



Scotiabank

Scotiabank Chile Management Commentary

June 2025



Scotiabank®



Independent Accountant's Review Report

Shareholders and Directors of
Scotiabank Chile:

We have reviewed the accompanying "Management Commentary" financial report of Scotiabank Chile for the six-month period ended June 30, 2025, taken as a whole. In conjunction with such review, we conducted an interim review, in accordance with Standards on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" applicable to reviews of interim financial information, of the interim consolidated financial statements of Scotiabank Chile as at June 30, 2025 and for the six-month and three-month periods then ended and the related notes to the interim consolidated financial statements. We expressed an unmodified conclusion on the interim consolidated financial statements in our independent auditor's review report dated July 31, 2025.

Management's Responsibility

Management is responsible for the preparation and presentation of the "Management Commentary" of Scotiabank Chile in accordance with the Standards and Instructions issued by the Commission for the Financial Market, established in Chapter C-2 of the Compendium of Accounting Standards for Banks.

Accountant's Responsibility

Our review was conducted in accordance with the Attestation Standards AT Section 395 "Management Commentary" and Circular No. 37 established by the Colegio de Contadores de Chile A.G. A review consists, mainly, of applying analytical procedures, making inquiries of those individuals responsible for financial and accounting matters. This review is significantly less in scope than that of an examination, the objective of which would be to express an opinion on the "Management Commentary." Accordingly, no such opinion is expressed.

The "Management Commentary" includes such non-financial information as operational, commercial information, sustainability ratios, macroeconomic forecasts, management and other information. Although such information may provide certain additional elements for the analysis of the financial position and results of operations of Scotiabank Chile, our review does not cover such information.

The preparation and presentation of the "Management Commentary" of Scotiabank Chile as at June 30, 2025 requires that the Management of Scotiabank Chile interpret certain criteria, determines the appropriateness of the information to be included and make estimates and assumptions that affect the information presented. The "Management Commentary" of Scotiabank Chile as at June 30, 2025 includes current and forward-looking information that estimates the future impact of transactions and events that have occurred or are expected to occur, estimates expected future sources of liquidity and financial resources, and estimates operating and macroeconomic trends and commitments and uncertainties. Future results may differ significantly from the current assessment of this information presented by the Management of Scotiabank Chile because events and circumstances frequently do not occur as expected. Our review has considered such information only to the extent that it has been used for the preparation and presentation of the financial information contained in the "Management Commentary" financial report and not for the purpose of expressing a conclusion on such information.



Conclusion

Based on our review, we are not aware of any material modifications that should be made to the presentation of the Management Commentary of Scotiabank Chile for such presentation to: i) be in accordance with the elements required by the Standards and Instructions issued by the Commission for the Financial Market; ii) the historical financial amounts included in the presentation have been properly derived from the interim consolidated financial statements of Scotiabank Chile as at June 30, 2025 and iii) the information, determinations, estimates and underlying assumptions of Scotiabank Chile are consistent with the basis used for the preparation of the financial information contained in such presentation.

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

Jorge Maldonado G.

Santiago, July 31, 2025

KPMG Ltda.

Contents

1. NATURE OF THE BUSINESS.....	3
Brief history of Scotiabank Chile	3
Market positioning in the relevant segments.....	3
Significant environment features.....	4
Main products, services and business processes.....	11
Entity structure and how it creates value.....	15
2. OBJECTIVES AND STRATEGY.....	18
Business objectives and strategy	18
Non-financial objectives.....	19
Significant changes in objectives and strategy	22
Business vision and value strategy	23
3. ENTITY'S RESOURCES, RISKS AND RELATIONSHIPS.....	24
Description of the main financial resources available	24
Description of the main non-financial resources available	25
Discussion on the Capital structure	27
Description of the Bank's liquidity and cash flows	28
Action plan to manage an excess or shortfall of resources.	30
Potential impact of identified risks and how they are managed.....	30
Bank's main risks.....	34
Risk Management Update Process	36
Relationships	37
4. OPERATING PERFORMANCE AND OUTLOOK.....	41
The Bank's development and performance during the year	41
Financial position.....	44
5. PERFORMANCE MEASURES AND INDICATORS FOR EVALUATING THE ENTITY'S PERFORMANCE.....	47
Key financial indicators	47
Changes in measures quantified or indicators reported.	51
Additional information	51
6. APPENDIX	53

Note

Scotiabank Chile has prepared this document following the guidelines of IFRS Practice Statement No. 1, "Management Commentary," presenting useful information for investors, financiers, and other creditors that contributes to an understanding of the entity's financial position in regard to the Consolidated Financial Statements as at June 30, 2025.

1. NATURE OF THE BUSINESS

Brief history of Scotiabank Chile

Scotiabank Chile is part of The Bank of Nova Scotia Group, one of Canada's largest banks, an institution with more than 190 years of history and footprint in over 30 countries, listed on the Toronto (TSX: BNS) and New York (NYSE: BNS) stock exchanges, being a leading bank in the Americas and the only one with operations in Canada, the United States and the Pacific Alliance countries.

Scotiabank has been operating in Chile since 1990, after acquiring ownership of Banco Sud Americano. In 2007, it expanded its market share by acquiring Banco del Desarrollo, thereby incorporating new business segments. Subsequently, in 2015, it partnered with Cencosud in the credit card business, through a 15-year alliance with which Scotiabank took control of 51% of Cencosud Administradora de Tarjetas (CAT).

In 2018, the Bank finalized the acquisition of BBVA Chile, a transaction that transformed it into one of the most important financial institutions in Chile, reaching the category of systemically important bank.

Having approximately 5,600 employees, Scotiabank Chile¹ is engaged in helping its customers improve their financial position, delivering disruptive, simple and flexible products and services to its customers, not only through its network of 98 branches from Arica to Punta Arenas and 27 Connect customer service platforms, but also through Digital Banking.

Market positioning in the relevant segments

Scotiabank's market share in total loans as at May ¹2025, excluding branches and subsidiaries abroad, reached 13.64%, equivalent to CLP 32,687,287 million. It ranks fifth among its competitors, down 23 basis points compared to May 2024.

Of the aforementioned total, commercial loans (including education) reached CLP 13,822,133 million, recording market share of 11.30%. Market share in consumer loans recorded 14.93%, equivalent to CLP 4,485,076 million, whereas market share in mortgage loans recorded 16.47%, equivalent to CLP 14,380,078 million.

As at May¹ 2025, Scotiabank's liabilities record total deposits of CLP 18,720,662 million, of which CLP 13,212,559 million correspond to term deposits (market share of 12.00%) and CLP 5,508,103 million to on-demand deposits (market share of 8.14%). Accordingly, Scotiabank Chile's market share in total deposits, excluding branches and subsidiaries abroad, reached 10.53% as at May 2025, down 47 basis points compared to May 2024.

¹Loan data consider figures as at May 2025 because as at June no public information is available.

Significant environment features

International scenario

External risks focus on tariffs announced by the United States and the escalation of the war in the Middle East. Over the last few days, the United States government has announced new tariffs, one of which would directly affects copper imports. In addition, the war reached its peak in mid-June, triggering strong market reactions and a significant increase in global uncertainty. Currently, tensions have eased and markets have normalized. Meanwhile, inflation slightly accelerated in the United States, to 2.4% year-on-year in May, and the labor market continues to show signs of strength, with an unemployment rate that remains at low levels. The U.S. Federal Reserve maintained the MPR in June and has remained cautious about future rate cuts, maintaining a rate path that includes two additional cuts in 2025.

In the Eurozone, inflation has also declined, prompting the European Central Bank to reduce the MPR by 50 basis points during the second quarter. Meanwhile, in China, the real estate sector continues to be weak, as do high levels of local government debt, which adds to the impact of the trade conflict with the United States. Part of this is expected to be offset by the announced fiscal stimulus plans.

In certain emerging economies, the cycle of MPR cuts has been paused due to concerns about inflation convergence, in a context of heightened global uncertainty and escalation of trade and military conflicts. Consequently, there is a high degree of pessimism about global growth and the effects of the tariffs on global inflation.

Local political environment

The political environment in Chile has become more favorable following the approval of the pension reform at the beginning of the year. This, combined with the already approved tax reform, would have marked the conclusion of the discussion on structural reforms that began toward the end of 2022. In addition, in a year of presidential and parliamentary elections, polls continue to show greater support for opposition candidates in a possible presidential runoff.

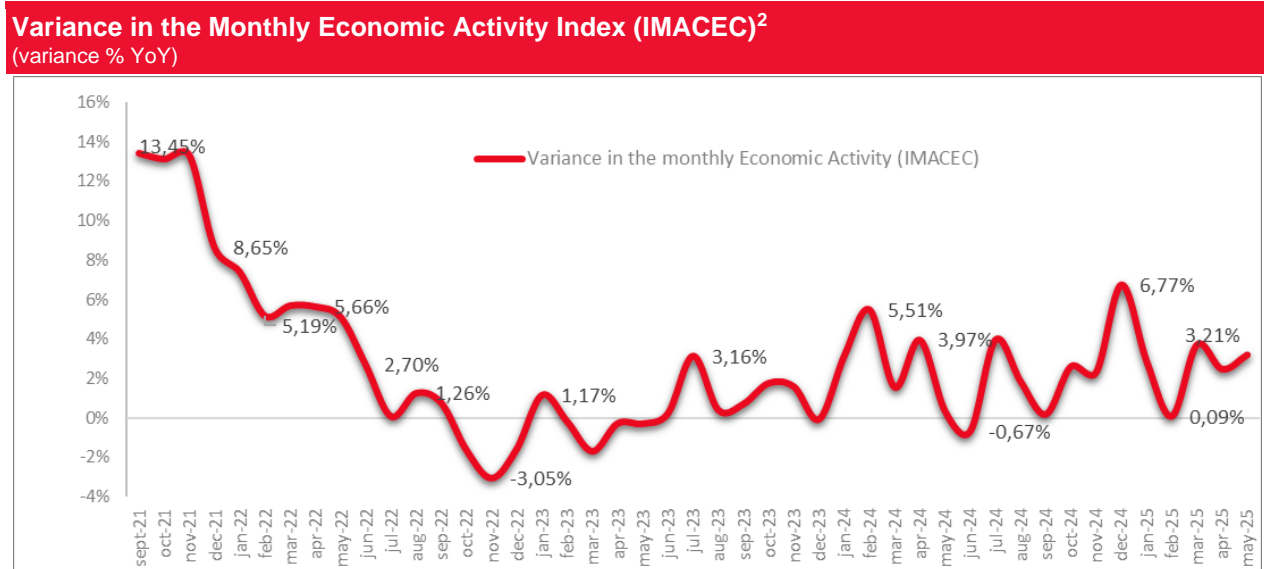
The result of the primary elections declared Jeannette Jara (PC) the winner with a wide lead over Carolina Tohá (PPD), which could better position Evelyn Matthei to the extent that she manages to capture part of the political center that would not be represented by the ruling party candidate.

Economic activity level

The first-quarter National Accounts confirmed that local economic activity began the year with strong momentum, especially in the trade and services sectors, which again led the Central Bank to raise its growth projections for the year. The second quarter began showing positive figures, with the May Variance in the Monthly Economic Activity Index (IMACEC) growing 3.2% year-on-year, partly due to mining, offsetting the recent weakness in trade and the industry. Between April and May, the mining sector averaged 10.5% year-on-year growth, reaching activity levels seen since the beginning of 2021 thanks to the recovery in copper production, while the non-mining sectors averaged 2.1% year-on-year growth between April and May. These figures would be in line with the new base scenario published by the Central Bank in the June Monetary Policy Report (IPoM), which projects GDP growth of 2.5% for 2025.

Although the external environment has appeared more challenging in recent weeks, the GDP growth projection for the year remains at 2.5%, due to the strong growth expected in investment and a strong start to the year for the external sector. For the time being, growth expectations remain unchanged, pending greater certainty regarding the new global tariff scenario. Beyond the recent high volatility in financial markets, there are factors that could also offset negative expectations regarding global growth, especially the tax and monetary stimulus packages in China and Europe.

Figure No. 1



Source: Banco Central de Chile.

²For IMACEC purposes, data considered figures as at May 2025 because as at June no public information was available.

Inflation

Inflation ended the second quarter of 2025 at 4.1% year-on-year, below market and Central Bank projections in the June Monetary Policy Report (IPoM). Although inflation remains high, it is expected to converge to 3.5% year-on-year by the end of the year due to low inflationary pressures in services and limited increases in goods. However, external risks remain elevated, indicating caution in monetary policy, especially because of the high volatility of the Chilean peso.

In June, the CPI stood at -0.4% MoM, where the total CPI price diffusion— i.e., the percentage of products that experienced increases in the month—was the lowest on record, not only for the month but for all months since 2013. This was explained by the "collapse" in goods prices following Cyber Day in June. In any case, beyond the fact that several of these goods are considered volatile, the slowdown in private consumption has led retailers to apply particularly aggressive discounts on clothing and food. However, it reports an incipient rise in services inflation, which is reportedly being pressured by rising labor costs, including reduced working hours, an increase in the minimum salary, and the upcoming implementation of the Pension Reform.

For the next few months, if the exchange rate stabilizes, limited inflationary pressures continue to be seen, mainly on the side of non-volatile goods, food and fuel. In line with this, projections indicate that the CPI will end 2025 at 3.5% year-on-year.

Table No.1: Variance in CPI over the last 12 months (%)

Month	Monthly	Accumulated	Last 12 months
January 2023	0.8	0.8	12.3
February 2023	-0.1	0.7	11.9
March 2023	1.1	1.8	11.1
April 2023	0.3	2.1	9.9
May 2023	0.1	2.2	8.7
June 2023	-0.2	2.0	7.6
July 2023	0.4	2.4	6.5
August 2023	0.1	2.6	5.3
September 2023	0.7	3.2	5.1
October 2023	0.4	3.7	5.0
November 2023	0.7	4.4	4.8
December 2023	-0.5	3.3	3.9
January 2024	0.7	0.7	3.8
February 2024	0.6	1.3	4.5
March 2024	0.4	1.6	3.7
April 2024	0.5	2.2	4.0
May 2024	0.3	2.4	4.1
June 2024	-0.1	2.3	4.2
July 2024	0.7	3.0	4.6
August 2024	0.3	3.3	4.7
September 2024	0.1	3.4	4.1
October 2024	1.0	4.5	4.7
November 2024	0.2	4.7	4.2
December 2024	-0.2	4.5	4.5
January 2025	1.1	1.1	4.9
February 2025	0.4	1.5	4.7
March 2025	0.5	2.0	4.9
April 2025	0.2	2.1	4.5
May 2025	0.2	2.3	4.4
June 2025	-0.4	1.9	4.1

Interest rate

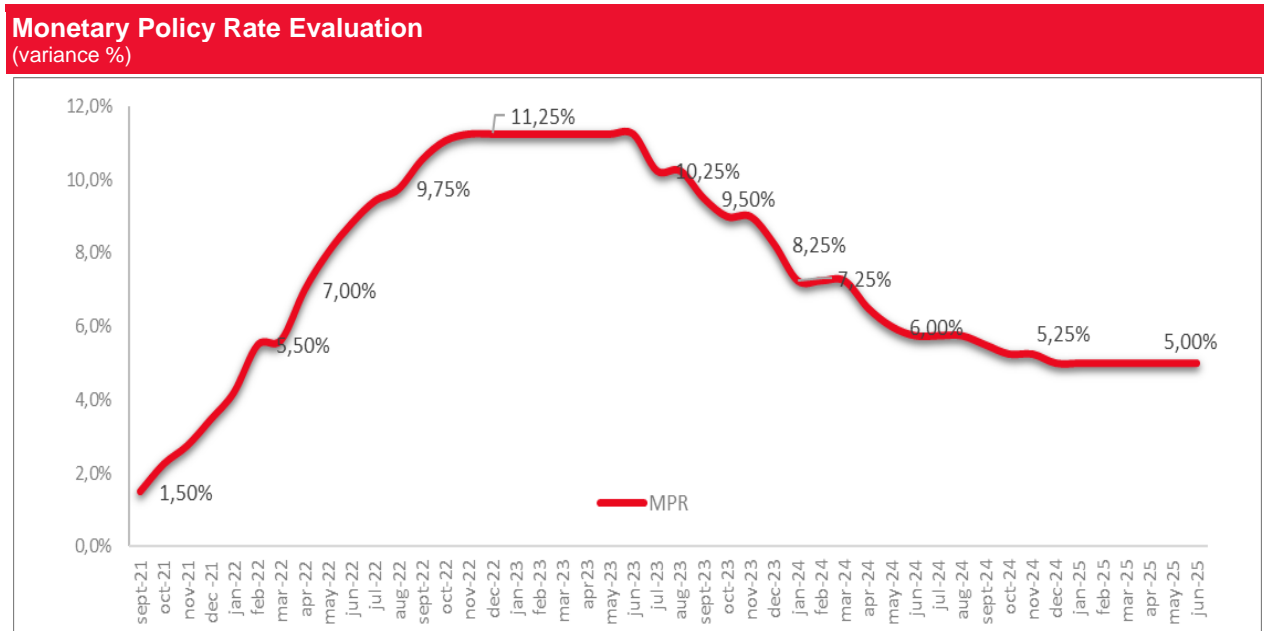
At its meeting of June 2025, the Central Bank maintained the interest rate at 5%, reiterating its message of caution regarding global uncertainty and the outlook for global growth, in a context marked by the escalation of the war conflict. In the Monetary Policy Report (IpoM) accompanying this meeting, it reported an interest rate scenario that includes two additional cuts to the MPR in the third quarter of this year, the first of which would take place at the July meeting and the next in September.

Regarding the partial realization of external risks linked to the trade war, the effects go in opposite directions. On the one hand, they diminish the medium-term external momentum, widening the activity gap and suggesting greater monetary stimulus, but they also put pressure on both external and domestic prices. While it is still too early to assess the quantitative effects on the

path of monetary policy, the Central Bank's scenario of three MPR cuts during the second half of the year remains in place, especially because short-term figures have met expectations.

Following the negative figure in June CPI, the anticipated 25 bp cut should be implemented, recognizing a negative surprise in headline inflation but a positive surprise at the underlying level (driven by services).

Figure No. 2



Source: Banco Central de Chile.

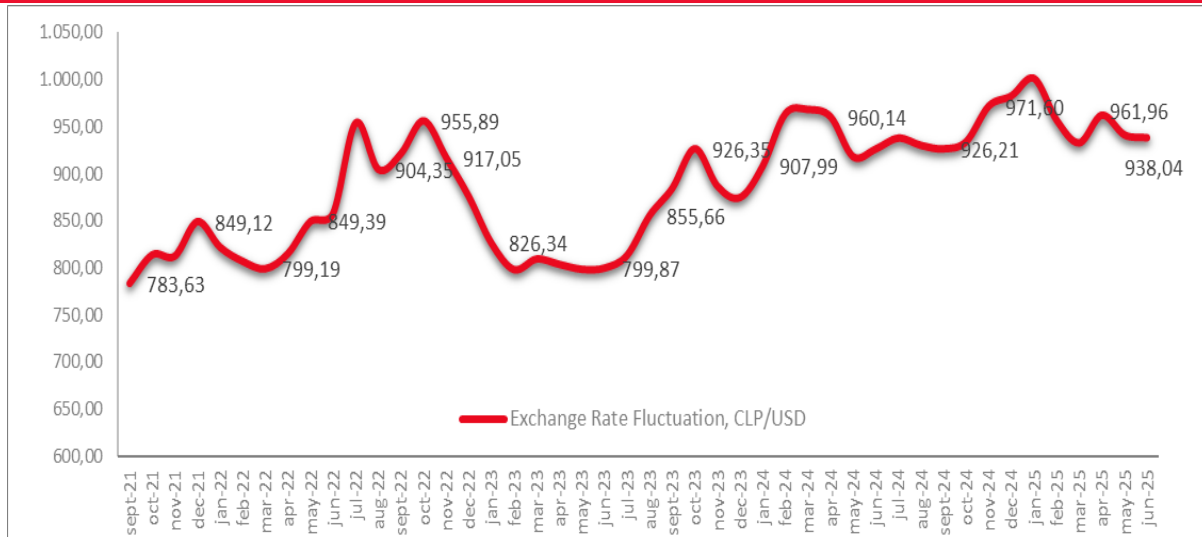
Exchange rate

Chilean peso is more than 2% below the level at the statistical closing date of the previous Report, of approximately CLP 945. Since then, the price of copper has increased by between 5% and 7%, depending on the metal's market price, which fluctuates due to the expectation of U.S. tariffs on copper, driving up its price in the North American market. Meanwhile, the global dollar (DXY) has depreciated by nearly 2% over the period, due to fears about the tariff policies implemented by President Trump and the resurgence of a new trade war.

The price of copper continues to show structural strength, and there is growing appetite for local assets. From a political view, reaching agreements on structural reforms would have also contributed to an appreciation of Chilean peso. Regarding cash flows, part of the appreciation of Chilean peso is explained by an increase in bets in favor of the Chilean peso by non-resident agents. Additionally, the Ministry of Finance announced the sale of U.S. dollars for nearly USD 4 billion between July and September, which could help sustain the appreciation of Chilean peso.

Figure No. 3

Exchange rate fluctuation, CLP/USD
(variance %)



Source: Banco Central de Chile.

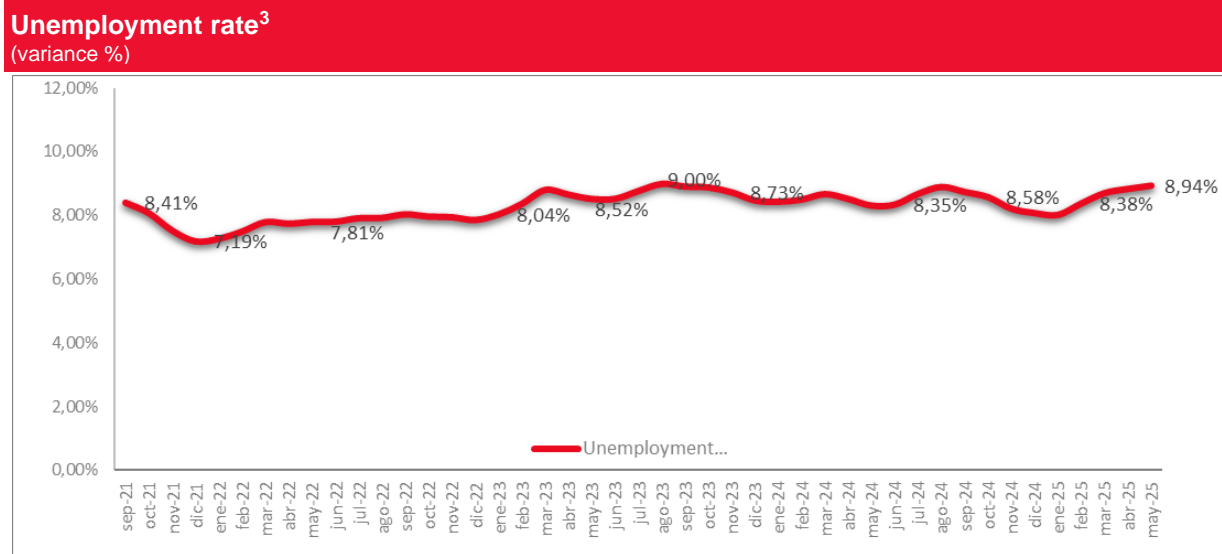
Labor market

Most recently, the unemployment rate increased to 8.9% in the quarter ending in May in the face of the destruction of 13,000 jobs and a slight decline in the workforce. The seasonally adjusted unemployment rate also increased to 8.9%, the highest in nearly a year and a half (since December 23), reflecting continuing widening skill gaps in the labor market.

Formal employment decreased by 23,000 people, whereas informal employment increased by 10,000 people, marking the first increase since the quarter ending in January 2025. For several quarters through the present date, employment has been recovering, with the creation of formal jobs and a decline in informal employment. However, recently, formal job creation has been declining year-over-year, whereas an incipient recovery has been noted in informal employment, which has stopped losing its share of total employment.

By economic sector, construction has yet to recover and has once again destroyed jobs. This sector has been one of the hardest hit by the slow pace of investment in construction, primarily residential, with job losses for the third consecutive quarter moving average across all employment categories. In fact, in the quarter ending in May, job losses in this sector were the most pronounced compared to its pre-pandemic history. A less dramatic but equally worrying situation was evident in the trade and manufacturing sectors, where job losses were somewhat higher than seasonal and concentrated in private salaried employment.

Figure No. 4



Source: Banco Central de Chile.

Legal and regulatory environment

Main authorities regulating financial institutions in Chile are the Financial Market Commission (CMF) and Banco Central de Chile. Chilean banks are subject primarily to the General Banking Law and, to the extent not inconsistent with their bylaws, to the provisions of the Chilean Corporations Law governing corporations, except for certain provisions that are expressly excluded. The most recent reform to the General Banking Law was approved in January 2019, where the most relevant change related to the adoption of the most recent standards issued by the Basel Committee (Basel III).

CMF is the single supervisor of the Chilean financial system and supervises insurance companies, publicly-listed companies, credit unions, credit card issuers and banks. The CMF's main responsibility is to ensure the proper operation, development and stability of the financial market, facilitating the participation of market agents and defending public faith in the financial markets.

The regulator examines all banks on a regular basis, usually at least once a year. Banks are also required to submit their financial statements to the CMF on a monthly basis and at least quarterly they must publish their financial statements in a newspaper circulating nationwide. In addition, banks are required to provide information on their operations to the CMF at several periodic intervals. A bank's annual financial statements and the opinion of its independent auditors must also be filed with the CMF. In addition, interim financial statements as at June 30 and December

³ The unemployment rate considered figures as at May 2025 because as at June no public information was available.

31 must include a review report of the interim financial information issued by the independent auditors.

The CMF and the Central Bank of Chile act coordinately, in particular considering the responsibility of each in preserving financial stability within the framework of their respective legal competencies.

Banco Central de Chile is an autonomous agency, of constitutional rank, of a technical nature, with legal personality, its own equity and indefinite duration. The legal purpose of Banco Central de Chile is to maintain the stability of the Chilean peso and the orderly operation of the internal and external payment systems. Banco Central de Chile also has powers to regulate the financial system and capital markets, which are aimed at ensuring that banks and other financial institutions perform their activities in a safe and orderly manner, and to promote the efficient and reliable operation of payment systems and means of payment. Complementarily, it has the power to safeguard the stability of the financial system, which allows it to act in the event of crisis scenarios, which it does through financial policy.

Main products, services and business processes

Scotiabank Chile is positioned as a universal bank offering a great variety of products and financial services to several kinds of customers, ranging from major corporations and financial institutions to low/medium income individuals, which are classified in different business segments referred to their business characteristics. The Bank creates value in a sustainable manner, giving customers the opportunity to choose them according to their interests and needs, from a range of financial products and services for our diverse segments.

Scotiabank Chile operates in 5 main market segments, which correspond to Retail, Wholesale Banking, Card Administration (CAT), Treasury and Others, each of which is summarized below.

Retail banking

Personal Banking: This segment addresses individual customers whose monthly income is over CLP 500 thousand. 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 purchase and sale of foreign currency, shares and insurance products, among others. In addition to the traditional customer service points, it also provides these customers with a complete self-service and self-management model through the web and the mobile application, which allows customers to perform a wide variety of transactions autonomously through its digital channels.

SME banking: Efforts for this segment are focused on attracting and linking corporate customers and individuals with business activities, belonging to different economic sectors such as services, commerce, transportation and agriculture, and where annual sales do not exceed USD 4 million. The Bank's value proposition is based on providing financial services of excellence through asset

and liability products, such as commercial loans, lease contracts, factoring transactions, chequing account plans, insurance, investment products, foreign trade and cash management.

Wholesale banking

This business segment includes enterprise customers with annual sales over USD 4 million and corporate customers with annual sales over USD 150 million. 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.

CAT

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

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 issuance and fund raising, 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.

Other

This segment includes all non-recurring 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.

Each segment's performance can be observed in Table No.2.

Table No.2: Performance by segment

Quarter ended June 30, 2025 MCLP	Retail	Wholesale	CAT	Treasury	Other	Accounting total
Net interest income	156,171	86,596	82,616	(75,646)	(7,533)	242,204
Other income	38,697	53,881	19,706	82,353	7,546	202,183
Equity in net income of investees	-	-	-	-	1,950	1,950
Total operating income	194,868	140,477	102,322	6,707	1,963	446,337
Operating expenses	(87,019)	(32,944)	(27,496)	(3,311)	(1,961)	(152,731)
Depreciation and amortization	(12,404)	(3,064)	(3,900)	(115)	261	(19,222)
Provisions	(36,915)	(13,729)	(142,217)	-	88,471	(104,390)
Segment operating profit (loss)	58,530	90,740	(71,291)	3,281	88,734	169,994
Income tax expense	(11,968)	(21,956)	20,836	(886)	(14,728)	(28,702)
Profit (loss) for the year	46,562	68,784	(50,455)	2,395	74,006	141,292

Spot volumes - MCLP

Assets (loans)	19,072,665	10,673,187	1,771,366	-	150,048	31,667,266
Liabilities (Core and Term deposits)	7,092,266	5,819,128	-	3,277,395	2,148,797	18,337,586

Quarter ended March 31, 2025 (in millions of CLP (MCLP))	Retail	Wholesale	CAT	Treasury	Other	Accounting total
Net interest income	152,816	84,085	77,513	(83,888)	182	230,708
Other income	38,988	49,815	18,712	89,332	(3,006)	193,841
Equity in net income of investees	-	-	-	-	280	280
Total operating income	191,804	133,900	96,225	5,444	(2,544)	424,829
Operating expenses	(80,763)	(32,931)	(30,490)	(1,885)	(515)	(146,584)
Depreciation and amortization	(11,696)	(2,824)	(4,063)	(106)	(446)	(19,135)
Provisions	(37,953)	(11,862)	(54,937)	-	(85,471)	(190,223)
Segment operating profit (loss)	61,392	86,283	6,735	3,453	(88,976)	68,887
Income tax expense	(12,412)	(20,801)	(832)	(932)	23,425	(11,552)
Profit (loss) for the year	48,980	65,482	5,903	2,521	(65,551)	57,335

Spot volumes - MCLP

Assets (loans)	18,976,733	10,723,224	1,709,271	-	209,152	31,618,380
Liabilities (Core and Term deposits)	6,979,438	6,176,291	-	3,788,740	1,829,799	18,774,268

Quarter ended June 30, 2024 MCLP	Retail	Wholesale	CAT	Treasury	Other	Accounting total
Net interest income	143,392	87,731	80,703	(64,962)	44	246,908
Other income	34,258	38,676	22,529	55,860	13,629	164,952
Equity in net income of investees	-	-	-	-	1,758	1,758
Total operating income	177,650	126,407	103,232	(9,102)	15,431	413,618
Operating expenses	(81,767)	(32,997)	(30,587)	(1,130)	(1,759)	(148,240)
Depreciation and amortization	(11,430)	(2,493)	(3,907)	(67)	(200)	(18,097)
Provisions	(38,602)	(8,149)	(52,484)	-	3,836	(95,399)
Segment operating profit (loss)	45,851	82,768	16,254	(10,299)	17,308	151,882
Income tax expense	(9,343)	(20,027)	(2,668)	2,781	1,566	(27,691)
Profit (loss) for the year	36,508	62,741	13,586	(7,518)	18,874	124,191
Spot volumes - MCLP						
Assets (loans)	18,893,728	10,924,968	1,680,101	-	12,888	31,511,685
Liabilities (Core and Term deposits)	7,034,155	5,431,404	-	5,708,622	477,086	18,651,267

Six months ended June 30, 2025 (in millions of CLP (MCLP))	Retail	Wholesale	CAT	Treasury	Other	Accounting total
Net interest income	308,987	170,681	160,129	(159,534)	(7,351)	472,912
Other income	77,685	103,696	38,418	171,685	4,540	396,024
Equity in net income of investees	-	-	-	-	2,230	2,230
Total operating income	386,672	274,377	198,547	12,151	(581)	871,166
Operating expenses	(167,782)	(65,875)	(57,986)	(5,196)	(2,476)	(299,315)
Depreciation and amortization	(24,100)	(5,888)	(7,963)	(221)	(185)	(38,357)
Provisions	(74,868)	(25,591)	(197,154)	-	3,000	(294,613)
Segment operating profit (loss)	119,922	177,023	(64,556)	6,734	(242)	238,881
Income tax expense	(24,380)	(42,757)	20,004	(1,818)	8,697	(40,254)
Profit (loss) for the year	95,542	134,266	(44,552)	4,916	8,455	198,627
Spot volumes - MCLP						
Assets (loans)	19,072,665	10,673,187	1,771,366	-	150,048	31,667,266
Liabilities (Core and Term deposits)	7,092,266	5,819,128	-	3,277,395	2,148,797	18,337,586

Six months ended June 30, 2024 (in millions of CLP (MCLP))	Retail	Wholesale	CAT	Treasury	Other	Accounting total
Net interest income	284,732	168,945	158,667	(146,774)	(4,386)	461,184
Other income	68,742	100,291	38,404	158,050	12,241	377,728
Equity in net income of investees	-	-	-	-	2,436	2,436
Total operating income	353,474	269,236	197,071	11,276	10,291	841,348
Operating expenses	(162,989)	(65,136)	(62,089)	(2,603)	(4,448)	(297,265)
Depreciation and amortization	(23,591)	(4,866)	(7,466)	(105)	43	(35,985)
Provisions	(80,598)	(26,638)	(106,086)	-	3,313	(210,009)
Segment operating profit (loss)	86,296	172,596	21,430	8,568	9,199	298,089
Income tax expense	(17,818)	(41,982)	(3,810)	(2,313)	8,937	(56,986)
Profit (loss) for the year	68,478	130,614	17,620	6,255	18,136	241,103
Spot volumes - MCLP						
Assets (loans)	18,571,205	11,045,914	1,679,640	-	214,926	31,511,685
Liabilities (Core and Term deposits)	7,038,566	5,426,993	-	3,847,263	2,338,445	18,651,267

Entity structure and how it creates value.

As at June 2025, Scotiabank Chile is owned by 99.80% by "Nova Scotia Inversiones Limitada", an entity owned by the "Bank of Nova Scotia" (BNS), which is the Bank's sole controlling shareholder. The remaining percentage (0.20%) corresponds to minority shareholders.

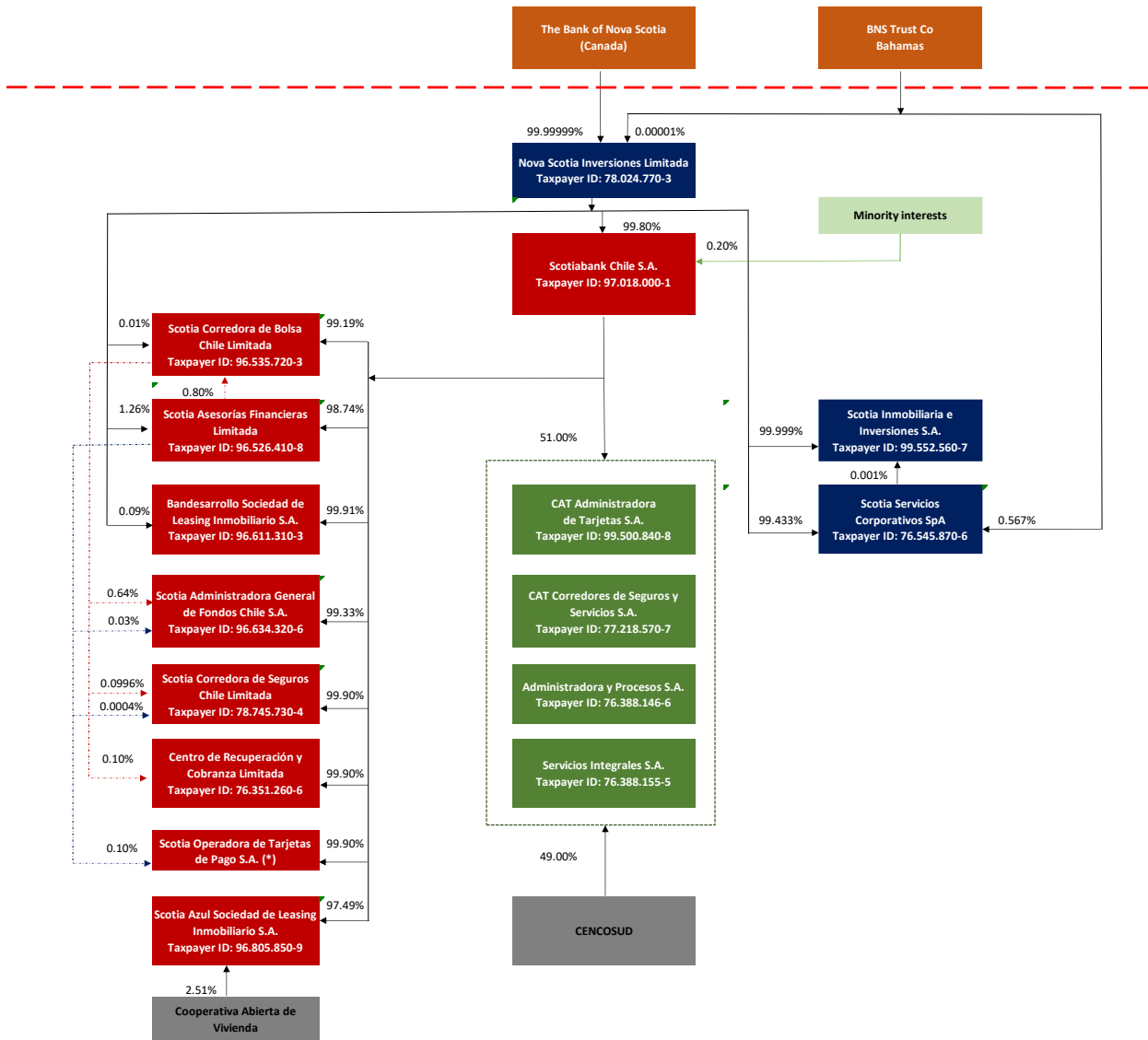
In its turn, Scotiabank Chile controls the subsidiaries Scotia Corredora de Bolsa Chile Limitada, Scotia Asesorías Financieras Limitada, Banderarrollo Sociedad de Leasing Inmobiliario S.A., Scotia Administradora General de Fondos Chile S.A., Scotia Corredora de Seguros Chile Limitada, Centro de Recuperación y Cobranza Limitada, Scotia Azul Sociedad de Leasing Inmobiliario S.A., and Scotia Operadora de Tarjetas de Pago S.A.

It also controls the companies comprising CAT, which are Administradora de Tarjetas S.A., CAT Corredores de Seguros y Servicios S.A., Administradora y Procesos S.A. and Servicios Integrales S.A. In all these companies, Cencosud holds ownership interest of 49%.

Figure No. 5

Corporate structure

OWNERSHIP STRUCTURE OF BNS IN CHILE



Corporate governance is a priority for Scotiabank and is an essential element for long-term success. Corporate governance policies are designed to ensure the independence of the Board of Directors and its ability to provide effective oversight of the Bank's operations by management.

It is composed of the shareholders, who through their meeting appoint the Board of Directors. The various committees that control the different areas of management, such as the Risk Committee, the Audit Committee, together with the other internal committees, report to this body. This is completed by the external auditors, who report directly to the Audit Committee.

At the Extraordinary Shareholders' Meeting held on November 14, 2022, the number of members of the Board of Directors was reduced to 7 regular members and 1 alternate director.

In January 2023, the Financial Market Commission (CMF) approved this change in the bylaws and in such month the first meeting of the board was held, which was made up of four men and four women. Accordingly, Scotiabank Chile became the first private bank in Chile to have a board having parity of representation.

Figure No. 6

Corporate Governance



2. OBJECTIVES AND STRATEGY

Business objectives and strategy

Scotiabank's Strategy

In December 2023, under the name "The New Way Forward," Scotiabank launched its new global strategy institutional strategy. This plan updates the Bank's vision to strengthen its future and represents its commitment to shareholders, customers and teams to invest in its long-term success. The new way forward is based on the entity's purpose of being the most reliable financial partner for its customers, through a sustainable and profitable growth offer. Aligned with the global strategy, in Chile the strategy is based on the following pillars:

- The main bank for our customers: Increase relations with primary customers. This means providing advice to propose solutions, continuously delivering an exceptional experience and a compelling value proposition. A bank focuses on its customers through appropriate segmentation for these purposes and seeking to optimize profitability and capital consumption.
- A simple organization: Automate, simplify and optimize processes based on digitalization. Improve profit or loss with a focus on efficiency and productivity.
- One team working in coordination: The focus is on eliminating silos in the organization, aligning incentives and initiatives to achieve objectives. This is based on an organization that invests in its employees, culture and communities, being seen as attractive for talent and fostering talent development.

To achieve these objectives, the following strategic focuses have been defined as follows:

- Drive growth of our customers' deposits to continue closing the funding mix gap with the market.
- Growth in loans focused on a more profitable and sustainable mix.
- Digitalization of processes to capture synergies and align structures to value-generating capabilities.
- Strengthen the best talent by developing the team to achieve objectives, aligned to the same strategy.
- Keep the bank safe supported by a culture of risk control and management.
- Prioritize environmental, social support, inclusion and governance commitments.

Non-financial objectives

Scotiabank is committed to generating a positive impact in the communities where it operates, which is part of the vocation that has characterized it since its incorporation in Canada more than 190 years ago. The Bank creates jobs, invests in businesses, in communities, promotes its values and is part of the society in which it participates. In its quest to build a stronger Bank, it is also building stronger societies. It is also a financial solutions provider and supports its customers, their families and communities, seeking to achieve success through a wide range of advice.

In addition to its financial strategy, Scotiabank is committed to creating value for its key stakeholders —customers, communities, employees and suppliers— through strong corporate governance and sustainable practices, as well as environmental care.

Accordingly, the Bank is convinced that economic growth goes hand in hand with social inclusion and respect for the environment, identifying and mitigating risks and enhancing development opportunities, both for the organization and for the society.

At the community and social investment level, the Bank's efforts are focused on continue to develop its social impact ScotiaRISE program, whose purpose is to strengthen economic resilience in the communities where it operates, understanding this concept as the capacity of individuals, families, businesses and communities to thrive in different circumstances and actively participate in local economies. In its latest version, eight organizations received funding for the development of their projects. To date, all of the initiatives are being implemented in full.

The Bank has also defined itself as an organization that values every voice, making inclusion a core corporate value and a key component of its culture. Its Inclusion policy, formalized in 2018, and updated in 2021 defines four pillars of work in these areas: gender equity, multiculturalism, LGBTQIA+ community and disability. In this last aspect, 1.5% of the Bank's staff as at March 2025 corresponds to people with some type of visible and non-visible disability and 99% of them has an indefinite employment contract.

Under the pillar of ensuring equality between men and women, the Bank has promoted high-impact programs and measures in recent years, which have allowed it to become a benchmark, not only in the financial industry but also at the general business level. Bearing this in mind, Scotiabank launched its first "Gender Equity Report" in March, a document that presents the main indicators on this subject related to different stakeholder groups.

Within the framework of the culture of inclusion and diversity, Scotiabank has a Diversity and Inclusion Guidelines Manual for customer service, with the purpose of improving the experience of all the people who visit the branches. The document addresses inclusion practices, such as the use of inclusive language; special attention to people with physical or motor disabilities, as well as those with visual and hearing impairments and autism spectrum disorders (ASD).

These initiatives are in addition to several programs the Bank has promoted over the years, such as the Scotiabank Includes Program, which seeks to improve the quality of life of employees with disabilities; and the On Pause Program, a benefit that allows employees to take unpaid leave of

between two and eight months to pursue personal projects with the security of returning to their jobs once their absence is over.

The programs promoted have led to recognition and certification. Scotiabank Chile was recently recognized in third place in the Chile Unido Ranking, which recognizes the "Best Organizations for Integrating Personal and Work Life." On this occasion, the Bank went up four positions compared to the prior year's measurement. Also, during the reporting period, the Bank received Top Employer certification, which recognizes companies with excellent policies to promote the well-being and development of their employees. For the seventh consecutive year, it obtained the Equidad CL seal from the Human Rights Campaign and the Fundación Iguales for being one of the best workplaces for LGBTQIA+ people.

Regarding ESG, the Bank was ranked 24th in Merco's ranking of the 100 most responsible companies in Chile, which recognizes companies based on their performance in environmental, social, and governance areas.

Another inclusion initiative is the "Creamos Futuro" program, which, in partnership with the Entrepreneur Foundation, uses recreational tools such as the interactive game FinanCity to teach students about savings, debt management, and household management. At the recent 2025 Financial Innovators of the Americas Awards ceremony, organized by Fintech Americas Miami, Scotiabank Chile's Sustainability team was awarded the Gold Prize in the Sustainability and Social Responsibility category for the impact and innovation of this financial education program.

At the environmental level, the Bank is aware that climate change is affecting natural systems and communities around the world. It is therefore committed to reducing its impact on the environment. In this context, during this period, the Bank, through Scotia Administradora General de Fondos, subscribed to the UN Principles for Responsible Investment, which will help to deepen the thorough evaluation of environmental, social and corporate governance factors conducted when making investment decisions.

Scotiabank also actively participated in the public-private Green Finance roundtable, led by the Ministry of Finance, which worked on the development of the Environmentally Sustainable Taxonomy (T-MAS), which was recently formalized by the economic authority. This initiative creates a classification system designed to categorize economic activities according to criteria that allow us to assess whether they are performed in an environmentally sustainable manner.

With regard to employees, being a great place to work is one of our goals. We are concerned that employees can develop in a culture that is safe, inclusive and committed to doing the right thing. To achieve this, the Bank has training and development plans, such as a women's leadership program that debuted in 2023, which in its second version included with the participation of employees from Scotiabank Uruguay, providing them with key tools and skills for their personal and professional growth. This year also saw the launch of Scotia Talks, a series of talks with external experts who provide fresh perspectives on addressing the organization's current challenges.

In addition, the Bank has developed a robust compensation system based on principles of fairness, competitiveness and emphasis on performance. Likewise, time, money and welfare benefits are offered thinking about the diversity of employees, so that they are able to choose among some of its modalities, according to their priorities, needs and interests.

In this context, the Bank is also committed to flexibility and the permanent implementation of the hybrid and flexible work model, referred to as W4 or "The Way We Work and Where", which combines face-to-face and remote work based on differentiated schemes for each area of the Bank according to its objectives, business needs and the needs of its teams.

Digital transformation for customers

Scotiabank Chile has developed a complete ecosystem of products and functionalities that seek to offer efficient solutions that simplify people's lives, accompanying them in their digital habits and needs.

With the objective of constantly improving the digital service offered to customers, a number of new developments were added during the reporting period:

During this period, in the Retail sector, the improvements implemented in both the ScotiaGo app and the web portal stand out. This includes a new module on the customer's private website that allows for the creation of different requirements and requests for subsequent tracking.

Additionally, accessibility has been implemented throughout the "Need Help" menu, with voiceover support for all features. Another innovation incorporated for personal banking customers was the implementation of the avatar menu on the home page, and a product tour to explain what this new feature is all about when the customer sees it. It appears only once, when the customer sees the new functionality.

With the goal of increasing the volume of online renegotiations and reducing in-person visits to branches, a simulated renegotiation process approved in the eiAP system was made available on the private website for customers to confirm and complete online.

Promoting women's leadership

From its incorporation, Scotiabank has been interested and engaged in advancing diversity and inclusion in general, with a strong commitment to gender equity and the promotion of opportunities for women. This is both internally with its employees, as well as with customers and communities. For example, as early as the late 1950s, the bank in Canada had women in management positions.

As at June 2025, 51.9% of the workforce was female, whereas 23.3% of senior management positions are held by women.

In August 2022, the Scotiabank Women's Initiative was launched in Chile, a global program that seeks to break down barriers and promote women's leadership in business. Its value proposition is based on 3 pillars: financing, education and counseling, which have had an impact on more than 3,500 women.

In terms of financing, from the beginning of its implementation through May 2025, more than CAD\$514 million in financing has been provided to companies led by women and more than 25 training and networking events have been held, covering the capital and also the regions.

In addition, from the implementation of the program, we increased our monthly intake of women-led companies from 22% to 30%.

The Women's Initiative also seeks to recognize through the support of several instances such as the Executive Woman Award, in which Scotiabank has been participating for 9 years and which is given together with Mujeres Empresarias and Diario Financiero, with the aim of making visible the trajectory and impact of women in different roles.

The 2025 version, which this time seeks to highlight female sales managers, held the nomination process between March 3 and 21, and received more than 1,600 nominations from women across Chile. The awards ceremony was held at the Cámara Chilena de la Construcción (Chilean Chamber of Construction, (CChC)).

From 2024, and as part of its commitment to gender equality, Scotiabank subscribed to the Women's Empowerment Principles (WEPs) of UN Women and the UN Global Compact, designed as a tool to engage the private sector in promoting gender equality in the workplace, marketplace and communities.

Significant changes in objectives and strategy

The strategy and objectives of Scotiabank Chile, although not significantly changed compared to the prior year, are aligned with BNS' new global strategy, which was released in December 2023. This global strategy has a central focus on growth and scale in priority markets, as well as on strengthening relationships with primary customers. It also seeks to facilitate doing business with the Bank and winning as a cohesive team.

The strategy and focuses presented in the Scotiabank Strategy section are in line with BNS' global strategy, maintaining the focus on customers and digitalization, improvements that impact profitability and the focus on the team, in addition to rigorously complying with regulations and controls.

Compared to the prior year, changes in strategy are focused on highlighting the focus on the team, promoting a collaborative and motivating work environment that fosters professional development and excellence. Also, the pillars of digitalization and satisfaction of customer needs through effective and efficient products and services remain.

Business vision and value strategy

Scotiabank has a strategic plan, in which it has described its Vision and Mission:

Vision

Scotiabank Chile is inspired by the Parent's vision, "For Every Future", which seeks to reflect the motivation and purpose as a financial institution to help customers, their families and their communities achieve success by offering them a full range of products and advice.

Scotiabank's vision is to become the most trusted financial partner of our customers and achieve sustainable and profitable growth.

Mission

Scotiabank's mission is based on three basic pillars: the customer is first, having a winning team and leading in the Americas. Scotiabank is confident that by performing its mission will deliver consistent results for its shareholders over the long-term.

3. ENTITY'S RESOURCES, RISKS AND RELATIONSHIPS

Description of the main financial resources available

In order to perform its short and long-term strategy, Scotiabank actively manages its liquidity so that its sources of funding are well diversified, a key element of its funding strategy, which aims to achieve an appropriate balance between the cost and stability of funding.

Funding concentration is regularly monitored and analyzed for each type of source. Specifically, these sources correspond to capital, on-demand balances, term deposits for individuals and institutions, bank borrowings banks and debt instruments issued, among others.

In this context, deposits and other on-demand liabilities are key components of the Bank's core funding, which amounted to CLP 5,639,745 million as at June 30, 2025 (CLP 5,448,351 million as at March 31, 2025 and 5,057,184 million as at June 30, 2024). Deposits and other term deposits represented CLP 12,697,841 million as at June 30, 2025 (CLP 13,325,917 million as at March 31, 2025 and CLP 13,594,083 million as at June 30, 2024), whereas bank borrowings were CLP 2,243,882 million as at June 30, 2025 (CLP 2,318,141 million as at March 31, 2025 and 3,450,858 million as at June 30, 2024). In addition, core funding was supplemented with debt issuances of CLP 10,071,149 million as at June 30, 2025 (CLP 10,235,059 million as at March 31, 2025 and 9,538,230 million as at June 30, 2024).

On November 26, 2024, Scotiabank privately issued USD\$700 million in perpetual bonds at an annual rate of 6.94%. These bonds, classified as Additional Tier 1 (AT1) instruments, were acquired by an entity of The Bank of Nova Scotia, the Parent of Scotiabank Chile.

The Bank holds liabilities in Chilean pesos, Unidades de Fomento (inflation-adjusted units) and in foreign currency, mainly in U.S. dollars. Currency mismatches are monitored on an ongoing basis and transactions are within the extent of the liquidity risk appetite defined.

Table No. 3 shows the main sources of financing for the second quarter of 2024 and 2025.

Table No.3: Sources of financing

Components	June 2025 MCh\$	March 2025 MCh\$	December 2024 MCh\$	June 2024 MCh\$
Deposits and other on-demand liabilities	5,639,745	5,448,351	5,605,991	5,057,184
Term and other on-demand deposits	12,697,841	13,325,917	13,130,590	13,594,083
Obligations with domestic banks	-	-	100,029	-
Obligations with foreign banks	2,243,882	2,318,141	2,355,128	2,613,858
Obligations with Banco Central de Chile	-	-	-	837,000
Letters of credit	70,627	73,287	76,339	82,308
Current bonds	8,077,481	8,219,967	8,033,742	8,243,881
Subordinated bonds	1,271,075	1,278,291	1,257,573	1,212,041
Bonds with no fixed maturity date	651,966	663,514	696,318	-
Total	30,652,617	31,327,468	31,255,710	31,640,355

Description of the main non-financial resources available

Scotiabank has developed several resources and initiatives to improve the quality of life of its communities, stakeholders, the environment, its partners and customers, which are detailed below:

Scotia Connect

It is a remote customer service platform, composed of a team of commercial and operational executives, who serve customers through a remote service model (email and/or telephone only). Note that they do not have a face-to-face service, but rather under a semi-portfolio model (the customer is managed by their team of executives "minipool") and the delivery of products and signing of documents is performed via delivery service.

As at June 2025, the Bank has 27 Connect customer service platforms, serving over 205 thousand customers.

APP SCOTIABANKGO

The focus of this App is to make the bank available to customers from the comfort of their cell phone, delivering a first class user experience, with the highest standard of information security and providing all the functionalities that a customer needs to satisfy their needs and/or requirements. This application is able to provide an integrated experience under the "All inclusive" concept, where the customer can use all available digital functionalities and authorize their transactions from the same App without the need to download multiple separate applications. Additionally, all of ScotiaGO's new developments consider the implementation of digital accessibility, which strengthens the commitment as a Bank to the inclusion of people with disabilities and to facilitate access to financial services for everyone. This approach allows for

instance that people with total visual disability can operate using assistive technology as screen readers may perfectly interact with the application.

As at May 2025, more than 562 thousand active users have been achieved in the ScotiaGO application, more than 652 thousand active digital users and an overall customer digital adoption of 70%.

Scotiabankers

The entity's most important resource is its employees. As at June 2025, Scotiabank Chile has a total of 5,545 employees, distributed among the Bank and its subsidiaries. Scotiabank strongly believes the success of its activities is based on a sound performance culture, under a process concept that is ever growing. This has allowed it to enhance the development of its employees and identify learning opportunities to strengthen their growth and maintain a high level of commitment to the organization. The breakdown of employees can be seen in Table No.4.

Table No.4: Detail of employees

Total headcount	June 2025	March 2025	December 2024	June 2024
Senior Management	30	22	21	24
Management	150	148	149	146
Professionals	3,873	3,865	3,858	3,963
Administrative staff	1,457	1,499	1,505	1,519
Sales force	35	36	38	38
Total	5,545	5,570	5,571	5,690

Diversity in the Board of Directors

As at June 2025, the Board of Directors is composed of 4 women and 4 men, as shown in Table No. 5.

Table No.5: Diversity in the Board of Directors

Women	Men	Total
4	4	8

Note that at the Extraordinary Shareholders' Meeting held on November 14, 2022, the number of members of the Board of Directors was reduced to 7 regular members and 1 alternate director. In January 2023, the Financial Market Commission (CMF) approved this change in the bylaws and in such month the first meeting of the board was held, which was made up of four men and four women. Accordingly, Scotiabank Chile became the first private bank in Chile to have a board having parity of representation.

Discussion on the Capital structure

Scotiabank's capital structure complies with the minimum capital requirements established by the Financial Market Commission (CMF) under Law No. 21.130, which defined new requirements in line with international standards known as "Basel III."

At the end of June 2025, basic equity amounted to CLP 3,639,900 million, to which the Additional Tier 1 is added, on November 26, 2024 and in accordance with its capital planning Scotiabank Chile conducted its first issue of bonds with no maturity for USD 700 million, and accordingly, Tier 1 equity amounts to CLP 4,291,866 million. Tier 2 capital, which corresponds to the sum of additional provisions plus subordinated bonds, amounted to CLP 1,180,554 million, resulting in total effective equity of CLP 5,472,420 million.

In addition, note that regulatory limits of the Tier 2 capital components showed headroom, as subordinated bonds were using 29.66% of a maximum of 50% of the possible core capital and, for additional allowances, these reached 0.40% of a maximum of 1.25% of the Credit Risk Weighted Assets (CRWA).

In compliance with the standards issued by the CMF, note that from December 1, 2021, the RWA used for the calculation of the effective equity ratios included Market Risk Weighted Assets, which amounted to CLP 3,842,738 million for June 2025, together with the Operational Risk Weighted Assets, which amounted to CLP 2,869,892 million, and the method for the calculation of Credit Risk Weighted Assets, which amounted to CLP 25,159,100 million, was modified.

The ratio of effective equity to total RWA reached 17.17% as at June 2025 on a regulatory requirement of 12.19% to maintain grade A solvency and the CET 1 ratio was 11.42% on a regulatory minimum requirement of 8.58%. Accordingly, the Bank shows adequate solvency and is in line with the strategic definitions of its Parent, which allows it to comply with and maintain buffers regarding the regulatory requirements from the Bank, which include among others:

- During May 2023, Banco Central de Chile informed that its Board decided to activate the countercyclical capital requirement (CCR) of 0.5% of RWA, which became enforceable beginning in May 2024.
- On January 17, 2025 and following the supervisory review and evaluation process performed by the CMF, Scotiabank was informed of the resolution adopted by the Board related to the additional minimum effective capital requirements, which decreased the additional capital charge from 1% to 0.25% for the Bank in accordance with Pillar Two, of which at least 56.3% must be satisfied with Common Equity Tier 1 ("CET1") and the remaining balance using other capital instruments (AT1 or Tier 2), which results in maintaining the charge already made for this concept, and this will be assessed on an annual basis through the supervisory process.
- In March 2025, the CMF reported that Scotiabank maintains its rating as a systemically important bank, confirming the 1.25% systemic buffer already required from the Bank.

Leverage ratio, Basic Capital to Total Assets ratio, was 8.91%.

In April 2025, the shareholders at the shareholders' meeting approved the distribution of 50% of the profits from 2024, which is based on the capital planning process and the Bank's flexibility regarding both the regulatory minimum and its internal target.

The capital structure is shown in Table No.6.

Table No.6 Capital Structure

Available Capital	June 2025 MCh\$	March 2025 MCh\$	December 2024 MCh\$	June 2024 MCh\$
Tier 1 Capital	4,291,866	4,191,706	4,310,751	3,606,321
CET 1	3,639,900	3,528,192	3,614,433	3,606,321
Capital	1,368,421	1,368,421	1,368,421	1,368,421
Reserves	381,405	381,405	381,405	381,405
Retained earnings	2,070,523	1,985,457	2,022,636	1,885,160
Other comprehensive income accounts	(72,905)	(83,406)	(70,855)	(40,219)
Minority interest	119,160	114,092	145,734	130,127
Equity adjustments	(226,704)	(237,777)	(232,908)	(118,573)
AT1	651,966	663,514	696,318	-
Additional tier 1 capital	651,966	663,514	696,318	-
Tier 2 Capital	1,180,554	1,182,603	1,230,349	1,190,170
Subordinated bonds	1,079,524	1,081,573	1,066,101	1,025,922
Additional allowances	101,030	101,030	164,248	164,248
Total effective equity	5,472,420	5,374,309	5,541,100	4,796,491

Table No.7: Capital Components

Concept	June 2025 (%)	March 2025 (%)	December 2024 (%)	Regulatory Requirements
Regulatory Capital (T1 + T2)	17.17%	17.01%	17.30%	> = 12.19%
CET1 / RWA	11.42%	11.17%	11.29%	> = 8.58%
T1 / RWA	13.47%	13.27%	13.46%	> = 10.08%
Leverage ratio	8.91%	8.48%	8.64%	> = 3%
Tier 2 / Tier 1	27.51%	28.21%	28.54%	-
Subordinated debt / CET1	29.66%	30.66%	29.50%	< 50%

Financial agreements

In the normal course of business, the Bank has entered into contractual agreements with third parties. Depending on the nature of the agreements, they could have a current or future impact on the Bank's financial performance. Among the most significant agreements is Scotiabank's strategic partnership with Cencosud, effective since 2015.

In recent periods, the Bank has entered into contracts with third parties in the areas of means of payment, insurance, outsourcing of services, among others.

Description of the Bank's liquidity and cash flows

Liquid assets are a key component of liquidity management, and the Bank holds sufficient liquid assets to meet potential liquidity management needs.

Liquid assets can be used to generate cash, either through sale, repurchase or other transactions where such assets can be used as collateral to generate cash or by allowing the asset to mature. Liquid assets include deposits with central banks, deposits with financial institutions, demand and other short-term loans, marketable securities and securities received as collateral for securities financing and derivative instruments.

The Board of Directors is responsible for periodically defining the Bank's liquidity risk tolerance level, understood as the level of liquidity risk that the Bank is willing to assume. Scotiabank Chile has a Liquidity Management Policy aimed at ensuring timely compliance with obligations, safeguarding adequate liquidity risk management.

The Bank conducts stress tests at least quarterly to analyze the potential impact of adverse scenarios on the liquidity position, considering idiosyncratic and systemic scenarios.

Liquidity coverage ratio

This indicator is intended to ensure that the Bank maintains a minimum level of unencumbered, high quality liquid assets that can be readily converted into cash to meet cash outflows over a 30 calendar day time horizon, based on a critical regulatory liquidity stress scenario defined by the regulator.

The Bank's main liquidity metric is the Liquidity Coverage Ratio (LCR). The LCR amounts achieved by the Bank at the consolidated level are shown in Table No.8.

Table No.8: Liquidity Coverage Ratio

Liquidity coverage ratio	June 2025 MCh\$	March 2025 MCh\$	December 2024 MCh\$	June 2024 MCh\$
High quality liquid assets	2,646,782	3,274,573	2,833,227	2,326,858
Net adjusted expenses	1,871,713	2,026,745	1,728,378	1,223,738
LCR%	141.41%	161.57%	163.92%	190.14%

Net Stable Funding Ratio

Additional to the LCR, and in accordance with current regulations, the Bank also monitors the Net Stable Funding Ratio (Net Stable Funding Ratio (NSFR)). This indicator consists of a structural liquidity metric, aimed at ensuring that the Bank maintains a stable funding profile in relation to the composition of assets and off-balance sheet activities.

In March 2022, Banco Central de Chile published a new regulation on liquidity risk management in the banking system. In accordance with such regulation, a minimum limit of 60% would be established beginning on January 1, 2022, considering a gradual implementation period that would finish in January 2026, with a limit of 100%. Amounts achieved by the Bank in this metric are shown in Table No.9.

Table No.9: Net Stable Funding Ratio

Net Stable Funding Ratio	June 2025 MCh\$	March 2025 MCh\$	December 2024 MCh\$	June 2024 MCh\$
Available stable funding (ASF)	27,467,583	27,216,413	27,249,034	26,539,176
Required stable funding (RSF)	24,396,884	24,424,563	24,650,708	23,906,016
Net Stable Funding Ratio (%)	112.59%	111.43%	110.54%	111.01%

Action plan to manage an excess or shortfall of resources.

The Bank has a liquidity contingency plan, which specifies an approach to analyze and respond to potential liquidity events. The plan describes an appropriate governance structure for the management and monitoring of liquidity events, processes for effective internal and external communication and identifies possible countermeasures to be considered at several stages of a liquidity event. A contingency plan is established both at the Bank level and for the main subsidiaries.

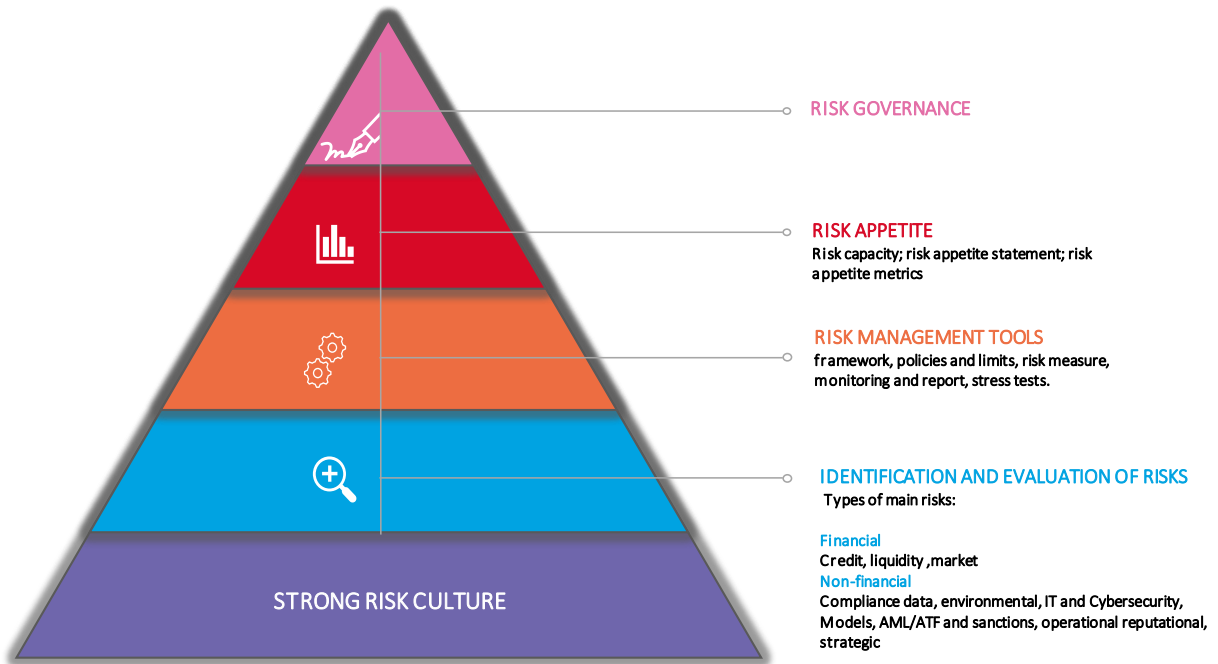
Scotiabank manages its excess financial resources within the framework established by market and liquidity risk limits.

Potential impact of identified risks and how they are managed.

Efficient and effective risk management is pivotal to Scotiabank Chile's success and is a key part of both the Bank's risk management approach and the overall approach to strategy management. Scotiabank has a strong risk culture model, which involves all Bank's employees in managing risks. It considers policies, processes, control management and auditing as key elements, which are critical components for creating a strong risk culture. The components of risk culture can be observed in Figure No. 7.

Figure No. 7

Risk culture

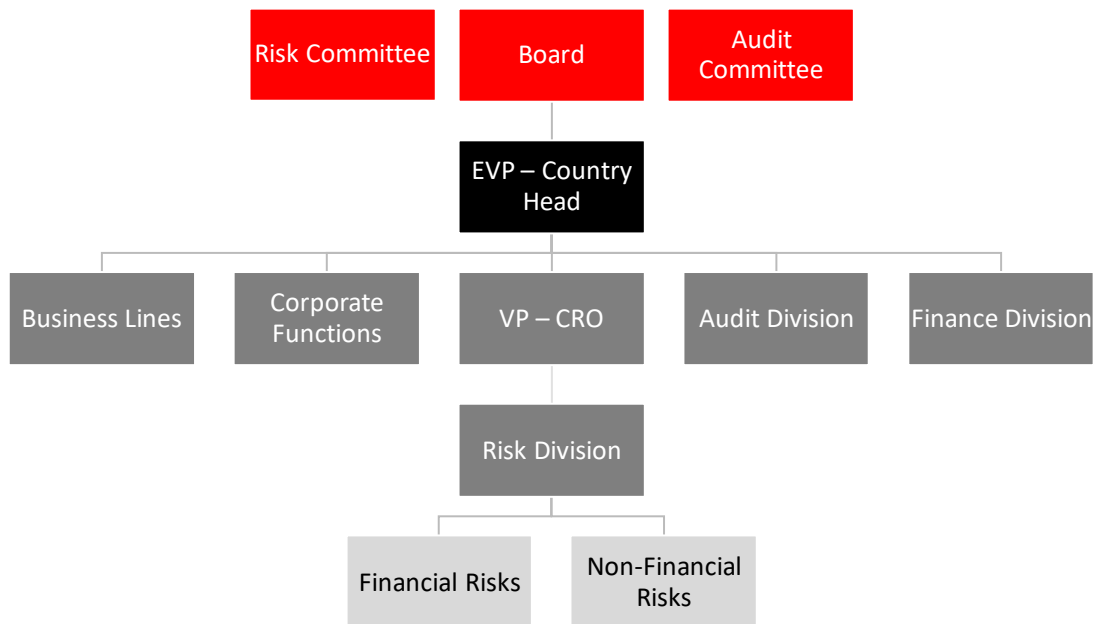


Governance structure

The Board of Directors and its committees are responsible for the Bank's oversight and risk management activities and are organized as shown in Figure No. 8.

Figure No. 8

Management structure



Risk structure key components.

Board of Directors

Because it is the Bank's highest governance body, it provides oversight, either directly or through its committees, to ensure that decision-making is consistent with the Bank's strategies and risk appetite. In addition, the Board of Directors receives regular updates on key risks, including a summary of the Bank's risk profile and the performance of the portfolio compared to the limits established. Approves key risk policies, limits and risk appetite framework.

Risk Committee

Provides assistance to the Board of Directors in meeting its responsibilities of identifying and monitoring key financial and non-financial risks. The Committee supports the Board by overseeing risk management functions including credit risk, market risk and operational risk and ESG risk. This also includes periodically reviewing and approving key risk management policies, frameworks and limits and ensuring that all Bank management is operating within the risk appetite framework. The Committee also monitors the independence of each of these control

functions, including the effectiveness of those in charge of such duties and the functions themselves.

Audit Committee

It is intended to be responsible for 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 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.

Executive Vice President - Country Head

Directly responsible for defining, communicating and implementing Scotiabank Chile's strategic direction, goals and core values that maximize long-term shareholder value. Oversees the implementation of the Bank's risk appetite collaborating with the SVP *Chief Risk Officer* of the Risk Division and the SVP & *Chief Financial Officer* of the Finance Division, which is consistent with the Bank's short and long-term strategy, business and capital plans.

SVP Chief Risk Officer

Ranks under the direct supervision of the Executive Vice President - Country Head and reports to the Risk Committee. He has overall responsibility for Scotiabank Chile's AML/ATF risk management, compliance and prevention of money laundering and terrorist financing. The SVP *Chief Risk Officer* has unrestricted access to certain Directors' committees to ensure their independence. As a Senior Member of the Bank's Senior Management, the *Senior Risk Vice President* participates in strategic decisions related to where and when the Bank will use its several sources of capital resources to achieve the Bank's business line performance goals and overall objectives.

Risk Management Department

The Risk Management Department reports to the Head Office's international management of the Risk Management Department. This management has operational, credit and market risk divisions, which also report to Scotiabank Canada through their related risk units.

Management model

The risk management model is structured in three lines of defense:

1. The first line is composed of the business units, which are basically the business units that incur and own the risks.
2. The second line of defense is composed of the control functions (Risk Management and Compliance) and provides the guidelines and governance framework for risk management, along with monitoring and controlling risks.
3. The Internal Audit area is the third line of defense, independently verifying the performance of the business areas and the risk management control functions.

Bank's main risks

Financial risks

These are risks that are directly associated with the Bank's core business and revenue-generating activities. In turn, these are risks that the Bank understands well and assumes in order to generate sustainable, consistent and predictable earnings. Financial risks are generally quantifiable and relatively predictable.

The Bank is willing to assume these types of risks, as they are considered to be a critical part of business activities. This is provided they are well understood, are within the limits that have been established and meet the desired risk or return profile.

Credit risk

The risk of loss resulting from the failure of a customer or counterparty to meet its financial or contractual obligations to the Bank. Credit risk arises in the Bank's direct lending operations and in its financing, investing and trading activities, where counterparties have repayment or other obligations to the Bank.

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. See Note 47 to the Interim Consolidated Financial Statements for further details regarding specific management and exposure to Credit Risk.

Market risk

The risk of loss from changes in market prices and rates (including interest rates, credit spreads, exchange rates and the prices of commodities), the correlations between them and their volatility levels. Market risk includes trading risk, investment risk, interest rate risk, foreign currency risk and indexation risk.

See Note 47 to the Interim Consolidated Financial Statements for further details regarding specific management and exposure to Market Risk.

Liquidity risk

This is the risk that the Bank will not be able to meet its financial obligations in a timely manner at reasonable prices. Financial obligations include liabilities to depositors, payments due under derivative contracts, settlement of securities lending and repurchase transactions, and lending and investment commitments.

See Note 47 to the Interim Consolidated Financial Statements for further details regarding specific Liquidity Risk management.

Non-financial Risks

These risks are inherent to the Bank's business and may have negative strategic, business, financial or reputational consequences if not managed. Compared to financial risks, these risks are less predictable and more difficult to define and measure. The Bank states it assumes low levels of non-financial risks and works to ensure that they are adequately controlled.

Operational risk

This is the risk of loss resulting from inadequate or failed people, processes and systems, or from external events. Operational Risk includes third party risk 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, sanctions by regulatory authorities or damage to the reputation of the institution.

Strategic Risk

It is the risk that the Bank, its business lines or corporate functions, make ineffective strategic decisions or are not sufficiently resilient to changes in the business environment, do not meet the Bank's Risk Appetite or that such strategies are deficiently performed.

Reputational Risk

The risk that negative publicity or the feeling that the stakeholders regarding Scotiabank's conduct, business practices or partnerships, whether true or not, will have an adverse effect on its revenues, operations or customers, or will require litigation or other costly defensive measures.

Compliance Risk

This is the risk that an activity will not be conducted complying with applicable laws, rules, regulations and prescribed practices, as well as with the internal policies, procedures and ethical standards expected by regulators, customers, investors, employees and other stakeholders. Compliance risk comprises regulatory compliance risk, conduct risk and privacy risk.

Cybersecurity and Information Technology (IT) Risk

It is the risk of loss of confidentiality, integrity, or availability of information, data, or information systems, and reflects potential adverse impacts on the organization's operations (i.e., mission, duties, image, or reputation) and assets, customers, and other stakeholders. Information technology risk relates to the risk of financial loss, disruption or reputational damage because of a failure in information technology systems.

Money Laundering and Terrorist Financing Risk (AML/AFT)

Money Laundering and Terrorist Financing Risk is the susceptibility of Scotiabank Chile to be used by individuals or organizations in the crime of money laundering, terrorist financing or violations of economic sanctions. This also includes the risk that the Bank does not comply with applicable anti-money laundering (AML)/anti-terrorist financing (ATF) legislation, sanctions legislation or fails to implement controls reasonably designed to deter, detect and report AML/AFT.

Environmental, Social and Governance Risk (ESG)

This is the potential risk that environmental, social and corporate governance factors related to Scotiabank's conduct, business practices or relationships may have an adverse impact on the Bank's performance.

The Bank is directly and indirectly exposed to ESG risks due to its business activities and internal operations. Because of their very nature, ESG risks can increase many of the Bank's other major risks, such as credit, compliance, operational and reputational risks. Consequently, ESG risk management is also integrated into the governance structures and risk management elements of the other main risks they may affect.

ESG risk encompasses environmental risk, the potential negative impacts of potential damage to the natural environment from the Bank's direct and indirect practices, social risk, the potential negative impacts to a business that may arise due to improper management of social considerations that may cause real or perceived negative impacts on individuals and communities, and governance risk, which covers the Bank's processes and policies, how decisions are made, and how the Bank addresses the diverse interests and relationships with its many stakeholders, including shareholders, customers, employees, and the community in general.

Model Risk

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 the model. 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.

Data Risk

This is the exposure to adverse financial and non-financial consequences (e.g., loss of revenue, reputational risk, regulatory risk, suboptimal management decisions) caused by mismanagement, misinterpretation, or misuse of the Bank's data assets. This risk can arise from poor data quality; inadequate data management or data architecture; and/or unethical use of data.

Risk Management Update Process

The risk committee is in charge of managing and recommending to the Board of Directors the necessary changes to obtain adequate risk management and monitoring.

The Enterprise Risk Management (ERM) team is in charge of reviewing and updating the Risk Appetite Framework (RAF) of Scotiabank Chile on an annual basis, or depending on the requirements. These updates go through an *Advice & Counsel* process at the Head Office, to be finally presented to the Risk Committee and Local Board of Directors for approval.

After being approved by the Risk Committee and the local Board of Directors, it is distributed among the Managers who are members of the Executive Committee. The document is published on one or more web sites, including the Bank's intranet. Likewise, the RAF is distributed to the Senior Management of the Bank's subsidiaries for their respective adoption. Likewise, the documents are also distributed and applied to the Bank's Subsidiaries according to the nature and requirements of each one.

Relationships

The purpose of Sustainability is to create value for the society and for Scotiabank, through the commitments that the Bank makes to its main stakeholders through sound corporate governance and good Corporate Social Responsibility practices. Scotiabank understands Sustainability and Social Responsibility as a way of doing business in which the economic growth goes hand in hand with social inclusion and respect for the environment, identifying and mitigating risks and enhancing development opportunities, both for the Bank and for the society.

From 2022 Scotiabank Chile assesses its sustainability management with the application of the SSINDEX (Stakeholders Sustainability Index) survey. The purpose of this tool is to identify and measure the management of companies with connection to the risks associated with the Environmental, Internal Social, External Social and Corporate Governance dimensions of the corporate sustainability strategy from the Bank's main stakeholders view. In 2024, 73% of the 3,123 people who were consulted for this measurement, including employees, customers, and suppliers, rated Scotiabank Chile's risk management and sustainability positively, a slightly lower score than that obtained by the company in the previous measurement. In comparative terms, the dimensions that obtained the best scores were External Social, with 81% of favorable responses—equal to 2023—and Corporate Governance, which reached 77% positive evaluation, 3 points lower than the previous year. The greatest opportunities for improvement were detected in stakeholders' perception of environmental management, which was rated with 59% favorable responses, 3 percentage points lower than the score recorded in 2023.

Main relationships

Employees

Scotiabank helps employees build their future, so that work and family life can be balanced. Your health care is an issue of vital importance to the Bank. Scotiabank Chile has built a culture of significant benefits thought for all the diversity of employees, so that they are able to choose among some of its modalities, according to their priorities, needs and interests.

Customers

Customers are at the heart of the Bank's management and the purpose of its existence, and Scotiabank works to provide services to them in the best possible way. This means ensuring the confidentiality and security of information, complying with responsible sales practices, and resolving your requests and complaints as quickly as possible. Scotiabank is concerned with providing products, services and experiences that enable customers to project a better future through a broad portfolio of financial services and solutions. The Bank has more than 1,300,000 customers, including personal and corporate banking.

Shareholders

Scotiabank's guidelines for the information provided to shareholders include maintaining continuous and fluid communication, facilitating shareholder participation in meetings and holding the *Investor Day*.

Community

Scotiabank is concerned with establishing a link with the community and society in which it operates.

Suppliers

Scotiabank seeks to establish a long-term relationship with its suppliers, based on trust, efficiency and compliance with commitments, which guarantees reciprocal development and contributes to the generation of sustainable economic value in the community.

Environment

Scotiabank understands that climate change is affecting natural systems and communities, posing a risk to the global economy and society, in order to take action to accelerate climate solutions and promote sustainable economic growth. Scotiabank has made five corporate-level climate commitments:

Commitments

1. Mobilize CAD 350 billion by 2030 to reduce the impacts of climate change.
2. Ensure strong climate-related governance and transparency in the Bank's climate-related reporting.
3. Decarbonize operations and seek innovative solutions to reduce the Bank's impact on climate change.
4. Establish a Climate Change Center of Excellence to mobilize internal and external collaboration and coordinate discussion and information exchanges on such subject matter.
5. Optimize the integration of climate risk assessments in operations such as lending, financing and investments.

Stakeholder-related milestones

1. OPCO in Chile and reinforcement with local strategy

For the first time, the Global Operational Committee (OPCO) arrived in Chile, consolidating its strategic commitment to Chile. In May, during the visit of OPCO—led by its President and CEO, Scott Thomson—a two-day event was held that included presentations and working sessions focused on reviewing the implementation of the Bank's new global strategy and future challenges.

One of the highlights was the participation of former president of the Central Bank of Argentina, Martín Redrado, who shared his vision with Corporate, Commercial Banking, and Wealth Management customers, strengthening ties with key players in the Chilean financial ecosystem.

In addition, during that same month, Scotiabank was, for the third consecutive year, the main sponsor of Chile Day, an event that promotes Chile as an attractive investment destination and fosters the development of the capital market among international investors.

2. Sports events with customers and the community

Throughout its history, Scotiabank has demonstrated a strategic commitment to sports, supporting disciplines such as golf in Chile, soccer at the Latin American level and hockey in Canada, where its Headquarters are located.

In March, the seventh edition of the Astara Chile Classic was held, presented by Scotiabank as the official sponsor. The tournament was held from March 6 to 9 and brought together 156 world-class golfers. For its second time hosting the event, Scotiabank held a Pro-Am that allowed the Bank's customers who play golf as amateurs to share the course with professional golfers.

3. Client-facing innovations and releases

In January, the new e-commerce "Market Place" platform was launched, an initiative that seeks to offer a modern, convenient shopping experience that guarantees a reliable and personalized user experience, with cybersecurity systems and advanced analytics. The launch was performed with an initial stock of 2,000 products, grouped into 13 categories such as technology, accessories, beauty, home, children's, and others.

Also, during this period, significant improvements were made to the chatbot, which aims to provide guided user service through the Bank's website and app, enabling self-service without the need to contact an executive. If the solution to the customer's request is not available among the options, they can contact a contact center representative via the same chat.

4. Gender Equity and Inclusion of the LGBTQIA+ Community

As part of its commitment to gender equality, during March, Scotiabank Chile held a number of activities to commemorate International Women's Day, with the participation of approximately

800 women, including employees, opinion leaders, professionals, and women from different communities.

Among the initiatives were the discussions "Are diversity, equity, and inclusion at stake?" and "Moving toward equity: "Stories that inspire," which featured prominent panelists; in addition to the launch of the first gender equity report, which provides indicators on this topic internally, for customers and communities.

Another activity during Gender Equality Month was organized by the "ScotiaEmpower" ERG, which held a professional speed dating event with the participation of nearly 40 allies and 10 women leaders, as an opportunity to promote networking and professional empowerment.

Meanwhile, in June, the Bank highlighted its commitment to the LGBTQIA+ community through internal awareness talks and participation in the Pride March, organized by several organizations advocating for non-discrimination in this area. This year, the march featured a delegation of more than 100 employees.

5. Awards and acknowledgments

During the first half of 2025, Scotiabank Chile was recognized with eight awards and distinctions, highlighting both its organizational management and business performance. Locally, the Bank was recognized as one of the Best Organizations for Integrating Work and Personal Life, achieving third place in the Large Corporations category, in the rankings kept by Fundación Chile Unido and El Mercurio, in addition to receiving international certification for its workplace well-being policies for the third consecutive year. On the business side, Scotia Administradora General de Fondos was named Best Global Fund Manager for the third year at the Morningstar Funds Awards 2025, and Global Finance magazine once again recognized Scotiabank as the Best Bank for Sustainable Finance in Chile, reaffirming its leadership in financing sustainable initiatives.

6. Partnership with the Fundación Nosedal

In May, Scotiabank announced a long-term partnership with the Fundación Nosedal, an organization dedicated to transforming lives through technical education and comprehensive support for vulnerable youth.

The partnership includes an annual financial contribution, higher visibility and promotion of the Foundation's activities, as well as ongoing support and mentoring tools.

4. OPERATING PERFORMANCE AND OUTLOOK

The following discussion relates to the Consolidated Financial Statements of Scotiabank Chile as of June 30, 2025 compared to June 2024.

The Bank's development and performance during the year

Table No.10 shows the balances of the 2025 and 2024 Statements of income.

Table No.10: Statement of Income

Statement of Income	Quarter ended:			Six months ended:	
	June 2025 MCh\$	March 2025 MCh\$	June 2024 MCh\$	June 2025 MCh\$	June 2024 MCh\$
Net interest and indexation income	331,670	318,627	325,269	650,297	651,409
Net fee and commission income	61,172	56,400	53,460	117,572	101,799
Net financial result	33,326	45,098	9,622	78,424	54,726
Other operating income	20,169	4,704	25,267	24,873	33,414
Total operating income	446,337	424,829	413,618	871,166	841,348
Total operating expenses	(171,953)	(165,719)	(166,337)	(337,672)	(333,250)
Operating income before credit losses	274,384	259,110	247,281	533,494	508,098
Credit loss expense	(104,390)	(190,223)	(95,399)	(294,613)	(210,009)
Profit or loss from continuing operations before taxes	169,994	68,887	151,882	238,881	298,089
Income tax expense	(28,702)	(11,552)	(27,691)	(40,254)	(56,986)
Consolidated profit (loss) for the year (or period)	141,292	57,335	124,191	198,627	241,103

For the quarter ended June 2025, net interest and indexation income amounted to CLP 331,670 million, 2.0% higher than the same quarter of prior year, primarily due to lower expenses from UF indexation on issued debt financial instruments (current bonds). In a cumulative basis, net interest and indexation income amounted to CLP 650,297 million, in line with the prior year (-0.2%).

Net fee and commission amounted to CLP 61,172 million, up 14.4% compared to the same quarter of 2024, due to higher advisory, credit transaction and mutual fund fees. On a cumulative basis, net fee and commission amounted to CLP 117,572 million, up 15.5% compared to the prior year, mainly due to higher insurance, mutual fund, advisory and credit transaction fees.

Net financial result recorded CLP 33,326 million, higher by 246.4% compared to June of the prior year due to the better performance in Capital Markets (Trading). In a cumulative basis, a net

financial result of CLP 78,424 million was recorded, 43.3% higher than the prior year, mainly due to a better result from foreign currency exchange.

Also, other operating income⁴ for the quarter amounted to CLP 20,169 million, down 20.2%, explained by lower income from CAT. In a cumulative basis, other income amounted to CLP 24,873 million, 25.6% lower than the prior year, also explained by lower income from CAT.

Likewise, operating expenses amounted to CLP 171,953 million, up 3.4% from the prior quarter, primarily due to higher expenses for technology services, collective bargaining bonuses, and higher depreciation and amortization. On a cumulative basis, operating expenses amounted to CLP 337,672 million, up 1.3% from prior year, primarily due to higher expenses in Commercial Management (Marketing, Cash Management), higher depreciation and amortization, and technology services.

Credit loss expenses for the quarter reached CLP 104,390 million, up 9.4%, mainly in the Global Banking and Markets and CAT segments. On a cumulative basis, credit loss expenses amounted to CLP 294,613 million, up 40.3% from prior year, due to the implementation of the new risk model for the Consumer portfolio, which primarily affected CAT, in January 2025.

Income tax for the quarter amounted to CLP 28,702 million, representing a 3.7% increase compared to the same period last year, driven by improved operating results of the business. On a cumulative basis, it totaled CLP 40,254 million, a 29.4% decrease compared to the previous year. This decline is due to the impact on results from the implementation of the new Standard Consumer Provision Matrix, which came into effect in January 2025.

⁴ Considers: Gain or loss from investment in companies, gain or loss from non-current assets and disposal groups not qualifying as discontinued operations: Other operating income.

Table No.11: Statement of Financial Position

Statement of Financial Position	June 2025 MCh\$	March 2025 MCh\$	December 2024 MCh\$	June 2024 MCh\$
Cash and deposits in banks	1,007,411	1,091,651	866,475	1,264,539
Transactions pending settlement	527,771	476,097	604,970	837,201
Financial assets held for trading at fair value through profit or loss	5,502,641	6,161,259	6,795,207	6,313,306
Financial assets at fair value through other comprehensive income	1,641,359	2,247,611	1,889,506	1,460,831
Derivative instruments for accounting hedge	248,145	271,551	330,263	302,019
Financial assets at amortized cost	31,929,898	31,826,452	32,244,899	32,705,246
Investments in companies	41,883	39,409	38,756	35,674
Intangible assets	242,780	248,893	255,606	258,902
Property and equipment	71,180	73,519	74,715	80,119
Right-of-use assets under lease contracts	139,385	141,545	145,143	148,676
Current taxes	5,031	6,403	3,832	1,095
Deferred tax liabilities	452,030	454,347	403,213	372,082
Other assets	933,283	924,378	848,054	859,880
Non-current assets and disposal groups held for sale	26,224	25,299	20,735	20,750
Total assets	42,769,021	43,988,414	44,521,374	44,660,320
Transactions pending settlement	463,472	421,227	455,278	827,825
Financial liabilities held for trading at fair value through profit or loss	4,442,307	4,750,992	5,214,340	5,162,718
Derivative instruments for accounting hedge	1,565,653	1,587,550	1,554,070	1,442,966
Financial liabilities at amortized cost	29,189,927	29,917,487	30,002,634	30,885,799
Lease contract obligations	133,990	135,403	138,208	140,149
Regulatory capital financial instruments issued	1,923,041	1,941,805	1,953,891	1,212,041
Provisions for contingencies	55,268	48,201	43,700	61,230
Provisions for dividends, payment of interest and repricing of issued regulatory capital financial instruments	69,642	257,279	133,659	69,722
Special allowances for credit losses	148,583	148,427	192,337	187,895
Current taxes	28,922	39,163	2,567	15,000
Deferred tax liabilities	772	804	836	842
Other liabilities	880,840	974,107	982,513	929,239
Total liabilities	38,902,417	40,222,445	40,674,033	40,935,426
Capital	1,368,421	1,368,421	1,368,421	1,368,421
Reserves	381,405	381,405	381,405	381,405
Accumulated other comprehensive income	-72,905	-83,406	-70,855	-40,219
Retained earnings from previous years	1,919,452	2,155,419	1,722,476	1,722,476
Profit or loss for the year	220,358	84,134	432,944	232,406
Provisions for dividends, payment of interest and repricing of issued regulatory capital financial instruments	-69,287	-254,096	-132,784	-69,722
Non-controlling interest	119,160	114,092	145,734	130,127
Total Equity	3,866,604	3,765,969	3,847,341	3,724,894
Total Liabilities and Equity	42,769,021	43,988,414	44,521,374	44,660,320

A decrease is noted in total assets of 4.2% between June 2025 vs. 2024, mainly due to Financial assets for trading at fair value through profit or loss (-12.8%) (financial derivative contracts) and Financial assets at amortized cost that were pledged (-2.4%) due to the payment of the FCIC line as of July 1, 2024.

Total liabilities recorded a 5.0% decrease between June 2025 and June 2024, mainly explained by a 5.5% drop in Financial Liabilities at Amortized Cost. This variation is largely due to the maturity and payment of the FCIC, which led to a reduction in loans and other obligations with the Central Bank of Chile.

Meanwhile, equity increased by 3.8%, driven by accumulated earnings from previous years (+11.4%).

Financial position

Loans⁵

As shown in Table No.12, the Bank's loan portfolio (net of allowances and excluding interbank loans) reached CLP 31,667,266 million, up 0.5% compared to the same period of prior year. Consumer loans grew by 3.5%, mortgage loans increased by 3.2% whereas commercial loans were down 3.1%.

Table No. 12: Loans by product

Loans by product	June 2025 MCh\$	March 2025 MCh\$	December 2024 MCh\$	June 2024 MCh\$
Commercial loans	13,239,603	13,407,509	13,804,771	13,668,017
Consumer loans	4,055,936	3,989,319	4,038,882	3,919,093
Bank	2,285,249	2,280,049	2,253,754	2,238,992
CAT	1,770,687	1,709,270	1,785,128	1,680,101
Mortgage loans	14,371,727	14,221,552	14,111,555	13,924,575
Total loans	31,667,266	31,618,380	31,955,208	31,511,685

Deposits and debt instruments issued.

As shown in Table No. 13, total deposits reached CLP 18,337,586 million, a decrease of 1.7% compared to June 2024: on-demand liabilities increased by 11.5%, offset by the decrease in term deposits of 6.6%.

⁵Includes the caption "Loans and accounts receivable from customers" in the Consolidated Statements of Financial Position.

Total bonds recorded CLP 10,000,522 million with an increase of 5.8%, mainly due to bonds with no fixed maturity period (issuance of perpetual bonds in November 2024). However, letters of credit contracted by 14.2% due to mortgage securities denominated in UF.

Table No.13: Sources of funds

Sources of funds	June 2025 MCh\$	March 2025 MCh\$	December 2024 MCh\$	June 2024 MCh\$
Deposits and other on-demand liabilities	5,639,745	5,448,351	5,605,991	5,057,184
Term and other on-demand deposits	12,697,841	13,325,917	13,130,590	13,594,083
Total deposits	18,337,586	18,774,268	18,736,581	18,651,267
Current bonds	8,077,481	8,219,967	8,033,742	8,243,881
Subordinated bonds	1,271,075	1,278,291	1,257,573	1,212,041
Bonds with no fixed maturity date	651,966	663,514	696,318	-
Total bonds	10,000,522	10,161,772	9,987,633	9,455,922
Letters of credit	70,627	73,287	76,339	82,308
Total debt securities issued	28,408,735	29,009,327	28,800,553	28,189,497

Financial spread

As noted in Table No.14, the annualized net interest margin (NIM) increased 8 basis points to 3.70% compared to the same quarter of prior year. This increase is explained by the increase in the net financial margin due to lower expenses from UF indexations in debt financial instruments issued (current bonds). Additionally, we note that, on a cumulative basis, NIM increased by 11 basis points reaching 3.63%.

Table No.14: Financial spread

Financial spread	Quarter ended:			Six months ended:	
	June 2025 MCh\$	March 2025 MCh\$	June 2024 MCh\$	June 2025 MCh\$	June 2024 MCh\$
Net financial margin (interest and indexation)	331,670	318,627	325,269	650,297	651,409
Total loans	31,667,266	31,618,380	31,511,685	31,667,266	31,511,685
Earning assets (average for the period)	35,885,122	35,811,132	36,017,487	35,848,127	37,019,623
Net interest margin (NIM)	3.70%	3.56%	3.61%	3.63%	3.52%

Allowances and portfolio quality

During Q2 2025, net allowances totaled Ch\$120,863 million, up 5.6% compared to the same period of 2024. While the accumulated total for the year in terms of net provisions, closes with an increase of 39.4% compared to the same period of 2024, as indicated in the previous report, due to the entry into force of the new Standard Matrix of Consumption Provisions in January, according

to Table No. 15. For more details, refer to Note 4 and Note 41 of the Consolidated Financial Statements as of June 30, 2025.

Table No.15: Allowances for credit losses and portfolio quality

Allowances for credit losses	Quarter ended:			Six months ended:	
	June 2025 MCh\$	March 2025 MCh\$	June 2024 MCh\$	June 2025 MCh\$	June 2024 MCh\$
Initial allowance stock	900,527	762,164	746,534	762,164	706,538
Write-offs	119,753	109,152	119,187	228,905	229,045
Net allowances	120,863	247,514	114,452	368,377	264,306
Final allowance stock	901,637	900,526	741,799	901,636	741,799
Net allowances	124,142	253,256	119,418	377,398	258,210
Additional allowances	587	-43,332	-865	-42,744	-6,164
Recoveries	-20,083	-19,433	-22,917	-39,517	-41,872
Other	-256	-268	-237	-524	-165
Risk expense	104,390	190,223	95,399	294,613	210,009

Quality ratios	June 2025 (%)	March 2025 (%)	December 2024 (%)	June 2024 (%)
Risk Ratio ⁽¹⁾	2.76%	2.77%	2.33%	2.30%
Coverage on +90 past due days ⁽²⁾	121.83%	125.55%	119.65%	115.98%
Expense Ratio ⁽³⁾	0.32%	0.58%	0.36%	0.29%
Write-off Ratio ⁽⁴⁾	0.37%	0.34%	0.37%	0.37%
+90 days past due ratio ⁽⁵⁾	2.52%	2.45%	2.37%	2.42%
Recovery Ratio ⁽⁶⁾	0.06%	0.06%	0.06%	0.07%

(1) Allowance / loan stock. (2) Allowance stock / +90 days past due stock. (3) Risk expenses / loan average. (4) Write-offs / loan average. (5) +90 days past due stock / loans. (6) Recoveries / loan average.

As noted, the cost of credit showed a marginal variation compared to the first quarter of 2025, remaining at approximately 2.76%, while compared to the same period last year it increased by 46 bps, a figure influenced by the application of the Standard Consumer Matrix.

In addition, the non-performing loan portfolio showed an increase of 2.86% compared to the prior quarter, to 2.52%, whereas compared to the prior year it increased by 4%. Coverage reached 121.83%, up 5.06% from the same quarter of 2024.

Operating expenses

As shown in Table 16, in the quarterly comparison to June, personnel expenses increased by 1.54%, explained by the higher number of collective bargaining agreements in 2025. Administrative expenses grew 5.37%, mainly due to higher spending on technology services. Other operating

expenses decreased 1.30% due to lower provisions for back-office expenses. Efficiency, understood as the ratio of operating expenses to net income, decreased compared to the prior year (-169 bp).

On a cumulative basis, personnel expenses remained in line (+0.15%), with higher expenses at the Bank in bonuses due to collective bargaining agreement, offset by lower expenses at CAT, also due to collective bargaining agreement. Administrative expenses increased by 0.45%, mainly due to Commercial Management (Marketing, Cash Management), along with technology services. Meanwhile, other operating expenses grew 9.03%, primarily due to extraordinary expenses from the Stamp Tax from the Bond Issued.

Table No.16: Support expenses

Operating expenses	Quarter ended:			Six months ended:	
	June 2025 MCh\$	March 2025 MCh\$	June 2024 MCh\$	June 2025 MCh\$	June 2024 MCh\$
Personnel expenses	77,169	74,293	75,999	151,462	151,235
Administrative expenses	67,332	61,874	63,903	129,206	128,589
Depreciation and amortization	19,222	19,135	18,097	38,357	35,985
Operating support expenses	163,723	155,302	157,999	319,025	315,809
Impairment	-	-	-	-	338
Other operating expenses	8,230	10,417	8,338	18,647	17,103
Operating expenses	171,953	165,719	166,337	337,672	333,250
Efficiency	38.53%	39.01%	40.22%	38.76%	39.61%

5. PERFORMANCE MEASURES AND INDICATORS FOR EVALUATING THE ENTITY'S PERFORMANCE

Key financial indicators

As shown in Table No. 17, the return on average equity (ROAE) ratio reached 14.78%, growing 135 bps compared to June 2024, (due to the increase in profit for the year, due to the improvement in the net financial result). Return on average assets (ROAA) reached 1.29%, up 17 bps. On a cumulative comparison basis, ROAE reached 10.46%, down 276 bps whereas ROAA reached 0.90%, down 15 bps.

Table No.17: Key Financial Indicators

Profitability and Efficiency Indicators	Quarter ended:			Six months ended:	
	June 2025 (%)	March 2025 (%)	June 2024 (%)	June 2025 (%)	June 2024 (%)
Net interest margin (Interest and indexation)	3.70%	3.56%	3.61%	3.63%	3.52%
Efficiency (Net Operating expenses / Net operating income)	38.53%	39.01%	40.22%	38.76%	39.61%
Return on average equity (ROAE)	14.78%	6.08%	13.43%	10.46%	13.21%
Return on average assets (ROAA)	1.29%	0.52%	1.11%	0.90%	1.05%

In Table No.18, we note that mortgage loans have increased their share in the loan mix by 95 bps and consumer loans by 67 bps, whereas commercial loans have decreased by 162 bps. The loan-to-deposit ratio was 1.78, up 2.71%.

As at May 2025, the number of branches nationwide (from June 2024) have decreased by 4 to 98, whereas the number of ATMs has decreased by 4.8% (8 ATMs).

Table No.18: Financial Performance

Financial performance	June 2025 MCh\$	March 2025 MCh\$	December 2024 MCh\$	June 2024 MCh\$
Loans and accounts receivable from customers	31,667,266	31,618,380	31,955,208	31,511,685
Commercial loans / Total loans	41.84%	42.40%	43.35%	43.46%
Mortgage loans / Total loans	44.27%	43.88%	43.28%	43.32%
Consumer loans / Total loans	13.89%	13.72%	13.38%	13.22%
Loans / Deposits	1.78	1.73	1.75	1.73
Structure	May 2025	March 2025	December 2024	June 2024
Total No. of branches	98	98	98	102
No. of ATMs	159	160	163	167

Indicators not derived from the financial statements

Table No.19: Environmental Performance

Energy consumption	Quarter ended:			Six months ended:	
	June 2025	March 2025	June 2024	June 2025	June 2024
Natural gas consumption (liters)	2,445	1,960	9,274	4,405	12,189
Electricity consumption (KWh)	2,703,717	3,021,299	2,116,711	5,725,017	4,599,975
Quarter ended:			Six months ended:		

Print paper consumption	June 2025	March 2025	June 2024	June 2025	June 2024
Number of prints (units)	8,082,150	7,955,331	8,815,398	16,037,481	17,752,113
Quarter ended:			Six months ended:		
Waste and recycling	June 2025	March 2025	June 2024	June 2025	June 2024
Waste produced (Kg)	11,630	12,727	17,581	24,357	33,193
Wasted recycled (Kg)	3,395	3,870	2,107	7,265	4,061
Recycling %	22.6%	23.3%	10.7%	23.0%	10.9%

Scotiabank is committed to the environment, which is why its metrics include the reduction of energy consumption, initiatives to reduce the amount of waste produced, an increase in recycled waste. In relation to these, several initiatives are performed, such as the *Paperless* program, the delivery of ecological *Welcome Kits* for customers and the collection and recycling of electronic waste.

Table No.20: Health and Safety

Quarter ended:			Six months ended:		
Employee health and safety	June 2025 ⁶	March 2025	June 2025	June 2025 ⁶	June 2024
Occupational Accident Rate (annual cumulative)	0.25	0.26	0.23	0.25	0.24
Severity Rate (million hours worked)	35.48	43.66	73.08	40.39	55.49
Accident Trip Rate (annual cumulative)	0.66	0.71	0.58	0.69	0.56
Fatal Accident Rate	0.00%	0.00%	0.00%	0.00%	0.00%
Days of absenteeism (work-related accidents and occupational illnesses)	56	62	182	118	462

(*) Data as at May

Table No.21: Turnover

Quarter ended:			Six months ended:		
Turnover	June 2025	March 2025	June 2024	June 2025	June 2024
Number of total hires	123	158	155	281	245
Number of women hires	58	79	82	137	135
Number of men hires	65	79	73	144	110
Total turnover	132	160	154	292	306
Women turnover	69	81	67	150	152
Men turnover	63	79	87	142	154
Total voluntary turnover	44	36	58	80	111
Women voluntary turnover	20	15	25	35	52
Men voluntary turnover	24	21	33	45	59

⁶ Health and Safety data is reported as of May 2025, as information for June is not yet available.

Scotiabank Chile seeks to promote a culture of learning and proactivity of all employees. Accordingly, as at June 2025, the Bank accumulates 70.966 training hours provided to 5,668 employees.

Table No.22: Training

Training	Quarter ended:			Six months ended:	
	June 2025	March 2025	June 2024	June 2025	June 2024
Total number of training hours	37,281	33,685	47,847	70,966	65,697
Total number of trained employees	5,427	4,717	5,543	5,668	5,717
Total number of trained men employees	2,682	2,219	2,691	2,787	2,770
Total number of trained women employees	2,745	2,498	2,852	2,881	2,947
Average number of training hours by male employee, organization total	7	7	9	13	11
Average number of training hours by female employee	7	8	10	14	13
Average number of training hours by employee	7	6	7	11	9

Table No.23: Employee Engagement

Employee Engagement ⁷	December 2024	December 2023
Overall engagement	92%	95%
Proud to work for Scotiabank	95%	96%
Her/his work makes her/him feel deeply fulfilled	91%	93%
Scotiabank motivates me to make an effort that is extra than expected	90%	94%
% of participation in the survey ⁸	31%	67%

The current level of employee engagement is 92%.

Table No.24: Salary gap

Salary gap ⁹	December 2024	December 2023
Salary gap by gender	1.00%	0.46%

⁷ Yearly review.

⁸ In 2024, the methodology for participation in surveys with representative samples from the different areas changed.

⁹ Up to the December 2023 measurement, the formula used considered an indicator of each employee's guaranteed fixed income. The current measurement considers all payments, including actual variable income, associated with each person's performance. Yearly Review.

Changes in measures quantified or indicators reported.

Scotiabank's key financial and non-financial indicators are evaluated and analyzed periodically by the related management, which recommends to the Board of Directors whether a change in the indicators is necessary.

As at the date of preparation of this report, there are no indications of significant changes related to key financial and non-financial indicators.

Additional information

Risk rating

Scotiabank has risk ratings granted by international and local rating agencies. The most recent risk ratings obtained are detailed as follows:

Local Rating

Local financial rating was AAA, the best possible rating, on April 29, 2025 by Fitch and on June 6, 2025 by ICR, as shown in Table No.25. This rating is based on sound and diversified financing structure, the financial support and knowledge of the business provided by BNS, and the profitability that Scotiabank has achieved over the last few years.

Table No.25: Local Risk Rating

Fitch	Rating	Last Rating Date
Long-term	AAA (cl)	04-29-2025
Short-term	N1+ (cl)	04-29-2025
Bonds	AAA (cl)	04-29-2025
Subordinated bonds	AA (cl)	04-29-2025
Shares	First Class Level 3 (cl)	04-29-2025
Outlook	Stable	04-29-2025
ICR	Rating	Last Rating Date
Solvency, long-term deposits, long-term bonds	AAA	06-06-2025
Short-term deposits	N1+	06-06-2025
Subordinated bonds	AA+	06-06-2025
Shares	First Class Level 4	06-06-2025
Outlook	Stable	06-06-2025

International Rating

Scotiabank has obtained A rating from S&P, a rating that is supported by sound business position in the Chilean financial sector, broad diversification among sectors, segments and customers, in

addition to the strengthening of the business resulting from the merger with BBVA Chile. The detail is shown in Table No.26.

Table No.26: Rating by S&P

Standard & Poor's	Rating	Last Rating Date
<i>Long-term Foreign Issuer Credit</i>	A	10-16-2024
<i>Long-term Local Issuer Credit</i>	A	10-16-2024
<i>Outlook</i>	<i>Stable</i>	10-16-2024

On the other hand, Scotiabank obtained A+ rating from Fitch Ratings, which is shown in Table No.27 and is based on an adequate capital structure, the strong quality of its assets and the improvement in profitability ratios.

Table No.27: Fitch Rating

Fitch	Rating	Last Rating Date
Long-term Issuer Default Rating	A+	09-30-2024
Short-term Issuer Default Rating	F1+	09-30-2024
Local Currency Long-term Issuer Default Rating	A+	09-30-2024
Local Currency Short-term Issuer Default Rating	F1+	09-30-2024
Outlook	<i>Stable</i>	09-30-2024

6. APPENDIX

The review work performed by the independent auditor on the Financial Report on Management Commentary covered the figures derived from the consolidated financial statements as at June 30, 2025. Additionally, and only for purposes of reviewing the fairness of certain financial ratios or indicators, the auditor compared the comparative figures for the three-month and six-month period ended June 30, 2025, which are included in the interim consolidated financial statements as at June 30, 2025. The detail of the items not included in the interim consolidated financial statements is included below:

Nature of the Business

- | | |
|----------------------------------------------------------------------------------------------------|-----------|
| 1. Market positioning in the relevant segments | Page 3-4 |
| 2. Significant environment features | |
| a. International scenario | Page 4 |
| b. Local political environment | Page 4 |
| c. Economic activity level | Page 5 |
| d. Inflation | Page 6-7 |
| e. Interest rate | Page 7-8 |
| f. Exchange rate | Page 8-9 |
| g. Labor market | Page 9-10 |
| 3. Main products, services and business processes | |
| a. Table No.2 Performance by segment Spot Volumes - MCLP in the quarter ended June 30, 2025 MCLP. | Page 13 |
| b. Table No.2 Performance by segment Spot Volumes - MCLP in the quarter ended March 31, 2025 MCLP. | Page 13 |
| c. Table No.2 Performance by segment Spot Volumes - MCLP in the quarter ended June 30, 2025 MCLP. | Page 14 |
| 4. Entity structure and how it creates value | |
| a. Figure No.5 "Corporate Structure" | Page 16 |
| b. Figure No.6 "Corporate Governance" | Page 17 |

Objectives and Strategy

- | | |
|---------------------------------------------------|------------|
| a. Business objectives and strategy | Page 18 |
| b. Non-financial objectives | Page 19-22 |
| c. Significant changes in objectives and strategy | Page 22-23 |
| d. Business vision and value strategy | Page 23 |

Entity's Resources, Risks and Relationships

1. Description of the main financial resources available
 - a. "In this context, deposits and other on-demand liabilities are key components of the Bank's core funding, which amounted to (CLP 5,448,351 million as at March 31, 2025)." Page 24
 - b. "Term and other on-demand deposits represented (CLP 13,325,917 million as at March 31, 2025)." Page 24
 - c. "Bank borrowings amounted to (CLP 2,318,141 million as at March 31, 2025)." Page 24
 - d. "Core funding was supplemented with debt issuances of (CLP 10,235,059 million as at March 31, 2025)." Page 24
 - e. Table No.3 "Sources of financing" in MCh\$ in March 2025. Page 25
2. Description of the main non-financial resources available Page 25-26
3. Discussion on the Capital structure
 - a. Table No.6 "Capital Structure" in MCh\$ in March 2025. Page 28
 - b. Table No.7: "Capital Components" Page 28
4. Description of the Bank's liquidity and cash flows
 - a. Table No.8: "Liquidity Coverage Ratio." Page 29
 - b. Table No.9: "Net Stable Funding Ratio." Page 30
5. Potential impact of identified risks and how they are managed
 - a. Figure No.7: "Risk culture." Page 31
 - b. Figure No.8: "Management structure." Page 32
6. Relationships Page 37-40

Operating Performance and Outlook

1. The Bank's development and performance during the year
 - a. Table No.10: "Statement of Income" for the quarter ended March 2025. Page 41
 - b. Table No.11: "Statement of Financial Position" in MCLP as at March 2025. Page 43

2. Financial position

- | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|
| a. The Bank's loan portfolio (net of allowances and excluding interbank loans) reached CLP 31,667,266 million, up 0.5% compared to the same period of prior year. Consumer loans grew by 3.5%, mortgage loans by 3.2%, and commercial loans decreased by 3.1%. | Page 44 |
| b. Table No.12: "Loans by products" in MCLP, March 2025. | Page 44 |
| c. Total deposits reached CLP 18,337,586 million, a 1.7% decrease compared to June 2024: demand deposits grew 11.5%, offsetting the 6.6% drop in term deposits. | Page 44 |
| d. Total bonds reached CLP 10,000,522 million, an increase of 5.8%, mainly due to bonds with no fixed maturity term (perpetual bond issued in November 2024). However, letters of credit contracted by 14.2% due to mortgage securities denominated in UF. | Page 44 |
| e. Table No.13: "Sources of funds" in MCLP, March 2025. | Page 45 |
| f. Table No.14: "Financial spread" in MCLP for the quarter ended June 2025, March 2025 and June 2024." | Page 45 |
| g. "During Q2 2025, net allowances totaled Ch\$ 120,863 million." | Page 45 |
| h. Table No.15: "Allowances for loan losses and portfolio quality" in MCLP for the quarters ended June 2025, March 2025 and June 2024." | Page 46 |
| i. Table No.15: "Quality ratios" | Page 46 |
| j. Table No.16: "Support expenses" in MCLP for the quarter ended March 2025. | Page 47 |

Performance Measures and Indicators for Evaluating the Entity's Performance

1. Key financial indicators

- | | |
|--------------------------------------------------------------|---------|
| a. Table No.17: "Key Financial Indicators" | Page 47 |
| b. Table No.18: "Financial Performance" in MCLP, March 2025. | Page 48 |
| c. Table No.18: "Structure" | Page 48 |

2. Indicators not derived from the financial statements

- | | |
|---------------------------------------------|---------|
| a. Table No.19: "Environmental Performance" | Page 48 |
| b. Table No.20: "Health & Safety" | Page 49 |
| c. Table No.21: "Turnover" | Page 49 |
| d. Table No.22: "Training" | Page 50 |
| e. Table No.23: "Employee Engagement" | Page 50 |
| f. Table No.24: "Salary gap" | Page 50 |