3/31/2023 MCh\$
Owed by banks	-	-
Commercial loans	230	725
Mortgage loans	225	745
Consumer loans	1	3
Total	456	1,473

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.

	3/31/2024 MCh\$	12/31/2023 MCh\$
Owed by banks	-	-
Commercial loans	9,223	9,179
Mortgage loans	33,584	32,049
Consumer loans	22	25
Total	42,829	41,253

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Notes to the Interim Consolidated Financial Statements

As at March 31, 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:

	3-month period ended as at 3/31/2024 MCh\$	3-month period ended as at 3/31/2023 MCh\$
Commissions due to credits prepayment	1,132	619
Commissions due to loans with letters of credit	357	396
Commissions due to credit lines and overdrafts in checking accounts	418	228
Commissions due to guarantees and letters of credit	3,617	3,589
Credit card transactions commissions	23,487	24,301
Commissions due to accounts management	5,620	5,517
Commissions due to collections and payments	15,981	13,149
Commissions due to brokerage and securities handling (Stock Brokers and/or Securities Agency)	403	454
Remuneration for administration of mutual funds, investment funds or others	3,890	3,170
Insurance related to the granting of credits to natural persons	8,745	9,164
Insurance not related to the granting of credits to natural persons	3,525	3,100
Insurance related to the granting of credits to legal entities	172	137
Insurance not related to the granting of credits to legal entities	106	110
Commissions due to services on factoring operations	14	18
Commissions due to services in financial lease operations	265	234
Commissions due to deposit and custody of securities	2	2
Commissions due to financial advise	1,894	1,553
Other commissions earned		
Foreign currency exchange	1	-
Issuance of on-demand vouchers	66	61
Issuance of guarantee bills	193	109
Student loan administration	2,718	2,949
Other remuneration for services rendered	2,713	1,617
Total income due to commissions and services rendered	75,319	70,477
Commissions for card operations	(10,878)	(11,820)
Fees for licensing the use of card brands	(556)	(298)
Expenses due to obligations on loyalty programs and merits for cardholders	(7,558)	(5,708)
Securities trading commissions	(1,211)	(1,017)
Other commissions for services received		
Commissions by correspondent banks in the country and abroad	(19)	(25)
Commissions for electronic fund transfer services	(4,526)	(3,916)
Other subsidiary commissions	(1,116)	(373)
Other	(1,116)	(1,366)
Total expenses due to commissions and services rendered	(26,980)	(24,523)
Total net income due to commissions	48,339	45,954

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Note 33 Net financial result

The detail of this line item is as follows:

	3-month period ended as at 3/31/2024 MCh\$	3-month period ended as at 3/31/2023 MCh\$
Income from financial assets to be traded at fair value through profit or loss		
Financial derivative contracts	3,318,302	1,874,808
Debt financial instruments	6,359	7,482
Other financial instruments:		
Investments in mutual funds	1,241	1,683
Equity instruments	9	203
Credits originated and acquired by the entity	-	-
Other	-	113
Result from financial liabilities to be traded at fair value through profit or loss		
Financial derivative contracts	(3,140,860)	(1,944,054)
Other financial instruments:	-	-
Subtotal	185,051	(59,765)
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	(56)	(13)
Financial assets at fair value through other comprehensive income	(785)	820
Subtotal	(841)	807
Financial results for changes readjustments and accounting hedging of foreign currency		
Foreign currency exchange result	(247,717)	145,750
Results for adjustments on exchange rate		
Financial assets at amortized cost	13,668	(10,138)
Net result of derivatives in accounting hedges of foreign currency risk	95,241	(69,120)
Subtotal	(138,808)	66,492
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	(298)	(997)
Other financial result from other types of accounting hedges	-	-
Subtotal	(298)	(997)
Net financial result	45,104	6,537

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Note 34 Gain or loss from investments in companies

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

	Country	3-month period ended as at 3/31/2024 MCh\$	3-month period ended as at 3/31/2023 MCh\$
Companies with significant influence in the country			
Transbank S.A.	Chile	673	1,757
Subtotal		673	1,757
Minority investments in other local companies			
Bolsa de Comercio de Santiago	Chile	-	-
Sociedad de Infraestructura de Mercado S.A.	Chile	-	-
Bolsa Electrónica de Chile	Chile	-	-
Sociedad Interbancaria de Depósitos de Valores	Chile	-	-
Sociedad Servicios de Infraestructura y de Mercado OTC	Chile	-	-
Redbanc S.A.	Chile	-	-
Combanc S.A.	Chile	-	-
Bolsa de Valores de Valparaíso S.A.	Chile	-	-
Club de La Unión	Chile	-	-
Caja Compensación Bolsa de Comercio de Santiago	Chile	-	-
Subtotal		-	-
Minority investments in other companies abroad			
Banco Latinoamericano de Comercio Exterior S.A. (Bladex)	Panama	5	2
Subtotal		5	2
Total income from investments in companies		678	1,759

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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:

	3/31/2024	3/31/2023
	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	646	1,417
Other income from assets received in payment or legally awarded through auctions	41	161
Provisions for adjustments to the net realizable value of assets received in payment or legally adjudicated through auctions	(380)	(117)
Write-offs of assets received in payment or adjudicated in legal auctions	(960)	(1,150)
Expenses for maintenance of assets received in payment or awarded in legal auctions	(186)	(138)
Non-current assets held for sale		
Investments in companies	-	79
Property, equipment	-	294
Disposal groups available for sale	-	-
Total	(839)	546

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Note 36 Other operating income and expenses

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

	3/31/2024	3/31/2023
	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.)	1,190	987
Income from correspondent banks	-	-
Income other than interest and commissions from lease contracts	50	158
Income due to reimbursements of expenses	2,743	3,056
Other income		
Various income from leasing operations	64	815
Lease received	5	-
Income from consultancies	-	11
Recovery of expenses	2	174
Sundry income from subsidiaries	1,616	2,265
Compensation received	-	-
Recoveries from expenses of prior years	2,629	-
Other operating income	9	54
Total other operating income	8,308	7,520
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	791	1,075
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	97	17
Other provisions for other contingencies	10	(65)
Expenses for credit operations of financial leasing	(184)	(245)
Expenses for factoring credit operations	(8)	(9)
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	(1,405)	(1,985)
Operational risk expenses	(2,679)	(3,016)
Write-offs due to business decisions	(462)	(469)
Correspondent bank expenses	(541)	(362)
Clearing Chamber Services	(488)	(570)
Expenses for legal advets	(210)	(118)
Other operating expenses Subsidiaries	(2,237)	(2,782)
Other operating expenses	(615)	(456)
Total other operating expenses	(8,765)	(8,985)
Total	(457)	(1,465)

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Note 37 Expenses for employee benefit obligations

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

	3/31/2024	3/31/2023
	MCh\$	MCh\$
Expenses due to short-term benefits to employees	71,380	70,471
Post-employment employee benefit expense	-	-
Expenses due to long-term benefits to employees	883	612
Expenses for employee benefits due to termination of employment contract	2,708	6,166
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	265	496
Total expenses due to obligations on benefits to employees	75,236	77,745

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Note 38 Administrative expenses

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

	3/31/2024	3/31/2023
	MCh\$	MCh\$
Administration overheads		
Expenses for short-term lease contracts	1,375	1,356
Expenses for low-value leases	-	-
Other expenses of obligations for lease contracts	72	78
Maintenance and repair of property and equipment	1,571	1,433
Insurance premiums except to cover operational risk events	1,092	1,263
Office supplies	372	346
IT and communication expenses	14,686	12,962
Electricity , heating and other services	667	704
Security patrol and security transport services	797	921
Personnel representation and travel expenses	293	232
Legal and notary expenses	2,968	2,697
Fees for review and audit of the financial statements by the external auditor	256	304
Fees for advice and consultancies carried out by the external auditor	-	-
Fees for advice and consultancies carried out by other audit firms	-	-
Title Classification Fees	-	-
Fees for other technical reports	971	539
Fines applied by CMF	-	-
Fines applied by other organizations	17	7
Other administration overhead expenses		
Common expenses buildings	951	957
Contribution Banks Association	16	14
External consultancies	7,340	5,499
Services Santiago Stock Exchange	267	270
Telemarketing services	1,944	1,423
Card distribution servicing	123	309
External consultancies Subsidiaries	1,107	1,177
Other general administrative expenses	1,838	3,288
Outsourced services		
Data processing	371	238
Technological development, certification and technological testing service	15	36
External service for the administration of human resources and supply of outsourced personnel	416	469
Appraisal service	-	-
Call Center service for sales, marketing, quality control, customer service	575	861
Outsourced collection service	3,890	3,259
Outsourced ATM administration and maintenance service	238	816
Outsourced cleaning service, casino, custody of files and documents, storage of furniture and equipment	821	812
Product sales and distribution services	-	-
Outsourced credit evaluation service	-	-
Other outsourced		
IT and communications expense	4,431	3,733
Other Services subcontracted by Subsidiaries	4,904	5,134
Other/Scotia Servicios Corporativos SpA	299	577
Other outsourced service	1,952	216
Board expenses	205	199
Advertising	3,755	3,929
Taxes, contributions and other legal charges	4,091	3,939
Total administrative expenses	64,686	59,997

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Note 39 Depreciation and amortization

The detail of this line item is as follows:

	3/31/2024	3/31/2023
	MCh\$	MCh\$
Amortization of intangible assets		
Other intangible assets arising from business combinations	2,307	2,307
Other intangible assets arising independently	8,979	7,421
Depreciation of Property and Equipment		
Building and Land	402	404
Other fixed assets	2,703	2,676
Amortization and depreciation of right-of-use asset under lease		
Building and Land		
Building	2,931	3,093
Other fixed assets	-	-
Depreciation for improvements in leased real estate as assets for the right to use leased property	566	619
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	17,888	16,520

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Note 40 Impairment of non-financial assets

The detail of this line item is as follows:

	3/31/2024 MCh\$	3/31/2023 MCh\$
Impairment of investments in companies	-	-
Impairment of intangible assets	338	33
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	33

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

	3-month period ended as at 3/31/2024 MCh\$	3-month period ended as at 3/31/2023 MCh\$
Expenses on allowances due to credit risk on loans	(138,792)	(117,166)
Expense on special allowances due to credit risk	5,299	(1,102)
Recovery of written-off loans	18,955	14,885
Impairment due to credit risk of other financial assets at amortized cost	(42)	(3)
Impairment due to credit risk of financial assets at fair value with changes in other comprehensive income	(30)	(303)
Total	(114,610)	(103,689)

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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	Expense of allowances due to loans in the period						Deductible guarantees FOGAPE Covid-19	Total
	Regular portfolio		Substandard portfolio	Default portfolio		Subtotal		
	Evaluation		Evaluation	Evaluation				
3-month period ended 3/31/2024 (MCh\$)	Individual	group	Individual	Individual	group			
Owed by banks								
Constitution de provisions	(34)	-	-	-	-	(34)		
Release of allowances	15	-	-	-	-	15		
Subtotal	(19)	-	-	-	-	(19)	-	(19)
Commercial loans								
Constitution de provisions	(49,085)	(4,103)	(23,759)	(23,230)	(20,009)	(120,186)	(12)	(120,198)
Release of allowances	45,625	6,588	23,386	3,092	6,964	85,655	379	86,034
Subtotal	(3,460)	2,485	(373)	(20,138)	(13,045)	(34,531)	367	(34,164)
Mortgage loans								
Constitution de provisions	-	(4,308)	-	-	(5,322)	(9,630)		
Release of allowances	-	4,157	-	-	1,305	5,462		
Subtotal	-	(151)	-	-	(4,017)	(4,168)	-	(4,168)
Consumer loans								
Constitution de provisions	-	(23,505)	-	-	(115,969)	(139,474)		
Release of allowances	-	22,994	-	-	16,039	39,033		
Subtotal	-	(511)	-	-	(99,930)	(100,441)	-	(100,441)
Expense of allowances constituted for loan credit risk	(3,479)	1,823	(373)	(20,138)	(116,992)	(139,159)	367	(138,792)
Recoveries of written-off loans								
Owed by banks								-
Commercial loans								5,609
Mortgage loans								1,927
Consumer loans								11,419
Subtotal								18,955
Expense due to credit loss on loans								(119,837)

Summary of expense on allowances due to credit risk and expense for credit losses on loans in the period	Expense of allowances due to loans in the period						Deductible guarantees FOGAPE Covid-19	Total
	Regular portfolio		Substandard portfolio	Default portfolio		Subtotal		
	Evaluation		Evaluation	Evaluation				
3-month period ended 3/31/2023 (MCh\$)	Individual	group	Individual	Individual	group			
Owed by banks								
Constitution de provisions	(18)	-	-	-	-	(18)		
Release of allowances	8	-	-	-	-	8		
Subtotal	(10)	-	-	-	-	(10)	-	(10)
Commercial loans								
Constitution de provisions	(27,671)	(4,845)	(9,749)	(17,666)	(14,713)	(74,644)	(7)	(74,651)
Release of allowances	29,995	6,156	10,251	4,052	4,158	54,612	305	54,917
Subtotal	2,324	1,311	502	(13,614)	(10,555)	(20,032)	298	(19,734)
Mortgage loans								
Constitution de provisions	-	(2,896)	-	-	(4,063)	(6,959)		
Release of allowances	-	2,970	-	-	966	3,936		
Subtotal	-	74	-	-	(3,097)	(3,023)	-	(3,023)
Consumer loans								
Constitution de provisions	-	(29,242)	-	-	(97,819)	(127,061)		
Release of allowances	-	21,041	-	-	11,621	32,662		
Subtotal	-	(8,201)	-	-	(86,198)	(94,399)	-	(94,399)
Expense of allowances constituted for loan credit risk	2,314	(6,816)	502	(13,614)	(99,850)	(117,464)	298	(117,166)
Recoveries of written-off loans								
Owed by banks								-
Commercial loans								3,241
Mortgage loans								1,563
Consumer loans								10,081
Subtotal								14,885
Expense due to credit loss on loans								(102,281)

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c) Expense for credit risk special allowances

Summary of expenses due to credit risk special allowances in the period	3-month period ended as at 3/31/2024 MCh\$	3-month period ended as at 3/31/2023 MCh\$
Allowances expense due to contingent loans	5,158	(161)
Owed by banks	-	-
Commercial loans	1,437	17
Consumer loans	3,721	(178)
Allowances expense due to country risk for operations with debtors domiciled abroad	141	(941)
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 March 31, 2024 and 2023, the Bank does not have this type of operations.

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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 March 31, 2024 (in MCh\$)	Type of related party				
	Parent	Other legal entity	Key staff of the Consolidated Bank	Other related parties	Total
ASSETS					
Financial assets to be traded at fair value through profit or loss:					
Financial derivative contracts	2,264,254	-	-	18	2,264,272
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	104,969	-	-	-	104,969
Financial assets at amortized cost:					
Rights for repurchase arrangements and securities lending	-	-	-	-	-
Debt financial instruments	-	-	-	-	-
Commercial loans	-	-	3,271	315,928	319,199
Mortgage loans	-	-	16,983	118,268	135,251
Consumer loans	-	-	2,593	20,949	23,542
Allowances constituted- Loans	-	-	(71)	(3,076)	(3,147)
Other assets	145	-	-	-	145
Contingent loans	3,834	29,997	7,024	39,491	80,346
LIABILITIES					
Financial liabilities to be traded at fair value through profit or loss:					
Financial derivative contracts	1,728,501	-	-	5,542	1,734,043
Financial liabilities designated at fair value through profit or loss	-	-	-	-	-
Financial derivative contracts for accounting hedge	-	-	-	183,287	183,287
Financial liabilities at amortized cost:					
Term and on-demand deposits	1,059	3,119	1,010	175,847	181,035
Deposits and other term deposits	-	-	8,528	83,081	91,609
Liabilities with repurchase arrangements and securities lending	-	-	-	-	-
Obligations with banks	-	-	-	-	-
Debt financial instruments issued	-	-	-	-	-
Other financial obligations	-	-	-	-	-
Lease contracts obligations	-	-	-	731	731
Other liabilities	4,446	-	-	198	4,644

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Type of current assets and liabilities with related parties according to IAS24	Type of related party				
As at December 31, 2023	Parent	Other legal entity	Key staff of the Consolidated Bank	Other related parties	Total
(in MCh\$)					
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

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b) Income and expenses for transactions with related parties

Type of income and expenses from transactions with related parties according to IAS24	Type of related party				
As at March 31, 2024			Key staff of the Consolidated Bank	Other related parties	Total
(in MCh\$)	Parent	Other legal entity			
Interest income	-	1	147	4,993	5,141
Adjustments income	-	-	166	3,170	3,336
Commission Income	-	-	18	623	641
Net financial income	77,876	-	-	(3,736)	74,140
Other income	-	-	-	8	8
Total income	77,876	1	331	5,058	83,266
Interest expenses	-	-	(164)	(1,834)	(1,998)
Adjustment expenses	-	-	(6)	(11)	(17)
Commission expenses	(8)	(5,250)	(11)	(2,858)	(8,127)
Credit loss expense	-	-	(13)	(1,532)	(1,545)
Expenses for employee benefit obligations	-	-	(4,251)	-	(4,251)
Administration expenses	(9,260)	-	-	(2,007)	(11,267)
Other expenses	-	-	-	(174)	(174)
Total expenses	(9,268)	(5,250)	(4,445)	(8,416)	(27,379)

Type of income and expenses from transactions with related parties according to IAS24	Type of related party				
As at March 31, 2023	Parent	Other legal entity	Key staff of the	Other related parties	Total
(in MCh\$)			Consolidated Bank		
Interest income	-	-	115	5,916	6,031
Adjustments income	-	-	244	3,460	3,704
Commission Income	-	2	23	264	289
Net financial income	(22,966)	-	-	(4,498)	(27,464)
Other income	-	-	1	26	27
Total income	(22,966)	2	383	5,168	(17,413)
Interest expenses	-	-	(205)	(3,587)	(3,792)
Adjustment expenses	-	-	(24)	(213)	(237)
Commission expenses	-	(2,976)	(10)	(2,655)	(5,641)
Credit loss expense	-	-	(20)	504	484
Expenses for employee benefit obligations	-	-	(4,528)	-	(4,528)
Administration expenses	(3,713)	-	-	(1,411)	(5,124)
Other expenses	-	-	-	(169)	(169)
Total expenses	(3,713)	(2,976)	(4,787)	(7,531)	(19,007)

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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	As at March 31, 2024				
		Type of service	Term	Renewal conditions			Effect on income statement		Effect in Statement of Financial Position		
							Income	Expenses	Accounts Receivable	Accounts Payable	
						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	331	-	331	-	-	
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	169	-	169	-	-	
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	1,052	-	1,052	-	-	
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	2,008	-	1,793	-	-	
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	322	-	322	-	-	
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	4,355	-	4,342	-	-	
The Bank of Nova Scotia	Parent Company	Commissions for referred customers	Undefined	Undefined	Conditions equivalent to the market on the date these were made	1,480	1,480	-	-	-	
The Bank of Nova Scotia	Parent Company	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	6,291	-	6,291	-	-	
Scotiabank Perú S.A.	Other related parties	Regional Technological Support.	Undefined	Automatic renewal	Conditions equivalent to the market on the date these were made	577	-	405	-	-	

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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 March 31, 2023		Effect in Statement of Financial Position		
		Type of service	Term	Renewal conditions			Effect on income statement	Income	Expenses	Accounts Receivable	Accounts Payable
Azurian Tecnología Limitada	Other related parties	Facial Biometrics Service	1 year	Automatic renewal	Conditions equivalent to the market on the date these were made	294	-	294	-	-	
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	154	-	154	-	-	
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	1,093	-	1,093	-	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	2,294	-	1,965	-	92	
Servicios Regionales Tecnología Scotiabank Ltda.	Other related parties	Consulting services, technological support and projects	1 year	Annual review, if there are no changes, automatic renewal applies	Conditions equivalent to the market on the date these were made	1,020	-	653	-	-	
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	161	-	161	-	-	
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	8,982	3,819	5,157	-	1	
The Bank of Nova Scotia	Parent Company	Commissions for referred customers	Undefined	Undefined	Conditions equivalent to the market on the date these were made	524	524	-	-	-	
The Bank of Nova Scotia	Parent Company	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	5,988	-	3,303	-	2,686	
Scotiabank Perú S.A.	Other related parties	Regional Technological Support.	Undefined	Automatic renewal	Conditions equivalent to the market on the date these were made	639	-	473	-	-	

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

	3/31/2024 MCh\$	3/31/2023 MCh\$
Board:		
Payment of remunerations and allowances of the Board of Directors - Bank and Bank subsidiaries	205	199
Subtotal	205	199
Key personnel of the Bank's Management and Subsidiaries:		
Short-term payment for employee benefits	3,941	4,174
Payment of post-employment benefits to employees	-	-
Long-term payment for employee benefits	-	-
Payments for benefits to employees for contract termination	105	156
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	4,046	4,330
Total	4,251	4,529

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

	No. of Executive	
	3/31/2024	3/31/2023
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	62	64
Division/Area Managers - Bank's Subsidiaries	18	20
Total	99	103

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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 March 31, 2024 and December 31, 2023 is detailed as follows:

		Recorded amount	Estimated fair value
	Note	3/31/2024 MCh\$	3/31/2024 MCh\$
ASSETS			
Cash and deposits in banks	7	915,374	915,374
Transactions pending settlement	7	586,699	586,699
Financial assets to be traded at fair value through profit or loss			
Financial derivatives contracts	8	6,670,665	6,670,665
Debt financial instruments	8	296,095	296,095
Other	8	75,894	75,894
Financial assets at fair value through other comprehensive income			
Debt financial instruments	11	2,269,482	2,269,482
Financial derivative contracts for accounting hedge	12	383,543	383,543
Financial assets at amortized cost			
Rights for repurchase arrangements and securities loan	13	258,312	257,591
Debt financial instruments	13	2,272,588	2,271,948
Owed by banks	13	194,589	194,589
Loans and accounts receivable from customers - Commercial	13	14,162,675	14,220,145
Loans and accounts receivable from customers - Mortgage	13	13,854,114	11,756,918
Loans and accounts receivable from customers - Consumer	13	3,879,055	3,905,292
Securitized bonds		13,098	13,303
LIABILITIES			
Transactions pending settlement	7	522,635	522,635
Financial liabilities to be traded at fair value through profit or loss			
Financial derivatives contracts	21	5,702,869	5,702,869
Financial derivative contracts for accounting hedge	12	1,425,701	1,425,701
Financial liabilities at amortized cost			
Deposits and other on-demand obligations	22	5,132,518	5,131,302
Deposits and other time deposits	22	14,010,568	14,279,928
Obligations for repurchase arrangements and securities loans	22	118,925	118,925
Obligations with banks	22	5,726,935	5,682,267
Debt financial instruments issued	22	8,404,149	8,056,544
Other financial obligations	22	146,906	146,906
Issued regulatory capital financial instruments	23	1,215,414	1,227,856

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		Recorded amount	Estimated fair value
		12/31/2023	12/31/2023
	Note	MCh\$	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 March 31, 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.

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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).

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- **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:

- Housing lease bonds (BVL).
- Local and foreign investment funds.
- 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 March 31, 2024 and December 31, 2023:

As at March 31, 2024	Carrying amount	Fair value measures		
		Level 1	Level 2	Level 3
	MCh\$	MCh\$	MCh\$	MCh\$
Assets				
Financial assets to be traded at fair value through profit or loss	7,042,654	75,894	6,966,760	-
Financial assets at fair value with changes in other comprehensive income	2,269,482	-	2,269,482	-
Financial derivative contracts for accounting hedge	383,543	-	383,543	-
Securitized bonds	13,098	-	-	13,303
Total assets	9,708,777	75,894	9,619,785	13,303
Liabilities				
Financial derivative contracts	5,702,869	-	5,702,869	-
Financial derivative contracts for accounting hedge	1,425,701	-	1,425,701	-
Total liabilities	7,128,570	-	7,128,570	-

As at December 31, 2023	Carrying amount	Fair value measures		
		Level 1	Level 2	Level 3
	MCh\$	MCh\$	MCh\$	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	-

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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 March 31, 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%	(194) 338

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

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As at March 31, 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 March 31, 2024	Note	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
	N°	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Cash and deposits in banks	7	915,374	-	-	-	-	-	-	915,374
Transactions pending settlement	7	440,066	146,633	-	-	-	-	-	586,699
Financial assets to be traded at fair value through profit or loss									
Financial derivative contracts (1)	8	14,505	356,353	358,301	982,497	1,765,374	1,119,088	2,074,547	6,670,665
Debt financial instruments (2)	8	-	6,845	37,032	168,995	35,884	9,959	37,380	296,095
Other	8	68,577	7,317	-	-	-	-	-	75,894
Financial assets at fair value through other comprehensive income									
Debt financial instruments (2)	11	-	377,126	236,311	500,673	338,763	99,827	716,782	2,269,482
Other	11	-	-	-	-	-	-	-	-
Financial derivative contracts for accounting hedge	12	-	-	29,043	56,739	167,213	45,622	84,926	383,543
Financial assets at amortized cost									
Rights for repurchase arrangements and securities loans	13	-	254,513	3,231	568	-	-	-	258,312
Debt financial instruments	13	-	2,244,477	-	-	-	-	28,111	2,272,588
Owed by banks	13	137,981	19,623	35,786	1,199	-	-	-	194,589
Loans and accounts receivable from customers (3)	13	1,898,337	1,721,653	2,455,967	4,652,949	6,006,681	3,841,857	12,064,900	32,642,344
Total financial assets		3,474,840	5,134,540	3,155,671	6,363,620	8,313,915	5,116,353	15,006,646	46,565,585
Transactions pending settlement	7	386,556	136,079	-	-	-	-	-	522,635
Financial liabilities to be traded at fair value through profit or loss									
Financial derivative contracts (1)	21	13,050	247,859	328,545	968,283	1,421,003	1,058,377	1,665,752	5,702,869
Other	21	-	-	-	-	-	-	-	-
Financial derivative contracts for accounting hedge (1)	12	-	18,980	26,689	129,351	559,547	325,784	365,350	1,425,701
Financial liabilities at amortized cost									
Deposits and other on-demand obligations	22	5,116,898	15,620	-	-	-	-	-	5,132,518
Deposits and other term deposits	22	628,827	5,719,954	2,386,842	4,716,453	558,379	87	26	14,010,568
Obligations for repurchase arrangements and securities lending	22	-	118,925	-	-	-	-	-	118,925
Obligations with banks	22	3,028,570	56,024	279,880	1,582,733	240,294	539,434	-	5,726,935
Debt financial instruments issued	22	984	863,819	2,568,989	4,896,196	28,910	14,590	30,661	8,404,149
Other Financial Obligation	22	52,666	46,524	25,666	21,893	157	-	-	146,906
Obligations for lease contracts	17	-	914	2,649	8,248	22,471	23,196	90,696	148,174
Regulatory capital financial instruments issued	23	-	-	388	710,125	504,901	-	-	1,215,414
Total financial liabilities		9,227,551	7,224,698	5,619,648	13,033,282	3,335,662	1,961,468	2,152,485	42,554,794
Net financial position		(5,752,711)	(2,090,158)	(2,463,977)	(6,669,662)	4,978,253	3,154,885	12,854,161	4,010,791

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As at December 31, 2023	Note	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
	N°	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	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	12,319,466	32,106,329
Total financial assets		3,451,978	1,882,636	2,512,624	8,035,085	8,095,756	4,838,860	14,978,187	43,795,126
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	8,310,287	4,141,584

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Note 46 Financial and non-financial assets and liabilities by currency
a) The detail of financial assets and liabilities is as follows:

Financial Assets-Liabilities	Note	As at March 31, 2024											
		\$	UF	Adjustable	US\$	COP	GBP	EUR	CHF	JPY	CNY	Other MX	Total
		MCh\$	MCh\$	Exchange Rate MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Cash and deposits in banks	7	561,029	-	-	322,965	-	3,932	7,646	2,159	4,905	3,642	9,096	915,374
Transactions pending settlement	7	355,243	-	-	207,452	-	6,631	13,382	-	-	-	3,991	586,699
Financial assets to be traded at fair value through profit or loss	8	6,896,015	134,037	-	12,602	-	-	-	-	-	-	-	7,042,654
Financial assets at fair value through other comprehensive income	11	1,834,019	370,415	-	22,675	-	-	42,373	-	-	-	-	2,269,482
Financial derivative contracts for accounting hedge	12	383,543	-	-	-	-	-	-	-	-	-	-	383,543
Financial assets at amortized cost	13	10,685,329	18,445,637	144,152	5,296,173	-	-	35,729	-	11,111	3,206	(4)	34,621,333
Total financial assets		20,715,178	18,950,089	144,152	5,861,867	-	10,563	99,130	2,159	16,016	6,848	13,083	45,819,085
Transactions pending settlement	7	359,240	-	-	158,707	-	2,317	1,633	-	-	-	738	522,635
Financial liabilities to be traded at fair value through profit or loss	21	5,702,869	-	-	-	-	-	-	-	-	-	-	5,702,869
Financial derivative contracts for accounting hedge	12	1,425,701	-	-	-	-	-	-	-	-	-	-	1,425,701
Financial liabilities at amortized cost	22	17,487,890	7,755,753	-	7,602,137	-	753	31,779	419,831	176,789	5,932	59,137	33,540,001
Obligations for lease contracts	17	9	148,165	-	-	-	-	-	-	-	-	-	148,174
Issued regulatory capital financial instruments	23	-	1,215,414	-	-	-	-	-	-	-	-	-	1,215,414
Total financial liabilities		24,975,709	9,119,332	-	7,760,844	-	3,070	33,412	419,831	176,789	5,932	59,875	42,554,794
Net financial position		(4,260,531)	9,830,757	144,152	(1,898,977)	-	7,493	65,718	(417,672)	(160,773)	916	(46,792)	3,264,291

Financial Assets-Liabilities	Note	As at December 31, 2023											
		\$	UF	Adjustable	US\$	COP	GBP	EUR	CHF	JPY	CNY	Other MX	Total
		MCh\$	MCh\$	Exchange Rate 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

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

Non-Financial Assets-Liabilities	Note	As at March 31, 2024											
		\$	UF	Adjustable	US\$	COP	GBP	EUR	CHF	JPY	CNY	Other MX	Total
		N°	MCh\$	MCh\$	Exchange Rate MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Investment in companies	14		34,924	-	-	-	-	12	-	-	-	-	34,936
Intangible assets	15		256,946	-	-	-	-	-	-	-	-	-	256,946
Property, equipment	16		82,329	-	-	-	-	-	-	-	-	-	82,329
Assets for the right to use leased assets	17		157,584	-	-	-	-	-	-	-	-	-	157,584
Current taxes	18		9	2,091	-	-	-	-	-	-	-	-	2,100
Deferred taxes	18		359,867	-	-	-	-	-	-	-	-	-	359,867
Other assets	19		282,415	500	-	492,956	-	1,307	-	-	-	20,180	797,358
Non-current assets and disposal groups held for sale	20		22,934	-	-	-	-	-	-	-	-	-	22,934
Total non-financial assets			1,197,008	2,591	-	492,956	-	1,319	-	-	-	20,180	1,714,054
Provisions for contingencies	24		53,136	-	-	-	-	-	-	-	-	45	53,181
Provisions for dividends, payment of interest and revaluation of issued regulatory capital financial instruments	25		34,176	-	-	-	-	-	-	-	-	-	34,176
Special provisions for credit risk	26		179,461	-	-	9,588	19	72	-	8	-	-	189,148
Current taxes	18		73,996	-	-	-	-	-	-	-	-	-	73,996
Deferred taxes	18		827	-	-	-	-	-	-	-	-	-	827
Other liabilities	27		194,890	30,356	-	779,798	565	62	-	8	-	6,546	1,012,225
Total non-financial liabilities			536,486	30,356	-	789,386	584	62	72	16	-	6,591	1,363,553
Net non-financial position			660,522	(27,765)	-	(296,430)	(584)	(62)	1,247	(16)	-	13,589	350,501

Non-Financial Assets-Liabilities	Note	As at December 31, 2023											
		\$	UF	Adjustable	US\$	COP	GBP	EUR	CHF	JPY	CNY	Other MX	Total
		N°	MCh\$	MCh\$	Exchange Rate 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

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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.

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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.

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- **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.

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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.

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A summary of the exposure of the different LIBOR-indexed products (notional amounts) not yet remedied as at March 31, 2024 and December 31, 2023 is presented below.

LIBOR-based operations	Non-derivative assets MCh\$	Non-derivative liabilities MCh\$	Derivative assets MCh\$	Derivative liabilities MCh\$
US\$	10,877	-	-	-
EUR	-	-	-	-
Other	-	-	-	-
As at March 31, 2024	10,877	-	-	-

LIBOR-based operations	Non-derivative assets MCh\$	Non-derivative liabilities MCh\$	Derivative assets MCh\$	Derivative liabilities 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 as at March 31, 2024 and December 31, 2023, subject to the IBOR reform which have not yet begun a process of transition to alternative benchmark rates.

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.
- Cybersecurity and information technology risk (IT) is the risk of financial losses, disruption, or reputational damage due to certain types of failures in IT systems.
- Data risk is the exposure to adverse financial or non-financial consequences due to mismanagement, misinterpretation or misuse of the Bank's data assets.
- 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.

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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.

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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 that has 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.

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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.

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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.

As at March 31, 2024								
Individual evaluation	Owed by banks	Commercial loans	Commercial leasing	Factoring	Consumer loans	Mortgage loans	Contingent loans	Total
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
A1	170,522	74,912	-	-	-	-	85,443	330,877
A2	23,013	3,177,583	55,820	7,934	-	-	671,815	3,936,165
A3	1,088	1,693,141	160,824	17,047	-	-	67,990	1,940,090
A4	-	2,709,563	320,626	83,443	-	-	207,194	3,320,826
A5	-	1,332,907	166,396	103,948	-	-	81,291	1,684,542
A6	-	1,098,748	70,839	49,981	-	-	19,062	1,238,630
B1	-	475,667	14,585	34,355	-	-	4,404	529,011
B2	-	204,047	10,279	6,568	-	-	5,665	226,559
B3	-	186,778	6,489	-	-	-	10,893	204,160
B4	-	76,669	6,353	-	-	-	3,035	86,057
C1	-	152,509	3,075	2,140	-	-	1,858	159,582
C2	-	72,717	7,961	-	-	-	3	80,681
C3	-	22,545	631	164	-	-	17	23,357
C4	-	19,290	1,242	-	-	-	20	20,552
C5	-	75,309	1,013	556	-	-	513	77,391
C6	-	62,820	1,592	622	-	-	447	65,481
Total	194,623	11,435,205	827,725	306,758	-	-	1,159,650	13,923,961

As at December 31, 2023								
Individual evaluation	Owed by banks	Commercial loans	Commercial leasing	Factoring	Consumer loans	Mortgage loans	Contingent loans	Total
	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	117,091	-	-	218,982	3,351,844
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	781	-	-	462	58,784
Total	25,238	10,937,903	810,469	323,347	-	-	1,031,503	13,128,460

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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 March 31, 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	-	1,663,127	27,181	382	3,765,386	13,456,550	537,853	19,450,479
Default	-	252,624	2,049	22	460,197	445,138	19,032	1,179,062
Total	-	1,915,751	29,230	404	4,225,583	13,901,688	556,885	20,629,541

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 March 31, 2024	Stage 1 MCh\$	Stage 2 MCh\$	Stage 3 MCh\$	Total MCh\$
Individual				
Owed by banks	194,623	-	-	194,623
Loans and accounts receivable	12,256,507	1,045,787	427,044	13,729,338
Group				
Owed by banks	-	-	-	-
Loans and accounts receivable	19,450,479	-	1,179,062	20,629,541
Total	31,901,609	1,045,787	1,606,106	34,553,502

As at December 31, 2023	Stage 1 MCh\$	Stage 2 MCh\$	Stage 3 MCh\$	Total 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

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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 March 31, 2024			As at December 31, 2023		
	Loans MCh\$	Guarantee MCh\$	Allowance MCh\$	Loans MCh\$	Guarantee MCh\$	Allowance MCh\$
Commercial loans	12,569,688	4,347,706	273,936	12,071,719	4,256,123	249,036
Consumer loans	-	-	-	-	-	-
Mortgage loans	-	-	-	-	-	-
	12,569,688	4,347,706	273,936	12,071,719	4,256,123	249,036

Group (*)	As at March 31, 2024			As at December 31, 2023		
	Loans MCh\$	Guarantee MCh\$	Allowance MCh\$	Loans MCh\$	Guarantee MCh\$	Allowance MCh\$
Commercial loans	1,954,022	2,558,430	67,397	2,005,282	2,557,483	68,233
Consumer loans	2,722,166	-	152,185	2,655,839	-	154,109
Mortgage loans	13,868,372	24,366,326	47,051	13,857,128	24,169,277	44,808
	18,544,560	26,924,756	266,633	18,518,249	26,726,760	267,150

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 March 31, 2024		As at December 31, 2023	
	Secured MCh\$	Unsecured MCh\$	Secured MCh\$	Unsecured MCh\$
0,0 - 0,1	132,623	5,501,815	130,273	5,151,317
0,11 - 0,4	461,728	1,479,770	410,405	1,572,669
1,01 - 3,0	1,304,666	2,016,158	1,388,673	1,963,170
3,01 - 6,0	675,809	1,008,736	729,422	846,328
6,01 - 11,0	760,555	478,100	747,089	470,693
11,01 - 17,0	355,683	173,931	229,227	131,800
17,01 - 25,0	169,871	56,688	169,083	58,797
25,01 - 50,0	225,919	64,892	244,907	69,847
50,01 +	292,903	134,141	231,969	118,620
Total	4,379,756	10,914,230	4,281,048	10,383,241

The information does not consider endorsements for substitution purposes.

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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	3/31/2024 MCh\$	12/31/2023 MCh\$
Commercial		
0,84 - 3,81	842,793	837,537
3,81 - 8	350,762	372,968
8 - 12,41	146,920	155,248
12,41 - 12,722	162,793	174,403
12,722 - 25,27	55,490	60,252
25,27 +	395,264	404,874
Total commercial	1,954,022	2,005,282
Mortgage		
0,14 - 0,37	8,565,291	8,630,213
0,37 - 1,79	2,629,170	2,648,246
1,79 - 4,5	1,144,490	1,151,327
4,5 - 16,8	11,929	13,861
16,8 - 23,04	1,075,060	1,010,002
23,04 +	442,432	403,479
Total mortgage	13,868,372	13,857,128
Consumer		
0,82 - 2,36	755,033	736,319
2,36 - 5,61	698,337	671,210
5,61 - 9,94	438,079	410,830
9,94 - 15,59	236,050	229,298
15,59 - 40,58	291,345	284,806
40,58 +	303,322	323,376
Total consumer	2,722,166	2,655,839
Total	18,544,560	18,518,249

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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 March 31, 2024

	Total obligations	% Effective equity	
	MCh\$	Secured	Unsecured
BNS Group	491,700	10.3%	0.1%
Said Group	215,453	3.6%	1.0%
Generico por gestión Group	173,538	2.9%	0.8%
Karen Ergas Group	47,063	0.4%	0.6%
Business Support Group	30,000	0.0%	0.6%
Salvador Said Group	25,943	0.0%	0.6%
Víctor Carpio Group	19,551	0.3%	0.1%
Emilio Deik Group	11,388	0.1%	0.2%
Diego Masola Group	40	0.0%	0.0%
Other related groups	53,889	0.8%	0.3%
Total main debtors	1,068,564		
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."

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Total allowances on loans

The total level of allowances on loans reached MCh\$746,500 as at March 31, 2024, which implies an increase of approximately 5.66% 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 1.67% in the same period), the percentage of allowances on total loans was up from 2.20% in December 2023 to 2.29% in March 2024.

Risk rates and allowances	3/31/2024	12/31/2023
	MCh\$	MCh\$
Total allowances on loans	746,500	706,523
Total loans	32,642,344	32,106,330
Allowance / loan percentage	2.29%	2.20%

The increase in credit loss allowances in the period between January and December 2023 and March 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.

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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 March 31, 2024		(Individual bank)				
		Purchase value MCh\$	Purchase TIR %	Market value MCh\$	Market TIR %	Unrecognized gain (loss) MCh\$
Papers \$		1,944,222	4.84	1,880,163	6.17	(64,059)
PDBC		502,693	9.47	537,862	7.08	35,169
BCP		-	-	-	-	-
BTP		1,441,529	3.22	1,342,301	5.81	(99,228)
Term deposits Ch\$		-	-	-	-	-
Papers UF		366,732	1.70	359,844	2.48	(6,888)
BCU		-	-	-	-	-
BTU		366,732	1.70	359,844	2.48	(6,888)
Term deposits UF		-	-	-	-	-
Securitized bonds		-	-	-	-	-
Papers US\$		55,747	4.01	65,070	6.46	9,324
Term deposits US\$		55,747	4.01	65,070	6.46	9,324
Total		2,366,701	4.33	2,305,077	4.33	(61,623)

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As at December 31, 2023	(Individual bank)				
	Purchase value MCh\$	Purchase TIR %	Market value MCh\$	Market TIR %	Unrecognized gain (loss) 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 March 31, 2024, the total VaR (includes rate and currency) reached a value of MCh\$2,135 (MCh\$2,878 as at December 31, 2023).

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

	3/31/2024	12/31/2023
	MCh\$	MCh\$
Bonds in UF	-	2
Derivatives UF	(619)	(532)
Bonds in Ch\$	(677)	(29)
Derivatives in Ch \$	(106)	252
Derivatives in US\$	(447)	(1,217)
Basis US\$/	(431)	(1,361)
Basis L3L6	-	-
Other	(2)	7
FX	147	-
Total	(2,135)	(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:

- Cash flows are determined by the maturity of fixed rate transactions and by the revaluation period in variable rate transactions.
- 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.
- Flows consider only principal of transactions.
- Interest rate curves do not consider the spread between assets and liabilities.

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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.

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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 March 31, 2024

	NPV	NPV + 1%	NPV - 1%
Ch\$	1,623,418	(47,507)	49,221
UF	2,750,169	(184,018)	125,589
US\$	(894,342)	6,633	(7,025)
MX	39,715	(1,558)	1,656
Usage	(226,450)		

As at December 31, 2023

	NPV	NPV + 1%	NPV - 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)		

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

As at March 31, 2024

	Net present value				Financial margin			
	Ch\$ MCh\$	UF MCh\$	US\$ MCh\$	MX MCh\$	Ch\$ MCh\$	UF MCh\$	US\$ MCh\$	MX MCh\$
1 Month	2,645,775	138,413	(541,059)	129	(25,355)	(1,372)	5,185	(1)
2 Months	(2,578,946)	174,996	(378,828)	(20,121)	22,566	(1,572)	3,315	176
3 Months	475,620	121,926	16,695	6,638	(3,766)	(1,003)	(132)	(53)
4 Months	(441,559)	89,089	168,925	3,280	3,128	(663)	(1,197)	(23)
5 Months	71,844	(20,007)	(150,299)	5,812	(449)	97	939	(36)
6 Months	378,213	95,382	217,962	2,540	(2,049)	(541)	(1,181)	(14)
7 Months	(197,702)	288,400	175,870	2	906	(1,341)	(806)	-
8 Months	64,458	15,036	(3,264)	1,712	(242)	(73)	12	(6)
9 Months	487,940	(172,705)	6,211	980	(1,423)	492	(18)	(3)
10 Months	83,117	280,396	(76,290)	326	(173)	(593)	159	(1)
11 Months	(233,076)	256,332	(1,323)	1,037	291	(325)	2	(1)
12 Months	34,507	161,934	(7,968)	354	(14)	(69)	3	-
Total					(6,580)	(6,963)	6,281	38

Exposure to inflation
Usage 19,897

12,673

As at December 31, 2023

	Net present value				Financial margin			
	Ch\$ MCh\$	UF MCh\$	US\$ MCh\$	MX MCh\$	Ch\$ 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 on asset and liability flows.

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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.

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The following tables show the exposures to the different currencies, whether of banking products or derivatives in their equivalent in local currency:

	As at March 31, 2024			As at December 31, 2023		
	Assets MCh\$	Liabilities MCh\$	Net MCh\$	Assets MCh\$	Liabilities MCh\$	Net MCh\$
US\$	52,886,229	52,915,724	(29,495)	50,287,492	49,930,076	357,416
CAD	28,056	26,710	1,346	21,555	21,177	378
BRL	11,270	9,010	2,260	11,707	9,672	2,035
PEN	6	-	6	5	-	5
AUD	239,123	241,271	(2,148)	222,188	223,981	(1,793)
CNY	166,617	165,998	619	121,094	120,547	547
DKK	-	-	-	-	-	-
JPY	465,086	459,618	5,468	424,887	418,349	6,538
CHF	610,421	615,264	(4,843)	584,780	588,740	(3,960)
NOK	4,136	4,130	6	2,488	2,471	17
NZD	72	3	69	65	-	65
GBP	234,158	234,038	120	270,404	270,293	111
SEK	18,611	18,651	(40)	19,937	19,987	(50)
HKD	3	-	3	631	629	2
ZAR	33	-	33	31	-	31
COP	55,271	53,536	1,735	33,356	32,070	1,286
MXN	183,973	188,502	(4,529)	163,794	163,604	190
EUR	1,211,470	1,201,914	9,556	1,262,428	1,256,986	5,442
Other currencies	-	2	(2)	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.

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The following chart shows the structural exposure by interest rate of assets and liabilities, considering the terms of change or renewal of rates; otherwise, the expiration dates of the transactions are considered

Range of days	As at March 31, 2024 Mismatch due to term				As at December 31, 2023 Mismatch due to term			
	Ch\$	UF	US\$	MX (*)	Ch\$	UF	US\$	MX (*)
00002-00030	(107,194)	(150,665)	(429,171)	5,970	1,042,456	(67,755)	(953,358)	(4,618)
00031-00060	(514,648)	65,802	(755,740)	6,218	(210,839)	35,173	(1,144,343)	531
00061-00090	(407,518)	334,398	26,728	2,849	663,266	66,352	(364,790)	8,072
00091-00120	(186,109)	284,990	129,768	198	251,454	136,879	460,702	(1,507)
00121-00150	(98,204)	229,498	408,552	2,978	(2,327,494)	157,649	472,673	3,462
00151-00180	549,934	(10,331)	687,592	1,571	268,281	114,984	577,663	2,235
00181-00210	(201,113)	101,453	(122,357)	173	(676,700)	72,565	60,347	1,084
00211-00240	245,269	22,806	34,475	923	(181,018)	(44,976)	(72,792)	2,443
00241-00270	(140,979)	(12,912)	34,505	208	119,769	77,760	5,155	(52)
00271-00300	67,373	168,814	(92,034)	-	(255,614)	195,247	32,252	-
00301-00330	337,380	(274,957)	(203,711)	354	30,516	(9,025)	(9,642)	564
00331-00360	293,965	16,027	(165,516)	-	465,359	(146,230)	(5,894)	868
00361-00720	45,223	386,545	(254,405)	-	2,036,205	483,703	(15,661)	1,317
00721-01080	786,932	(73,931)	(2,369)	-	1,323,866	(119,450)	(15,085)	19,272
01081-01440	(1,396,903)	(65,065)	(19,236)	-	459,696	172,066	(29,359)	847
01441-01800	(60,282)	112,831	(28,610)	-	(469,723)	485,066	(31,146)	722
01801-02160	39,351	(347,664)	(10,698)	-	(394,622)	444,961	(35,025)	841
02161-02520	240,974	(337,982)	(6,845)	-	287,080	150,850	(38,087)	1,753
02521-02880	(5,310)	289,719	(4,122)	-	421,943	(759,472)	(42,071)	49,655
02881-03240	101,551	31,012	179	-	16,751	(281,728)	(1,832)	(12,804)
03241-03600	110,840	517,512	11	-	(90,767)	32,612	-	-
03601-05400	433,608	580,406	93	-	54,660	1,992,918	-	-
05401-07200	32	231,789	-	-	14	(258,624)	-	-
07201-09000	3	(53,896)	-	-	4	(141,667)	-	-
09001-10800	187	2,301	-	-	4	815	-	-
10800->>>>>	333	7	1,671	-	127	10	-	-
NRS	(497,398)	3,781	(264,374)	-	(1,191,147)	20,611	(957,848)	-

(*) MX Any foreign currency other than the US dollar

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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 3/31/2024 MCh\$	Amount 12/31/2023 MCh\$
Short-term (margin)		
Short-term interest rate risk	35,345	53,682
Indexation risk	44,586	38,943
Lower income due to commissions sens.	-	-
Total short-term risk	79,931	92,625
Short-term risk limit (35% of the margin)	439,131	427,377
Short-term usage limit percentage	18.20%	21.67%
Long-term (value)		
Long-term interest rate risk	396,997	400,461
Interest rate optionality risk	-	-
Total long-term risk	396,997	400,461
Long-term limit	875,554	862,707
Long-term limit usage percentage	45.34%	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.

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The following tables show the regulatory measure of risks on the trading book:

	Amount 3/31/2024 MCh\$	Amount 12/31/2023 MCh\$
Interest rate risk	217,802	208,534
Currency risk	3,466	30,067
Shares risk	1,261	1,408
Currency optionality risk	-	4
Consolidated risk-weighted assets	31,478,251	30,758,320
Credit risk regulatory capital (8% CRWA)	2,065,759	2,001,538
Market risk regulatory capital (8% MRWA)	222,530	240,013
Operational risk regulatory capital (8% ORWA)	229,971	219,115
Total regulatory capital	2,518,260	2,460,666
Consolidated effective equity	4,692,939	4,629,910
Consumption % (including CR and MR)	53.66%	53.15%
Basel ratio (including market risk)	14.91%	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.

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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

The risk of information technology (cybersecurity & IT) is the risk of financial loss, disruption or reputational damage due to some type of failure in IT systems. Cybersecurity risks are a subset of the unique IT risks that the Bank faces as a result of the use of interconnected systems and digital technologies.

The Board approves the related policies and frameworks that focus on safeguarding the Bank and its customers' information, ensuring that the Bank's IT environment is reliable, secure, resilient and robust in support of our business objectives.

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.

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The Bank manages its operational risks with a governance structure made up of the Board of Directors in its highest-ranking role in approving strategies and risk management, the enterprise risk management department, the non-financial risk management committee, the risks and control areas (second lines). In addition, the Bank has policies, processes and evaluation methodologies to ensure that operational risk is properly identified and managed through effective controls.

As at March 31, 2024, the Bank and its subsidiaries have recognized MCh\$3,838 for operational risk events (MCh\$16,074 as at December 31, 2023).

Net loss expense, gross loss and expense recoveries from operational risk events	3/31/2024 MCh\$	12/31/2023 MCh\$
Internal fraud	(861)	(248)
External fraud	(3,657)	(15,550)
Labor practices and safety in the business	(31)	(126)
Customers, products and business practices	(22)	(1,760)
Damage to physical assets	-	(29)
Business interruption and system failures	(18)	(555)
Execution, delivery and process management	(189)	(2,139)
Gross loss in the period due to operational risk events	(4,778)	(20,407)
Internal fraud	-	1,030
External fraud	783	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	-	-
Execution, delivery and process management	147	574
Gross loss recoveries in the period due to operational risk events	940	4,333
Net loss in the period due to operational risk events	(3,838)	(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 lack of data risk knowledge; insufficient data risk oversight, governance and controls; inappropriate data management and poor data quality; poor data security and protection; and inappropriate, unplanned or unethical data use.

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.

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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.

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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.

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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:

- Accumulated mismatches at different terms.
- Proportion of liquid assets/enforceable liabilities.
- Concentration of depositors.
- Liquidity stress tests.
- 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 March 31, 2024 All currencies	Local systemic GAP		Global systemic GAP		Idiosyncratic GAP		Idiosyncratic GAP	
	30 days	90 days	30 days	90 days	30 days	90 days	30 days	90 days
Liquidity gap	(800,064)	(828,376)	(826,946)	(847,885)	(946,041)	(980,315)	(1,086,057)	(1,185,061)
Liquid asset hedge	2,559,975	2,559,975	2,559,975	2,559,975	2,566,187	2,566,187	2,566,187	2,566,187
Liquidity need / excess	1,759,911	1,731,598	1,733,029	1,712,090	1,620,146	1,585,872	1,480,130	1,381,126

As at December 31, 2023 All currencies	Local systemic GAP		Global systemic GAP		Idiosyncratic GAP		Idiosyncratic 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.

In addition, it has complementary tools that allow managing the concentration of assets and liabilities compared to sources, counterparties, terms and currencies.

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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 March 31, 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	(6,329,569)	(7,101,000)	(8,203,187)	(11,887,642)					
Income	5,862,330	6,529,557	7,161,696	8,949,438					
Mismatch	(467,239)	(571,443)	(1,041,491)	(2,938,205)	-	-	-	-	
Foreign currency									
Expenses	(978,077)	(1,310,093)	(1,810,032)	(3,010,392)					
Income	629,810	702,731	1,045,381	1,797,213					
Mismatch	(348,267)	(607,362)	(764,651)	(1,213,179)	-	-	2,728,986	-	
Consolidated currencies									
Expenses	(7,307,646)	(8,411,093)	(10,013,219)	(14,898,034)					
Income	6,492,140	7,232,289	8,207,077	10,746,651					
Mismatch	(815,506)	(1,178,805)	(1,806,142)	(4,151,383)	-	-	1,687,496	2,835,892	
					Basic capital		3,493,637		
					2 Basic capital		6,987,275		
					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"			

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Volume and composition of liquid assets

	3/31/2024 MCh\$	12/31/2023 MCh\$
Available funds	638,666	670,768
Sight deposits and Overnight in Banco Central de Chile	167,261	159,678
Financial investments	1,928,391	1,462,790
Total liquid assets	2,734,319	2,293,236

Composition of main sources of financing

	3/31/2024 MCh\$	12/31/2023 MCh\$
Deposits and other on-demand obligations	5,152,659	4,872,271
Deposits and term loans	14,102,513	13,269,408
Obligations with banks	5,754,051	5,388,854
Debt instruments issued	9,621,740	9,384,319
Other financial obligations	8,568,949	7,634,130
Total	43,199,912	40,548,982

Maturities of assets and liabilities reported as at March 31, 2024 and December 31, 2023 are detailed as follows:

As at March 31, 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	912,798	-	-	-	-	-	-
Cash loans	463,375	1,262,979	1,712,464	3,466,549	30,943,173	32,269	2,184
Loans in Adjustable Mortgage Letters of Credit	51	1,575	2,839	11,517	75,759	-	-
Leased contracts	-	29,953	59,470	229,539	671,619	79,651	-
Covenants	17,340	235,751	5,030	-	-	-	-
Financial investments	2,237,156	1,904,117	1,414	559,123	19,347	25,214	82,082
Other asset accounts	839,243	-	-	-	-	-	314,728
TOTAL ASSET	4,469,963	3,434,375	1,781,217	4,266,728	31,709,897	137,134	398,995
On-demand obligations	(2,143,856)	(59,179)	(179,717)	(1,856,244)	(924,581)	-	-
Term deposits, bonds and other	(118,295)	(3,553,993)	(3,589,950)	(7,472,871)	(3,492,930)	(1,730,291)	(5,467,155)
Covenants	(2,193,026)	(115,533)	-	(837,000)	-	-	-
Obligations due to AMLC	(1)	(4,391)	(262)	(13,924)	(27,313)	(18,425)	(38,236)
Obligations in Chile	-	-	-	-	-	-	-
Obligations abroad	(3,041)	(64,931)	(282,481)	(1,642,262)	(259,094)	(684,633)	-
Other liability accounts	(750,983)	(154)	(10)	-	-	-	(497,286)
TOTAL LIABILITIES	(5,209,202)	(3,798,181)	(4,052,420)	(11,822,302)	(4,703,918)	(2,433,349)	(6,002,677)

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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	-	-	-	-	-	-
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 March 31, 2024:

Reconciliation of liabilities arising from financing activities:	Opening balance 12/31/2023	Cash Flow	Changes other than cash					Final balance 12/31/2023
			Acquisition/ (Disposals)	Foreign currency movement	Movements in UF	Change in fair value	Interests	
	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$	MCh\$
Current bonds	8,098,199	64,706	-	50,632	30,436	46,199	29,040	8,319,212
Subordinated bonds	1,201,214	(5,764)	-	-	9,813	-	10,151	1,215,414
Dividends paid - Owners	122,388	(122,388)	34,176	-	-	-	-	34,176
Dividends paid - Non-controlling interest	-	(17,388)	-	-	-	-	-	(17,388)
Lease contract obligations	149,308	(3,704)	1,509	-	-	-	1,061	148,174
Total liabilities from financing activities	9,571,109	(84,538)	35,685	50,632	40,249	46,199	40,252	9,699,588

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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.

3/31/2024	Asset fair value	Credit risk adjustment
	MCh\$	MCh\$
Total	(65,643)	8,687

12/31/2023	Asset fair value	Credit risk adjustment
	MCh\$	MCh\$
Total	(40,988)	9,756

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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.

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

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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 March 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 will be enforceable in one year beginning 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 March 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, the minimum required level of regulatory capital for the Bank is 11.13%.

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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	Local consolidated
	3/31/2024 MCh\$	12/31/2023 MCh\$
Total assets as per statement of financial position	47,533,139	44,713,481
Investment in subsidiaries not subject to consolidation	-	-
Assets discounted from regulatory capital , other than item 2	(89,458)	(89,724)
Credit equivalent	(4,564,149)	(3,674,704)
Contingent loans	1,644,160	1,585,586
Assets generated by the intermediation of financial instruments	-	-
Total assets for regulatory purposes	44,523,692	42,534,639
Credit risk weighted assets, estimated under standard methodologies (CRWA)	25,821,990	25,019,225
Credit risk weighted assets, estimated under internal methodologies (CRWA)	-	-
Market risk weighted assets (MRWA)	2,781,622	3,000,163
Operational risk weighted assets (ORWA)	2,874,639	2,738,932
Risk weighted assets (RWA)	31,478,251	30,758,320
Risk weighted assets, after applying output floor (RWA)	31,478,251	30,758,320
Owners' equity	3,490,365	3,436,157
Non-controlling interest	124,427	138,821
Goodwill	-	-
Excess of minority investments	-	-
Common Equity Tier 1 equivalent (CET1)	3,614,792	3,574,978
Additional deductions from common equity tier 1, other than Tier 2	(112,576)	(124,151)
Common Equity Tier 1 (CET1)	3,502,216	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	3,502,216	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)	1,026,475	1,014,835
Tier 2 Capital equivalent (T2)	1,190,723	1,179,083
Discounts on AT2	-	-
Tier Capital level 2(T2)	1,190,723	1,179,083
Effective equity	4,692,939	4,629,910
Additional basic capital required to constitute a conservation buffer	393,478	392,401
Additional basic capital required to constitute a countercyclical buffer	-	-
Additional basic capital required from systemically important banks	98,370	98,100
Additional capital required to assess the adequacy of effective equity (Pillar 2)	-	-

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Item N°	Solvency ratios and regulatory compliance ratios under Basel III (as % including two decimals)	Local consolidated 3/31/2024 %	Local consolidated 12/31/2023 %
1	Leverage ratio (T1_I18/T1_I7)	7.87%	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_I1.b)	11.13%	11.22%
2.a	Basic capital ratio to be complied with by the Bank, considering minimum requirements	4.81%	6.63%
2.b	Deficit in capital buffers	0.00%	0.00%
3	Tier 1 capital ratio (T1_I25/T1_I11.b)	11.13%	11.22%
3a	Tier 1 capital ratio to be complied with by the Bank, considering minimum requirements	6.31%	6.63%
4	Effective equity ratio (T1_I31/T1_I11.b)	14.91%	15.05%
4.a	Effective equity ratio to be complied with by the Bank, considering minimum requirements	8.31%	8.63%
4.b	Effective equity ratio to be complied with by the Bank, considering the charge per Article 35bis, if applicable	8.31%	8.63%
4.c	Effective equity ratio to be complied with by the Bank, considering minimum requirements, conservation buffer and countercyclical buffer	9.56%	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)	29.31%	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 March 31, 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 April 25, 2024.

In the view of the Bank's Management and its subsidiaries, between April 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