Management Commentary

March 2026

Scotiabank

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1. ABOUT SCOTIABANK BANK

A brief history of Scotiabank Chile

Scotiabank Chile is part of The Bank of Nova Scotia (BNS), one of Canada's largest financial institutions, with nearly 190 years of history. Its shares are listed on the Toronto Stock Exchange (TSX: BNS) and the New York Stock Exchange (NYSE: BNS). The Group is a leading bank in the Americas, with operations across Canada, the United States, and the Pacific Alliance countries.

In Chile, Scotiabank has maintained a nationwide presence since 1990, following the acquisition of Banco Sud Americano (later Banco Sudamericano). Over time, the Bank has strengthened its market position through a series of strategic milestones.

In 2007, it expanded its footprint through the acquisition of Banco del Desarrollo. In 2015, it established a strategic joint venture with Cencosud in the credit card business, forming a long-term partnership through which Scotiabank acquired a 51% stake in Cencosud Administradora de Tarjetas (CAT). In 2018, Scotiabank completed the acquisition of BBVA Chile, consolidating its position as one of the country's leading financial institutions and attaining the status of a systemically important bank.

Today, with more than 5,400 employees, Scotiabank Chile's vision is to be the most trusted financial partner for its customers. The Bank delivers simple, innovative, and flexible solutions through a nationwide network that includes 92 branches from Arica to Punta Arenas, 25 Connect service platforms, and continuously evolving digital banking capabilities.

This 35-year track record reflects a sustained transformation process, strengthening the Bank's market positioning, customer preference, and relevance across key segments of the Chilean financial system.

Governance Structure

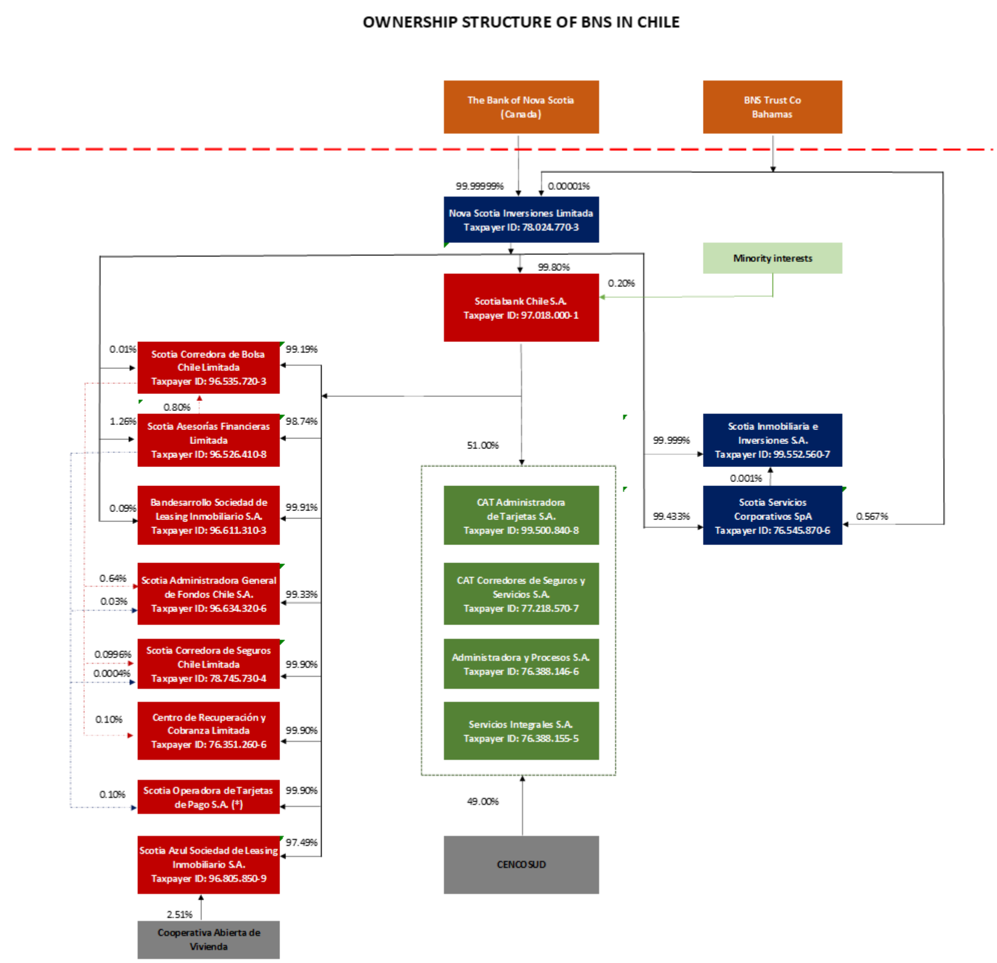
As of March 2026, Scotiabank Chile is 99.80% owned by Nova Scotia Inversiones Limitada, an entity controlled by The Bank of Nova Scotia (BNS), which is the Bank's ultimate controlling shareholder. The remaining 0.20% is held by minority shareholders.

Scotiabank Chile also controls a diversified portfolio of subsidiaries, including Scotia Corredora de Bolsa Chile Limitada, Scotia Asesorías Financieras Limitada, Bandesarrollo 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.

In addition, the Bank holds a 51% ownership interest in the companies that make up CAT (Cencosud Administradora de Tarjetas), including Administradora de Tarjetas S.A., CAT Corredores de Seguros y Servicios S.A., Administradora y Procesos S.A., and Servicios Integrales S.A., while Cencosud holds the remaining 49% stake.

Figure N°1: BNS Corporate Structure in Chile

Corporate Structure



Corporate governance is a core priority for Scotiabank Chile and a key driver of its long-term sustainability and performance. The Bank operates under a robust governance framework designed to ensure the independence of the Board of Directors and its effective oversight of management.

The governance structure is led by shareholders, who elect the Board of Directors. The Board is supported by specialized committees, including the Risk Committee and the Audit Committee, which oversee key areas of management. External auditors report directly to the Audit Committee, reinforcing transparency and accountability.

In 2023, Scotiabank Chile became the first private bank in the country to establish a gender-balanced Board of Directors, composed of four women and four men. This milestone reflects the Bank's strong commitment to diversity, inclusion, and the advancement of female leadership.

To support its responsibilities, the Board operates through a structured committee system that enhances oversight across all critical functions. This governance model ensures clear accountability, effective risk management, and alignment with best international practices.

Figure N° 2: Corporate Governance Structure

Corporate Governance

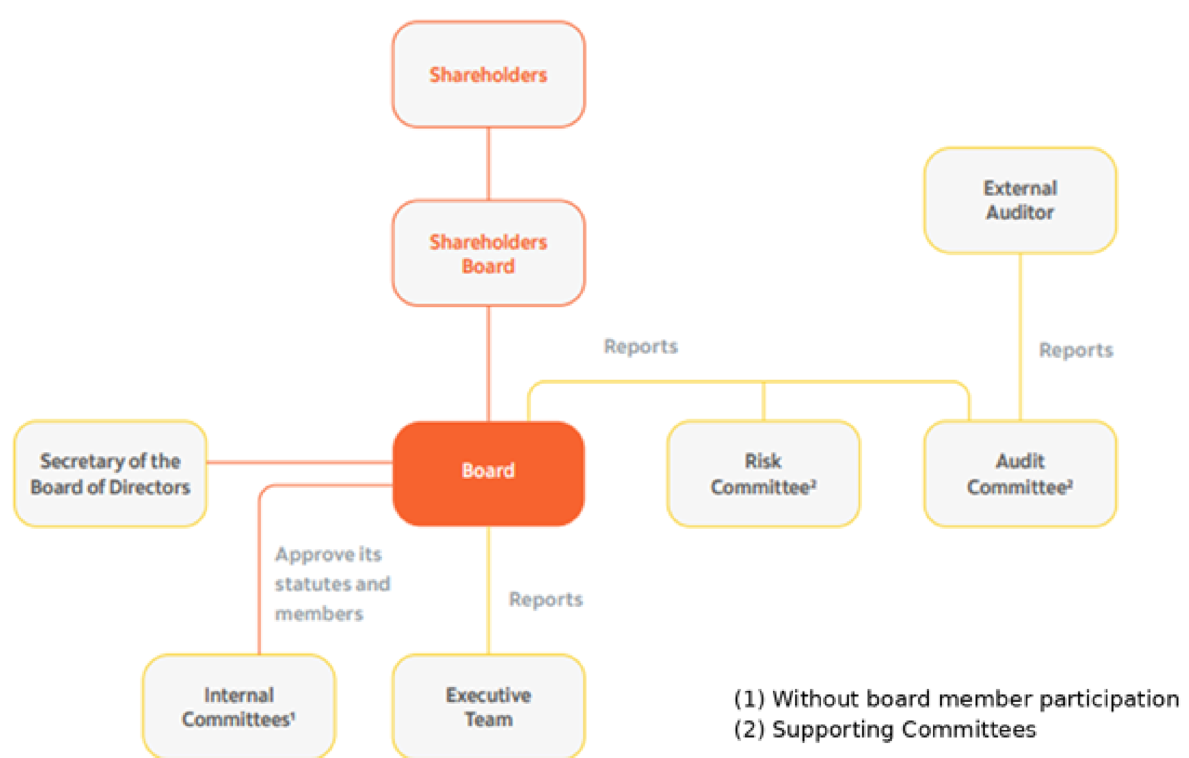
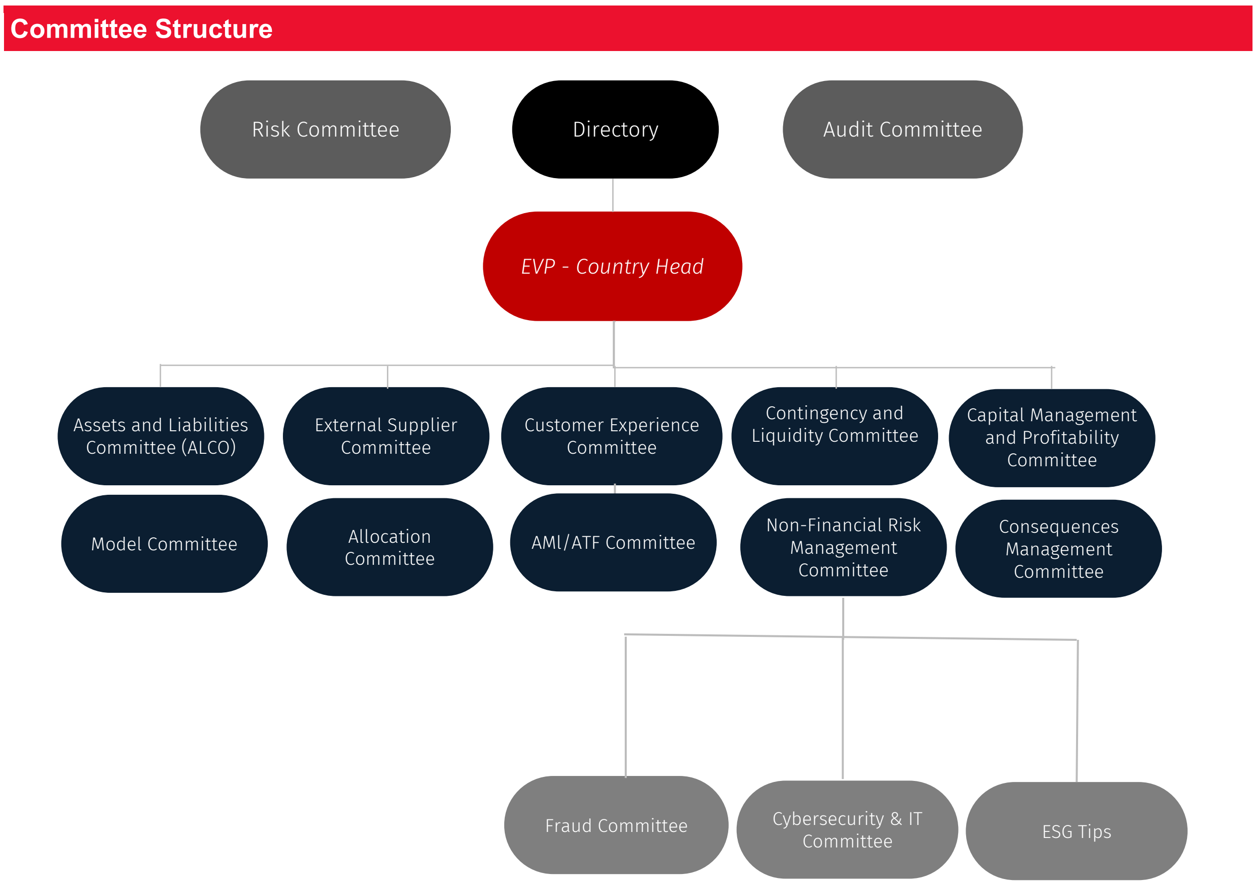


Figure N°3: Structure of Committees



2. BUSINESS MODEL

Business Model Overview

Scotiabank Chile operates as a universal bank with a comprehensive and diversified value proposition, serving a broad range of customer segments through tailored financial solutions.

The Chilean banking industry is highly competitive, modern, and well-developed, characterized by the presence of both domestic and international institutions. The system is led by systemically important banks, as defined by the Financial Market Commission (CMF), including Banco de Chile, Banco de Crédito e Inversiones (Bci), BancoEstado, Banco Santander Chile, and Banco Itaú.

In recent years, competition has intensified further, driven by both global and local factors, including the entry of non-traditional players. These new participants have increased pressure on pricing, efficiency, and innovation, requiring established institutions to continuously adapt their operating models and capabilities.

In this context, Scotiabank Chile continues to strengthen its financial position and advance its modernization agenda. This approach enhances the Bank's ability to execute strategic initiatives, deepen customer relationships, and improve operational efficiency. Together, these elements support a business model focused on capturing growth opportunities, building sustainable competitive advantages, and delivering long-term value for customers and shareholders.

The Bank offers a broad range of products and services, including retail and commercial banking, wealth management, private banking, corporate and investment banking, and capital markets solutions. These offerings are supported by strong advisory capabilities, financial structuring expertise, treasury management, investment solutions, insurance products, and a comprehensive suite of lending and savings products.

Scotiabank Chile's business model is underpinned by an integrated operating structure that combines stable funding, advanced technological capabilities, specialized talent, and a nationwide multichannel distribution network. This includes 92 branches, 153 ATMs, and 25 ScotiaConnect platforms across the country.

These capabilities enable the Bank to originate, manage, and scale financial solutions across its core business segments—Retail Banking, Scotiapyme, Wealth Management, Global Banking and Markets, Commercial and Real Estate Banking, as well as its joint venture with Cencosud (CAT). Through this model, the Bank generates value via interest income, fee-based revenues, operational efficiency, and disciplined risk management, supported by robust processes in origination, pricing, risk management, treasury, liquidity, and collections.

Financial performance is driven by a diversified portfolio that includes consumer, mortgage, and commercial loans; credit cards; transactional banking services; foreign trade products; and investment solutions. In parallel, ongoing digitalization and automation initiatives support a more efficient operating model, enabling scalability and reducing marginal costs as volumes grow.

As of March 2026, Scotiabank Chile serves more than 1.4 million customers, supported by a strong national presence and a well-established commercial infrastructure. The Bank's performance is further reinforced by its subsidiaries, which enhance distribution capabilities and provide specialized financial services, as well as by its strategic alliance with Cencosud through the CAT platform.

Strategic Guidelines

Vision

Scotiabank Chile is aligned with its parent company's global vision, "For our future," which reflects its purpose as a financial institution: to help customers, their families, and their communities achieve long-term success through comprehensive financial solutions and advisory.

The Bank's vision is to be the most trusted financial partner for its customers, delivering sustainable and profitable growth.

Mission

Scotiabank's mission is built on three core pillars: putting customers first, fostering a high-performing team, and leading in the Americas. Through the consistent execution of this mission, the Bank aims to deliver sustainable value and long-term results for its shareholders.

Values

The Bank's values guide its daily interactions and decision-making.

CUSTOMER FOCUS

We deliver a differentiated customer experience that creates value for our clients.

INTEGRITY

We make the right decisions for our customers, our colleagues, and the Bank.

INCLUSION

We value diversity and leverage diverse perspectives.

RESPONSIBILITY

We take initiative to drive sustainable and profitable growth.

Market position in the relevant segments

TOTAL ASSETS
$44,602,990
Millions

OPERATING INCOME
$436,535
Millions

NET INCOME
MX$97,241
Millions

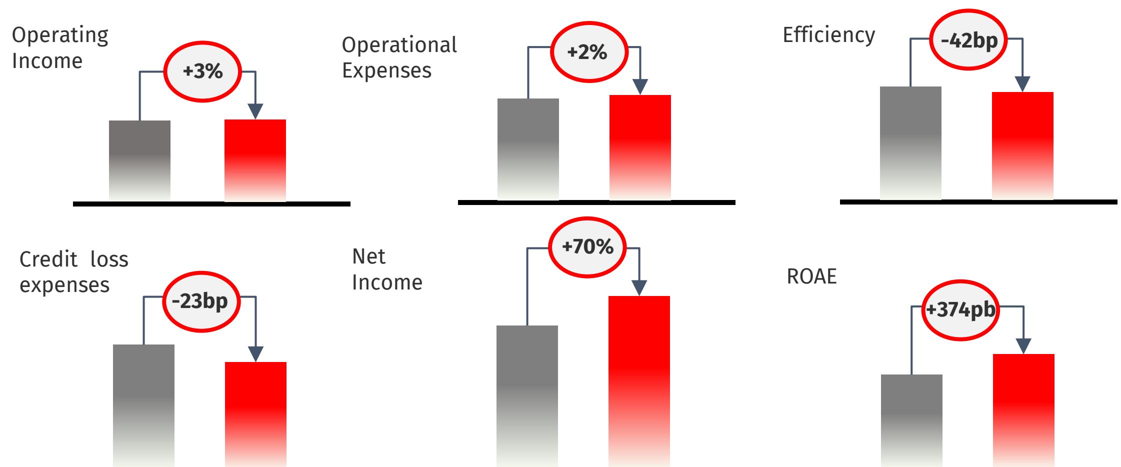
TOTAL DEPOSITS
$19,300,687
Millions

RETURN ON EQUITY
9,81%

As of February[1] 2026, Scotiabank Chile's market share in total loans (excluding overseas branches and subsidiaries) reached 13.20%, equivalent to CLP 32,005,331 million. The Bank ranks fifth among its peers, representing a decrease of 50 basis points compared to February 2025.

By segment, commercial loans (including education) totaled CLP 12,742,022 million, with a market share of 10.53%. Consumer loans reached CLP 4,721,946 million, representing a 14.93% market share, while mortgage loans totaled CLP 14,541,362 million, with a market share of 16.19%.

On the funding side, total deposits amounted to CLP 18,884,346 million as of February 2026, of which CLP 13,043,284 million corresponded to time deposits (11.71% market share) and CLP 5,841,061 million to demand deposits (8.38% market share). As a result, the Bank's total deposit market share (excluding overseas operations) reached 10.43%, representing a decrease of 39 basis points compared to February 2025.



[1] Data for loans and deposits correspond to February 2026, as publicly available information for March has not yet been published.

Main products, services and business processes

Scotiabank Chile operates as a universal bank, offering a broad range of financial products and services to a diversified client base, including individuals, SMEs, corporations, and financial institutions. Customers are segmented according to their specific needs and business characteristics, allowing the Bank to deliver tailored solutions across all segments.

The Bank creates sustainable value through a comprehensive and flexible range of products and services aligned with the needs and preferences of its customers.

Scotiabank Chile operates through five core business segments: Retail Banking; Scotiapyme; Wealth Management; Global Banking and Markets; and Commercial Banking and Real Estate. Each of these segments is described below.

Table N°1: Business Segments

Segment	Executive Description	Classification	Key Products	Predominant Channel
Retail	It serves individual clients and small and medium-sized companies that require solutions in financing, transactional services and advice.	**Monthly Income** Mass: <1.2MM CLP Top of Mass: >=1.2 and <3MM CLP Emerging Affluent: >=3 and <=6.99MM CLP Affluent: >= 7 MM CLP **Annual sale** Small Business: < 4 MM USD	Consumer loans, overdrafts, credit cards, mortgages, checking accounts, time deposits, mutual funds, investments, buying/selling foreign currency, insurance.	Digital (web + app) Physical and virtual branches with executive
Scotiapyme Banking	Small and medium-sized companies that require financing, transactional services and advice. Various areas: commerce, services, transportation, agriculture.	Annual sales ≤ USD 4 million	Commercial credits with and without state guarantee, leasing, factoring, current accounts, insurance, investments, foreign trade, cash management.	**Mixed model: Executive + Digital**
Wealth Management	Private Banking has a team of specialists at a local and global level, who provide comprehensive advice combining the client's vision with our experience and international support, building global solutions for the management of their wealth.	Individuals or investment companies with investable liquid assets over $500,000,000	Banking Products, Consumer Loans, Commercial Loans and Pledgeloans. Structuring and Estate Planning Services. Mutual Funds, Open Architecture.	**Specialized relational care**

Segment	Executive Description	Classification	Key Products	Predominant Channel
Global Banking and Markets	It provides financial services to corporate and institutional clients in global markets, focusing on investment banking advisories, transactional products and capital markets services.	Annual sale ≥ USD 150 million. It is divided into: • Business Banking • Multinationals	Risk hedging and investment activities, Cash Management, Syndicated loans, Project finance and ESG, Financial advisory, Mergers and acquisitions, Capital markets.	1:1 support with Team Leaders, Relationship Executives, Parent Account or Subsidiary Account Manager Digital service (Web + APP)
Commercial Banking & Real Estate	It provides comprehensive financial solutions to large companies, as well as to clients in the real estate sector, accompanying their operational, financial and wealth growth. He focuses on structured finance, working capital, real estate investment and long-term relationships with a focus on risk-adjusted returns.	Annual sales are divided into: Commercial Banking Mid (4 to 50 MMUSD) Commercial Banking Large (50 to 150 MMUSD) Real Estate	Trade credits and working capital lines Real estate financing (purchase, development, construction and rental) Leasing and factoring Cash Management and Payment Methods Trade Finance Simple derivatives for hedging (FX, rates) Guarantees, Receipts and Letters of Credit	1:1 attention with Relationship Executives and Coverage Team. Web + App digital service)--
CAT	Cards and consumption under the alliance with Cencosud. Focused on *retail customers* and their commercial ecosystem.	Customer segmentation according to card type.	Cencosud credit cardsScotiabank, associated consumer loans, insurance.	*Retail partners*: Cencosud + Digital stores

The results for each segment can be seen in detail in Note 6 of the Financial Statements and in Chapter 07. Performance and Financial Situation of this Report.

Retail Banking

Crec. Core Deposits **+11%**

Productivity weekly per executive ▲ 55%

Scotiapyme

Crec. Income **+11,4%**

New customers attracted 20.595

Wealth Management

Revenue Growth **+1%**

New customer numbers ▲ 10 %

Global Banking and Markets

Meeting ROE and RORWA targets **100%**

Crec. Demand deposits ▲ 22%

Commercial Banking & Real Estate

Cash Growth Customers **+174**

Crec. Deposits ▲ 6%

Key features of the business model

Value creation cycle

Scotiabank Chile's value creation model is built on the Bank's ability to transform strategic inputs into sustainable financial results, supported by robust internal processes and a customer-focused value proposition.

The model is underpinned by a strong funding base—including customer deposits and diversified wholesale funding—together with the global expertise of The Bank of Nova Scotia, advanced digital capabilities, specialized talent, and strategic partnerships such as the joint venture with Cencosud. These resources enable the Bank to operate efficiently, scale its solutions, and sustain balanced growth across risk, profitability, and service.

Leveraging these inputs, the Bank executes an integrated set of core processes, including risk management, credit origination, transactional processing, collections, data governance, cybersecurity, and regulatory compliance. These capabilities allow Scotiabank Chile to deliver a broad and competitive portfolio of financial solutions for individuals, SMEs, and corporate clients, including consumer, mortgage, and commercial lending; cards and payment solutions; investment and wealth management services; and specialized financing products.

This model generates value through diversified revenue streams, including net interest income, fee-based revenues, and efficiency gains driven by digitalization and scale.

A key driver of long-term value creation is the Bank's ability to deepen primary relationships with its customers—expanding product penetration, strengthening loyalty, and positioning itself as the main financial partner. This approach, supported by a customer-centric culture and a strategy focused on sustainability, innovation, and operational excellence, enables the Bank to consistently deliver value to its stakeholders over time.

Figure N° 4: Business Segments

Global projects 2026

Cybersecurity	Compliance	Risk
a. NIST-based global strategy b. EDR Shift (Crowstrike/Trillix) c. Corporate DLP Reinforcement d. Switching Mail Gateway from MX to TO e. Strengthening vulnerability management f. Corporate DLP Reinforcement	g. Progress changes required by the Fintech Law regarding the Open Finance System h. Implementation of the Personal Data Protection Law i. Revision of the Crime Prevention Model by External Auditor	j. Risk Appetite Framework (RAF) aligned to Headquarters k. Three Lines of Defense Model l. *Retail* and commercial *banking* stress testing m. Double ESG materiality

Strategic inputs

The Bank's business model is underpinned by five key inputs that support its ability to originate business and manage risk:

Anchorage from international lines

Export Development Canada
Scotiabank Caribbean
International banks

Customer deposits and wholesale funding

A diversified deposit base—across Retail, SME, and Corporate segments—which exceeded CLP 18.7 trillion in 2025, together with local and international wholesale funding, constitutes the Bank's primary source of funding, supporting loan growth and an efficient funding structure.

Global know-how of The Bank of Nova Scotia (BNS)

The Bank leverages international standards, risk methodologies, and global capabilities in capital markets, structured finance, ESG, and cybersecurity to operate with consistency, rigor, and scalability across its markets.

Technology platforms and digital processes

The Bank's digital infrastructure includes 18 new technology solutions launched in 2026, a front-to-back operating model enhancement, low-code automation capabilities, process mining tools, and a new card processing platform (TSYS). These capabilities enable secure, efficient, and scalable transactions, while reducing unit costs.

Digital solutions launched in 2026

12 in Retail Banking
6 in Corporate Banking

Expert human capital

As of March 2026, the Bank has trained 4,089 employees across key areas including regulatory matters, artificial intelligence, digital transformation, and change management, delivering a total of 38,460 training hours.

Strategic partners (Cencosud – CAT)

The alliance with Cencosud provides access to a broad retail customer base through credit cards and consumer lending products managed by CAT.

Advances in innovation processes

During the first months of 2026, the Bank continued to advance a range of innovation initiatives, with a common focus on simplifying the customer experience and enhancing internal processes through technology as a key enabler.

Over this period, digital solutions were further expanded and strengthened, supporting a simpler, more convenient, and efficient customer experience. Digital adoption continued to increase, with more customers using digital channels to perform transactions, access products, and resolve service requests, reducing the need for in-branch interactions.

Key initiatives included digital onboarding, enabling seamless and fully remote customer acquisition; the Financial Balance tool, providing a comprehensive view of customers' products and personal finances; digital credit card upgrades, allowing immediate access to increased credit limits; and the launch of a new Investment Portal, designed to deliver a clearer and more intuitive decision-making experience.

Best tools for internal management: iCRM

At the same time, the iCRM platform continued to be enhanced, supporting the daily activities of sales teams through a more comprehensive view of customers and improved management capabilities. The platform enables the organization and prioritization of information, strengthens customer relationships, and supports a more timely and personalized service.

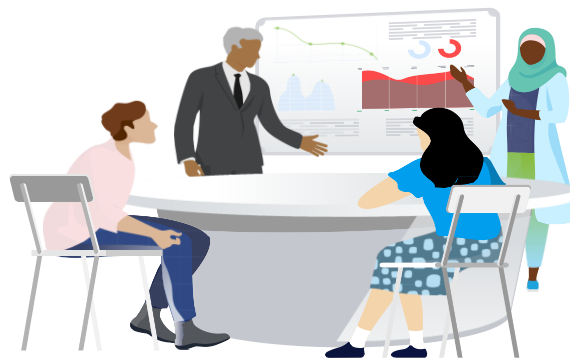
Artificial Intelligence and innovation

Finally, the Bank continued to advance in the adoption of Artificial Intelligence, with a gradual and responsible approach. Beyond specific use cases, efforts were focused on establishing a governance framework for AI and innovation, defining how initiatives are proposed, prioritized, and evaluated, while ensuring alignment with security, ethical, and regulatory standards.

In this context, Microsoft 365 Copilot licenses were expanded to enhance the employee experience and support initial usage testing. Additionally, the Bank is gradually incorporating Copilot Studio through targeted pilot programs, enabling the evaluation of use cases based on the specific needs of each business area.

Further progress was made in the redesign and optimization of internal processes, reviewing existing workflows to simplify tasks, eliminate inefficiencies, and reduce operational friction. While these improvements may not always be externally visible, they are critical to enhancing productivity, reducing rework, and allowing teams to focus on higher-value activities.

A key enabler of the Bank's business model is its strong customer-centric culture, which serves as the foundation of the global strategy "The New Way Forward." Scotiabank Chile aims to become the primary bank for its customers by delivering a simple, consistent, and personalized experience across all channels, supported by strong digital capabilities and highly skilled teams providing high-quality advisory.



The Bank has advanced this vision through the evolution of its Customer Experience Model, which is structured around four core pillars:

- Culture Transformation: focuses on embedding service excellence as a key differentiator, supported by close collaboration between Human Resources and Distribution teams.
- Technology Enablers: aims to strengthen technological capabilities to enhance the customer experience across channels and processes. This includes AI-driven solutions, experience-focused developments, self-service functionalities, and digital platforms.
- Integration into the Value Proposition: positions customer experience as a core and transversal component of the segmented value proposition introduced in 2025.
- he Radar (Expanded Measurement System): strengthens and expands customer listening and measurement mechanisms, incorporating new surveys, onboarding programs, and enhancements to existing metrics.

This customer-centric culture, supported by robust processes and a comprehensive range of products and services, forms the foundation for deepening primary relationships, enhancing customer satisfaction, and sustaining long-term value creation.

Improvements in customer experience are reflected in two key metrics:

Table N°2: Customer Experience Performance Metrics

Metrics	Description	Result	Transactional	Result
NPS	Net Promoter Score set of indicators including: Branch Transactional NPS, Contact Center	Relational People NPS: 73% SME Relational NPS: 80%	Branch: 71% Digital: 68% Contact Center: 45%	

Units, synergies and structural alliances

Scotiabank Chile's value creation model is supported by a set of strategic dependencies that amplify its ability to compete in a highly digitized and regulated market.

First, Headquarters has defined Chile as a priority market within the global strategy of The Bank of Nova Scotia (BNS). In this context, Scotiabank Chile operates as a fully integrated subsidiary of the Group, with near-total ownership by BNS. This provides strong capital support and a highly stable ownership structure, reinforcing the Bank's financial strength, ensuring close strategic alignment with the Group, and supporting the consistent execution of its long-term growth strategy in Chile.

In addition, the strategic alliance with Cencosud through the CAT joint venture represents one of the largest credit card platforms in the country. This partnership provides access to a large customer base, generates commercial synergies, and supports a highly efficient operating model.

From a technological perspective, the Bank relies on a network of critical external providers, including TSYS for card processing, SAP for enterprise systems, and cloud-based solutions that enable advanced analytics, automation, and scalability. While these partnerships provide access to capabilities that would be costly and complex to develop internally, they require robust third-party risk management to ensure operational resilience, security, and regulatory compliance.

At the same time, the Bank's operations are supported by its proprietary digital platforms—ScotiaGO, ScotiaConnect, and App Empresas—which account for a significant share of customer acquisition, servicing, and transaction activity. Their performance depends on a combination of internal technology architecture and external providers, including cloud infrastructure, authentication systems, fraud monitoring, and cybersecurity solutions.

Relevant environmental and social impacts

Environmental and social factors are having an increasingly direct impact on the Bank's business model, influencing product demand, risk structure, regulatory requirements and commercial opportunities that can be captured in the medium term.

In the environmental space, increasing customer and real estate developer focus on energy efficiency is driving demand for green financial products, such as Green Mortgage Loans. Introduced in 2024, this product reflects how the climate transition is becoming an increasingly relevant commercial driver for the Bank.

These solutions not only create differentiated lending opportunities but also position the Bank ahead of potential regulatory developments related to construction standards and energy certifications, which are expected to influence mortgage risk profiles and collateral valuations over time.

Additionally, the identification of a carbon footprint of 3,814 tons of CO_2e[2] provides a quantitative baseline to guide operational investments in efficiency, mobility, and waste management. These

[2] Carbon dioxide equivalent (CO_2e)

initiatives may contribute to reducing structural costs while strengthening the Bank's positioning with investors and institutional clients.

From a social perspective, financial inclusion has become a key driver of demand in mass market segments. Financial education programs, social initiatives, and volunteer activities—which reached more than 14,900 people in 2025—expand the potential customer base, improve financial health, and promote more stable payment behavior, with positive effects on delinquency trends and credit risk, particularly in retail portfolios.

Progress in workforce inclusion, with 1.8% of employees being persons with disabilities, together with the establishment of the first gender-balanced Board of Directors in the banking sector, further strengthens the Bank's reputation. This, in turn, supports talent attraction, reinforces trust, and enhances relationships with corporate clients that prioritize strong ESG standards.

From a regulatory perspective, recent changes introduced by the Fintech Law, the Economic Crimes Law, and the Personal Data Protection Law are driving structural adjustments to the Bank's operating model. Requirements to update the Crime Prevention Model, strengthen supplier oversight, and enhance data governance frameworks increase compliance costs in the short term, but mitigate legal and reputational risks that could otherwise affect business continuity and customer trust—particularly in an increasingly digital environment with intensive use of personal data.

Together, these environmental and social dynamics are reshaping the Bank's competitive landscape. They influence product demand, alter risk profiles, require more advanced technological and regulatory capabilities, and create new opportunities for sustainable growth. Effective management of these factors is therefore critical to preserving the Bank's long-term capacity to generate economic value.

Main management results

Scotiabank Chile delivered solid financial, operational, and strategic performance, supported by the strength of its business model, the quality of its resources and relationships, and its ability to adapt to a dynamic economic and regulatory environment. The year's results reflect a sustained increase in value creation—both financial and non-financial—along with meaningful progress in digitalization, risk culture, sustainability, and inclusion.

From a commercial perspective, the Bank maintained a 13.2% market share in total loans, supported by balanced growth across its consumer, commercial, and mortgage portfolios. This performance was driven by the disciplined execution of its primary relationship strategy, the continued strengthening of digital capabilities, the evolution of the Customer Experience Model, and the incorporation of advanced analytics in customer acquisition and credit origination.

1% Gender pay gap

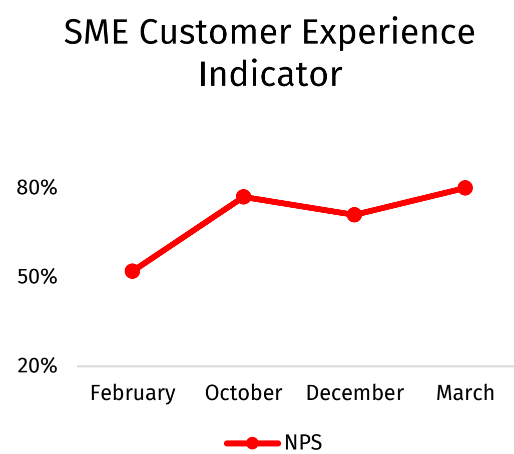
4:4 Parity Board of Directors

90% Employee engagement

The Bank's performance is supported by the key inputs of its business model, including a workforce of 5,466 employees, with a balanced gender composition (51.81% women and 48.19% men), a gender pay gap of less than 1%, and a gender-balanced Board in place since 2023, reinforcing inclusive and diverse governance practices.

These capabilities are complemented by a nationwide distribution network of 92 branches, 153 ATMs, and 25 ScotiaConnect platforms, enabling broad and consistent geographic coverage. In addition, the strategic alliance with Cencosud through the CAT joint venture represents a critical asset, providing scale, commercial reach, and complementarities in payments and financial services.

During the first quarter, customer satisfaction improved across key segments. In the strategic SME segment, NPS reached 80%, reflecting a strong perception of service quality and digital capabilities. This performance was driven by the redesign of the Customer Experience Model, enhancements to omnichannel service, and the rollout of new functionalities, including the ScotiaEmpresas App and expanded transactional capabilities for SMEs and corporate clients.



In risk management, Scotiabank continues to strengthen its frameworks, with a focus on enhancing controls, analytical capabilities, and monitoring processes. In 2025, the regulator assigned the Bank its highest management rating, reflecting the strength of its financial and non-financial risk management practices. In parallel, risk culture continues to deepen through the training of 3,176 employees during the first quarter of 2026, reinforcing the Bank's ability to identify risks beyond established appetite and promote proactive management.

The Bank has also advanced in strengthening information security and mitigating technology-related risks. Key initiatives included the enhancement of the Cybersecurity Culture Program, the implementation of the Zscaler secure browsing solution for remote work, modernization of data loss prevention (DLP[3]) processes, phishing simulation campaigns, and industry-wide coordination exercises with CSIRT. These actions have helped maintain a stable Cybersecurity Risk Index (SRI) and improved organizational preparedness against cyber threats, while ensuring compliance with regulatory requirements such as RAN 20-10.

In sustainability, Scotiabank exceeded its annual target for sustainable financing, mobilizing CAD 1.3 billion, primarily through green loans and bonds. The Bank strengthened its ESG advisory offering, launched its first Green Mortgage product in Chile, and continued to advance internal environmental initiatives, including water consumption reduction and expanded recycling programs.

Global sustainability performance, measured through the SSINDEX, reached 75% in 2025, representing an increase of 2% compared to 2024. This improvement was driven by higher scores from both suppliers (+4%) and customers (+1%). These developments reinforce the Bank's role

[3] Data Loss Prevention (DLP) Framework

in supporting the transition to a low-carbon economy and strengthening stakeholder confidence.

During the first quarter, Scotiabank received several recognitions from leading national and international institutions. Notably, Euromoney Private Banking Awards recognized Scotia Wealth Management Latam in the “Best for Client Service” category. The Bank was also recognized by Pride Connection as Best International Company, and by Top of Mind Index Tech Chile, ranking 27th among the most attractive employers for young professionals in the technology sector. In addition, Consensus Economics awarded the Bank the Forecast Accuracy Award 2025, highlighting the precision of its economic forecasts. These recognitions reflect the strength of its strategy, the quality of its teams, and its commitment to innovation, talent, and customer experience.

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3. STRATEGY

To be our customers' primary bank

In 2025, Scotiabank Chile began implementing the Group's new global strategy, "The New Way Forward: A Renewed Vision of the Bank's Future," defined by its parent company, The Bank of Nova Scotia.

The Bank's strategy is aligned with Scotiabank Group's global purpose of becoming the most trusted financial partner for its customers, delivering simple, personalized, and consistent solutions grounded in long-term relationships. This purpose guides strategic decision-making and shapes how the Bank creates value for customers, shareholders, employees, and society.

The strategy is closely aligned with the Bank's business model, which is based on financial intermediation, the provision of integrated solutions across retail, commercial, corporate, and investment banking, and the leveraging of the Group's global capabilities. Through this model, Scotiabank Chile seeks to deepen primary customer relationships and position itself as the main financial partner, supported by a comprehensive range of products and services, a robust omnichannel experience, and advanced digital and analytical capabilities.

Scotiabank's long-term objective is to deliver sustainable value creation while maintaining high standards of transparency. To support this, the Bank has implemented an updated medium-term plan aligned with its strategic vision, focused on strengthening its capabilities and reaffirming its commitment to shareholders, customers, and employees.

Within this framework, Scotiabank Chile's strategy is structured around three core pillars:

THE MAIN BANK FOR OUR CUSTOMERS

A bank focused on its customers through an appropriate segmentation for this purpose and seeking to optimize profitability

A TEAM WORKING IN COORDINATION

Eliminate silos in the organization, aligning initiatives to achieve the execution of objectives. This is based on an attractive organization for our talents that encourages their development.

AN ORGANIZATION SIMPLE

Automate, simplify and optimize processes based on digitalization. Improve results with a focus on efficiency and productivity.

Strategic drivers

Scotiabank Chile's strategy is shaped by a set of internal and external drivers that define the competitive, regulatory, and technological environment in which the Bank operates, as well as the opportunities for medium- and long-term value creation.

These drivers underpin the Bank's strategic priorities and inform key decisions regarding resource allocation and capability development.

a. Accelerated digital transformation of the financial market

- Financial markets, both in Chile and globally, are transitioning from traditional digitalization toward more integrated digital financial ecosystems, enabled by regulatory frameworks, artificial intelligence, Open Finance, and advanced technology infrastructure. This transformation is reflected in the increasing adoption of self-service solutions, the enhancement of omnichannel experiences, and the expansion of fully digital products, in response to growing customer demand for simpler, faster, and more personalized interactions.
- During the first quarter (January–March), the Bank advanced a range of initiatives supporting its transition toward a digital financial ecosystem. These efforts focused on further digitalizing products, processes, and channels, while enhancing customer experience and security. Key initiatives included improvements to corporate payment solutions, the expansion of multi-currency FX offerings in digital channels, and the implementation of fully digital journeys for credit card upgrades, benefits, and restructurings. The Bank also expanded service channels through platforms such as WhatsApp. These developments were complemented by enhancements in cybersecurity, biometrics, and fraud prevention—particularly within the Business App—as well as the ongoing optimization of technology platforms and alignment with regulatory and industry standards. Collectively, these initiatives strengthen the Bank's digital value proposition for both individual and corporate customers, increase self-service capabilities, improve operational efficiency, and support a transition toward a model of responsible innovation and regulated agility.

b. Greater regulatory demand and focus on integrity, data and cybersecurity

- The local and international regulatory environment continues to become increasingly complex and stringent, particularly in areas such as personal data protection, open finance, financial crime prevention, REDEC, cybersecurity, and sustainability. During 2026, key regulatory frameworks—including the Economic Crimes Law, the Fintech Law, and the new Personal Data Protection Law—have come into force or progressed significantly, requiring more robust compliance, risk management, and internal control capabilities.
- This strategic driver underpins the Bank's focus on strengthening its governance framework, enhancing prevention policies and models, and upgrading its technology and cybersecurity capabilities. The strategy is based on the premise of an increasingly demanding regulatory environment, where strong governance, prudent risk management, and operational resilience are essential to ensuring business sustainability and maintaining customer and market confidence. Further detail on the impact of regulatory developments is provided in Sections 5 (Risk Management) and 6 (External Environment).

c. Intensified competition and new business models

- The financial industry is facing increasing competitive pressure driven by the entry of fintechs, new payment players, digital platforms, and specialized banking models. These competitors, characterized by lean structures and highly focused value propositions, are raising customer expectations in terms of experience, speed, and simplicity.
- In response to this environment, Scotiabank Chile's strategy prioritizes strengthening primary customer relationships, leveraging the scale and capabilities of the Scotiabank Group, and developing a comprehensive value proposition that combines digital solutions, specialized advisory, and a diversified range of products and services across individual, SME, corporate, and institutional segments. This strategic focus also drives initiatives aimed at improving operational efficiency, breaking down organizational silos, and fostering cross-functional collaboration to capture synergies and deepen long-term customer relationships.

d. Climate transition and sustainability as a source of risk and opportunity

- The transition to a low-carbon economy, together with increasing expectations from clients, investors, and regulators on environmental, social, and governance (ESG) matters, represents a key strategic driver for the Bank. At the global level, Scotiabank established in 2022 a target to mobilize CAD 350 billion in climate-related financing by 2030. This target encompasses not only climate change mitigation and adaptation, but also broader priorities such as biodiversity, sustainable agriculture, and the circular economy.
- In line with this mandate, during 2025 Global Banking & Markets (GBM) reinforced sustainable finance as a strategic priority, integrating ESG criteria across its operations, regardless of the formal classification of financial instruments. In this context, the Bank played a key role in green bond issuances, including the placement of Empresas Copec's first green bond. This transaction was developed in coordination with the Sustainable Finance team in Toronto, enabling the delivery of solutions aligned with global standards.
- This strategic driver is reinforced by the implementation of a double materiality assessment, which identified the ESG risks and opportunities with the greatest financial and long-term impact for the Bank. The strategy recognizes that sustainability and climate risk management are not only regulatory and reputational imperatives, but also key drivers of business opportunities, competitive differentiation, and long-term value creation.

In line with the strategic drivers, the Bank has defined its 2026–2027 plan, supported by a robust and verifiable 2025 baseline. This baseline will serve as a reference point to measure progress and guide resource allocation.

As of March 2026, Scotiabank Chile delivered solid performance, with a 6% increase in operating income, a 10% increase in net income, and 15.6% growth in demand deposits, while adding 19,400 new SME customers.

These results establish the starting point for the Bank's objectives of strengthening primary relationships, advancing digitalization, enhancing customer experience, and improving risk-adjusted profitability across the different planning horizons.

Business objectives and strategy

Scotiabank is committed to making a positive impact in the communities where it operates, a purpose that has guided the Bank since its founding in Canada more than 190 years ago. Through its activities, the Bank contributes to economic development by creating jobs, investing in businesses, and supporting local communities.

In its pursuit of building a stronger Bank, Scotiabank also contributes to building stronger, more inclusive societies. As a provider of financial solutions, the Bank supports its customers, their families, and their communities by delivering a comprehensive range of products and advisory services aimed at helping them achieve long-term success.

Non-financial objectives

In line with its purpose of contributing to the sustainable development of the societies in which it operates, Scotiabank aligns its non-financial management with the creation of long-term value for its key stakeholders, including customers, communities, employees, and suppliers. This approach is reflected in initiatives that strengthen corporate governance, promote responsible practices, and foster more inclusive, resilient, and environmentally sustainable communities.

The Bank recognizes that economic growth is inherently linked to social inclusion and environmental stewardship. Accordingly, it focuses on identifying and mitigating risks while unlocking development opportunities, both for the organization and for society.

Our community

At the community investment level, the Bank's efforts are focused on the ongoing development of its ScotiaINSPIRA social impact program, which aims to strengthen economic resilience in the communities where it operates. This is understood as the ability of individuals, families, businesses, and communities to thrive under different conditions and actively participate in local economies.

In 2026, the program is structured around key pillars including inclusion, social needs, employability, education, and the environment. Applications for this cycle closed in March 2026, with a total of 125 projects received. In the latest round, eight organizations were selected to receive funding and are currently in the full execution phase of their initiatives.

The Bank is committed to fostering an inclusive culture in which every voice is valued. Inclusion is a core corporate value, supported by a formal Inclusion Policy established in 2018 and updated in 2021. This framework is structured around four pillars: gender equality, multiculturalism, LGBTQIA+ inclusion, and disability.

As of March 2026, 1.8% of the Bank's workforce corresponds to persons with disabilities, reflecting ongoing efforts to promote greater inclusion.

In support of gender equality, the Bank has implemented a range of high-impact initiatives in recent years, positioning itself as a benchmark both within the financial industry and across the broader corporate sector. In March 2026, Scotiabank published its first "Gender Equity Report," presenting key indicators related to gender equality across its stakeholder groups.

As part of its commitment to diversity and inclusion, the Bank has also developed a Diversity and Inclusion Guidelines Manual for customer service, aimed at enhancing the experience of all clients. The document includes best practices such as the use of inclusive language, as well as guidance for serving individuals with physical or motor disabilities, visual or hearing impairments, and autism spectrum disorder (ASD).

These initiatives complement other longstanding programs, including the Scotiabank Includes Program, which seeks to improve the quality of life of employees with disabilities, and the Paused Program, which allows employees to take unpaid leave for personal projects for a period of two to eight months, with the assurance of returning to their position.

These efforts have been recognized through various certifications and awards. During the first quarter, the Bank was named Best International Company by Pride Connection, in recognition of its sustained commitment to diversity and inclusion.

From a workforce perspective, becoming an employer of choice remains a strategic priority for Scotiabank. The Bank fosters a work environment that is safe, inclusive, and grounded in strong ethical principles.

In addition, the Bank maintains a robust compensation framework based on fairness, competitiveness, and performance. Employees are offered a range of flexible benefits—covering time, financial, and wellbeing dimensions—allowing them to tailor options to their individual needs and priorities.

The Bank also promotes flexible work practices through the ongoing implementation of a hybrid work model, combining in-person and remote work based on the specific needs of each business area and team.

These initiatives have contributed to Scotiabank Chile ranking 20th in the Merco Talento 2025 ranking, which evaluates the top 200 companies in the country in terms of talent attraction and retention.

Digital transformation for customers

Digital transformation is a central pillar of Scotiabank's strategy, driving the following outcomes:

- Strengthens customer relationships and reinforces the Bank's position as a trusted and primary financial partner.
- Enables the development of a differentiated value proposition through flexible, innovative products and services, particularly focused on priority segments.
- Simplifies processes and enhances customer interaction across channels, improving the overall customer experience.

- Supports the Bank's ability to adapt to regulatory developments and operate effectively in an increasingly digital and evolving business environment.

Under this pillar, the Bank continued to develop an integrated ecosystem of products and functionalities aimed at delivering efficient solutions that simplify customers' daily lives and align with their evolving digital needs (see Chapter 04: Resources and Relationships for further detail).

During the period, several initiatives were implemented to enhance customer experience, security, and autonomy across digital channels.

In the Retail segment, key enhancements to the ScotiaGo app and web platform included the launch of a new self-service module on the private site, enabling customers to submit and track requests. Accessibility features were also expanded within the "You Need Help" menu, incorporating voiceover functionality, while a new homepage avatar and guided product tour were introduced to improve usability and customer onboarding.

To increase the volume of digital renegotiations and reduce in-branch visits, the Bank implemented automated and pre-approved renegotiation capabilities within the eiAP system, allowing customers to complete these processes fully online.

Artificial Intelligence initiatives were also advanced across multiple fronts, under strict oversight from the Cybersecurity function. These included large-scale process automation and enhancements to the chatbot, enabling a more guided experience across web and mobile channels, with direct access to key processes such as requests, claims, and onboarding.

ScotiaGo also introduced new functionality allowing customers to view cards blocked due to suspected fraud and request unblocking through Scotiapass Digital, strengthening security while increasing customer autonomy. Additional measures included mandatory Android updates, certificate renewals, enhanced alerts in critical processes, and broader technological upgrades to support operational continuity and a more secure and efficient experience.

From a regulatory perspective, progress was made in modernizing services to support integration into the Open Finance ecosystem, enabling customers to access the Bank's products and services through multiple platforms. In addition, direct integration with SAP systems was expanded, allowing corporate clients to interact more efficiently with the Bank's infrastructure.

Collectively, these initiatives reinforce a more efficient, secure, and personalized digital experience, aligned with Scotiabank's broader digital transformation agenda.

Boosting female leadership

Since its founding, Scotiabank has maintained a strong commitment to diversity and inclusion, with a particular focus on gender equality and the advancement of opportunities for women. This commitment extends across its operations, encompassing employees, customers, and the communities it serves. As early as the late 1950s, Scotiabank in Canada had already appointed women to management positions, reflecting a long-standing dedication to inclusive leadership.

As of March 2026, women represent 51.8% of the Bank's workforce, while 24.7% of senior management positions are held by women.

For clients, Scotiabank launched the Scotiabank Women Initiative in Chile in August 2022—a global program aimed at removing barriers and promoting female leadership in business. Its value proposition is based on three pillars: financing, education, and advisory, reaching more than 3,500 women to date.

In terms of financing, from its inception through March 2026, more than CAD 660 million has been provided to women-led businesses. In addition, over 35 training and networking events have been held across multiple regions of the country.

The program has also contributed to an increase in business activity, with the monthly deposit flow from women-led companies rising from 22% to 30% since its implementation.

The initiative also promotes recognition of female leadership through programs such as the Executive Award, organized jointly with Mujeres Empresarias and Diario Financiero. Scotiabank has participated in this initiative for 11 years, highlighting the trajectory and impact of women across different professional roles.

The 2026 edition of the award focuses on senior executives and leaders in key areas, including commercial, human resources, legal, and finance. In its 17th edition, the award broadens the scope of executive leadership recognition, emphasizing impact, management, and decision-making across five strategic business areas.

Since 2024, and as part of its commitment to gender equality, Scotiabank has been a signatory to the UN Women's Empowerment Principles (WEPs) and the UN Global Compact, frameworks designed to promote gender equality and responsible business practices within the private sector.

Our contribution to sustainable development

Scotiabank Chile's contribution to sustainable development is reflected in the integration of environmental, social, and governance (ESG) criteria into its decision-making processes, supporting more responsible capital allocation and the long-term stability of the financial system. This approach has been externally recognized, with the Bank ranking 40th in the Merco ESG ranking of the 100 most responsible companies in Chile, reflecting consistent and disciplined ESG management.

Rather than focusing on isolated initiatives, the Bank prioritizes aligning its management practices with evolving regulatory, technical, and market frameworks that are shaping sustainable development in Chile. In this context, Scotiabank has actively participated in the public-private Green Finance Roundtable led by the Ministry of Finance, contributing to the development of the Environmentally Sustainable Taxonomy (T-MAS), recently formalized by national authorities. This framework establishes a classification system to assess whether economic activities meet environmental sustainability criteria.

From an environmental perspective, the Bank recognizes the growing impact of climate change on natural systems and communities worldwide and has committed to reducing its environmental footprint. Through Scotia Administradora General de Fondos, Scotiabank is a signatory to the UN Principles for Responsible Investment (PRI), reinforcing the systematic integration of ESG factors into investment analysis and asset management processes, beyond regulatory compliance.

This approach supports the broader incorporation of sustainability criteria into the local capital market and strengthens investor confidence.

Overall, the Bank's ESG strategy enables it to align its corporate purpose with the country's economic development, promoting practices that reduce risk, enhance resilience, and support the transition to a more sustainable economy, both through its direct operations and its influence on clients, investors, and other participants in the financial ecosystem.

Milestones and deadlines

The Bank's strategy is executed through a set of clearly defined objectives, milestones, and timelines, enabling effective monitoring of progress and assessment of decision-making outcomes. Within this framework, planning differentiates between short-, medium-, and long-term priorities, recognizing that value creation requires both near-term results and structural transformations across the Bank's commercial, operational, and sustainability models.

The progress achieved during 2025—in terms of revenue growth, profitability, deposit expansion, and customer acquisition—provides a solid baseline for the design and evaluation of the 2026–2027 plan, ensuring strategic continuity, disciplined execution, and alignment with the long-term objectives of both the Bank and the Scotiabank Group.

Figure N°5 Strategic plan in different time horizons

Short Term
≤12 months

- Enable advanced electronic signatures, allowing you to accelerate business and operational processes.
- Opening two new *ScotiaConnect* platforms focused on priority segments to improve engagement and deepening.
- Stabilize TSYS and deploy new high-value functionalities for customers and executives.
- To increase the weight of digital sales in both *Retail* and SMEs, consolidating a more efficient and scalable commercial model.

Medium Term
36-60 months

- To increase the priority in the segments defined as strategic (*Retail*, SMEs, Companies).
- Consistently improve NPS, closing critical gaps in key journeys.
- Optimize the mix of placements towards products with higher risk-adjusted returns, reinforcing sustainable growth.
- Deepen the coverage of Multinationals and enhance the integrated offer of Total Wealth solutions.

Long Term
>60 months

- Consolidate digital leadership, through a unified, omnichannel experience and *end-to-end* automation in key processes.
- Scaling sustainable finance, expanding green, social and transitional products in line with the Group's global guidelines.
- Advance long-term climate goals, integrating environmental criteria into products, processes and business decisions.

Strategic Focuses and Plans

To support the effective execution of the strategy, a set of strategic focus areas has been defined, aligned with the three pillars outlined above:

Figure N°6: Strategic focuses

To drive **the growth of** our customers' deposits.

Conduct a **rigorous evaluation of expenditures.**

Putting the customer at the center, guaranteeing an exceptional experience, anticipating their expectations and offering solutions that strengthen their trust in our brand.

PxQ (price per quantity) monitoring to ensure a final result and generate value for our shareholders, collaborators and customers.

To keep the Bank safe, based on a culture of control and risk management.

Greater **internal coordination and with the Headquarters**, which allows us to eliminate silos and work as a single team.

Prioritise environmental, **social support, inclusion and governance commitments.**

Aligned with these strategic focus areas, the following initiatives have been defined:

Strengthening structural funding to support value and cash flow

Strengthening the deposit base is a strategic priority to ensure a competitive and stable funding profile aligned with business growth. During 2025, Scotiabank Chile achieved more than

10% growth in demand deposits, reflecting the effectiveness of its commercial initiatives, enhancements to the value proposition for priority segments, and the expansion of digital capabilities that support customer engagement.

Efforts were focused on deepening primary customer relationships across Retail, Scotiapyme, and Wealth Management segments, increasing product penetration, and strengthening the offering in current accounts, time deposits, and transactional solutions. Enhancements to ScotiaGO, the expansion of ScotiaConnect, and the rollout of segmented propositions such as Scotia Access supported the consolidation of an omnichannel experience that drives both deposit growth and customer retention.

This focus contributes directly to the strategic objective of improving the Bank's funding mix, reducing reliance on wholesale funding, and lowering structural funding costs, with positive effects on net interest margin and the resilience of the business model.

A reliable financial partner, with integrated experience, modern and focused on the real needs of people and companies

The Bank made significant progress in reinforcing its customer-centric strategy, supported by ongoing improvements in customer experience, digitalization, and personalization. In this context, record satisfaction levels were achieved during the first quarter of 2026, with a Net Promoter Score (NPS) of 73% in Retail and 80% in SMEs. These results were supported by continuous monitoring, rapid response action plans, and a proactive operating model focused on identifying and addressing root causes.

Customer experience was further enhanced through end-to-end digitalization initiatives, including digital claims management, improvements to transfer processes, flexible card payment options, and fully digital sales journeys. These developments reduced processing times and increased customer autonomy.

This strategy was complemented by innovation driven by Artificial Intelligence, which has supported faster response times and advanced analysis of customer feedback (the "voice of the customer"), as well as by continued investment in cybersecurity. As a result, the Bank was once again recognized as one of the most secure banks in the country.

Scotiabank Chile also strengthened trust and community engagement through financial education programs that benefited more than 14,900 people in 2025, reinforcing its social purpose and its positioning as a trusted financial partner.

Comprehensive risk management for model resilience and value protection

Security and comprehensive risk management are fundamental to the Bank's resilience. During 2025, the risk framework was strengthened across all key dimensions, including financial, operational, cyber, compliance, and ESG risks.

Key milestones included:

- Implementation of a Cybersecurity Strategy aligned with the NIST framework, focused on the identification, prevention, detection, and response to threats.
- Training of 5,673 employees in cybersecurity, secure remote work practices, and phishing prevention.
- *Modernization of monitoring tools, including Zscaler, strengthened Data Loss Prevention (DLP) capabilities, and advanced analytics for anomaly detection*.
- Integration of new indicators into the Risk Appetite Framework, incorporating Strategic Risk, Data Risk, and ESG risk metrics.
- Enhancement of stress testing capabilities, together with a positive supervisory assessment of the IAPE by the CMF.

This focus ensures that the Bank operates in a safe and sound manner, complies with local and international regulatory requirements, and maintains resilience in the face of adverse scenarios.

Further details on risk management is provided in Chapter 5 (Risk Management).

Cost optimization and operational efficiency

A strong focus on cost discipline and expense control enabled the Bank to maintain moderate cost growth, with operating expenses increasing by 1.6% despite a challenging environment. As a result, the Bank achieved an efficiency ratio below 39%, positioning it among the best performers in the industry.

Operational efficiency was further strengthened through a focus on low-cost core deposits, the optimization of business metrics, and the removal of internal organizational barriers, ensuring a more effective allocation of resources.

By combining disciplined cost management, operational efficiency, and ongoing digitalization, the Bank has sustained growth while maintaining a lean cost structure, fully aligned with its strategic focus on rigorous expense management.

Strategic management and balance between profitability and volume

A more disciplined approach to balancing profitability and volume has been a key focus for the Bank, supporting the delivery of sustainable results and long-term value for its stakeholders.

During 2025, this approach was reinforced through more refined segmentation, value-based pricing strategies, and commercial management driven by clear performance metrics.

These initiatives have contributed to increased product penetration and deeper customer relationships, strengthening long-term engagement. They were further supported by improvements in operational efficiency and ongoing digitalization, enabling better resource optimization and enhanced commercial productivity, while maintaining balanced growth across revenues, funding, and costs.

Overall, the Bank's price–volume (PxQ) approach has guided decision-making toward a more efficient allocation of capital, prioritizing initiatives that maximize impact and create value for shareholders, employees, and customers.

Security and comprehensive risk management remain fundamental to the Bank's resilience. During 2025, the risk framework was further strengthened across all key dimensions, including financial, operational, cyber, compliance, and ESG risks.

The commitment to "work as one team"

Scotiabank Chile has aligned its operations with the strategic pillars established by Headquarters, ensuring consistency with the Group's long-term vision and global strategy.

This alignment has been supported by a strong investment in employee capabilities. As of March 2026, 407 employees have been trained in key areas such as digital transformation, agile methodologies, and automation development.

Key initiatives include programs such as Secure Code Warrior, Communities of Practice, and Sprint Reviews, which provide technology teams with critical tools and skills to enhance performance and innovation.

In addition, the Women's Leadership Program has been expanded to all female employees, complemented by workshops focused on purpose, mental health, networking, and equity.

The Bank has also continued to advance its diversity and inclusion agenda, consolidating a gender-balanced Board of Directors, promoting the inclusion of persons with disabilities, and aligning with global standards.

At the organizational level, Scotiabank Chile continues to foster a culture of cross-functional collaboration across business units and with Headquarters, supported by a management model aligned with the Group's global strategy. This commitment from Scotiabank employees strengthens the Bank's capacity for innovation and reinforces its focus on excellence and customer centricity.

Integrating environmental, social and governance factors for long-term value creation

The Bank views sustainability as a strategic enabler, rather than solely a matter of regulatory compliance. In 2026, it continued to advance its ESG commitments by further integrating these factors into its operations, risk management, and overall strategy.

Key achievements include:

Environmental

- In 2025, the Bank launched its first Green Mortgage product, incorporating energy efficiency criteria into housing finance. As of March 2026, the initiative has established partnerships with 17 real estate companies and includes 57 certified projects nationwide. It has generated a pipeline of 75 referred clients and supported the origination of green mortgage loans, positioning it as a key initiative to promote more efficient and sustainable housing solutions.
- Measurement of the Bank's carbon footprint (Scopes 1, 2, and 3) reached 5,207 tons of CO_2e, providing a baseline for the definition of future emissions reduction targets.
- Progress was achieved in environmental efficiency initiatives, including a 6% reduction in water consumption, the implementation of recycling programs in 12 branches, and advancements in the electrification of logistics processes.

Social

- More than 14,910 beneficiaries were reached through financial education programs, volunteer initiatives, and community engagement activities as of the end of 2025.
- Implementation of social impact initiatives through the ScotiaINSPIRA program, with more than CLP 520 million allocated to projects focused on education, environment, employability, inclusion, and broader social need.

Governance

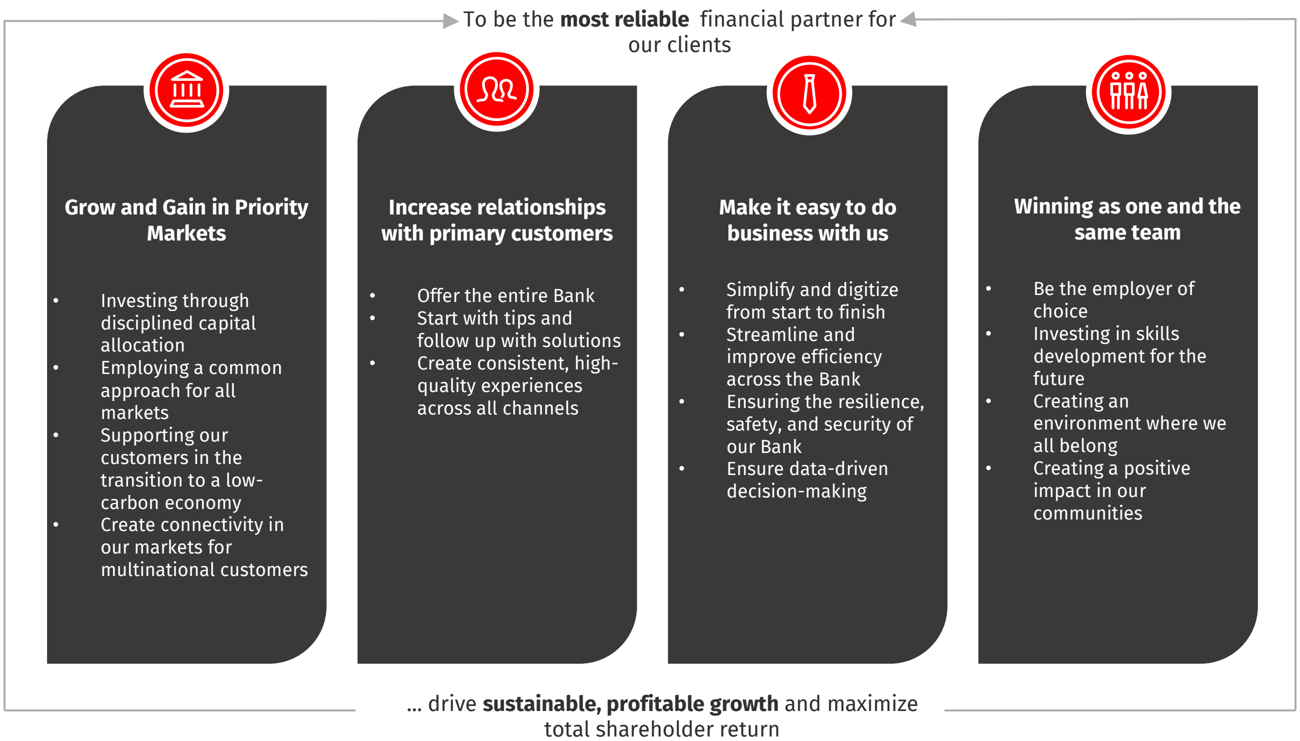
- Established policies and procedures for the reporting and management of incidents, aligned with the Bank's Incident Management Program.
- Availability of formal channels for employees and external stakeholders to report incidents and compliance concerns, ensuring transparency and accountability.
- A governance framework designed to support effective communication and coordination across all business units.

Sustainable Strategy

At Scotiabank, sustainability is embedded as a central pillar of the Bank's business strategy. It not only supports positive environmental and social outcomes, but also strengthens the Bank's ability to identify and manage risks, while capturing opportunities arising from environmental, social, and governance (ESG) factors.

We work for our future

Figure 7: Scotiabank Chile's Sustainability Strategy



Based on this vision, Scotiabank Chile integrates material ESG considerations into its management approach, aligned with the global strategy defined by its parent company, The Bank of Nova Scotia.

At the local level, sustainability initiatives and programs are primarily structured around three key objectives of Scotiabank's corporate strategy: supporting customers in the transition to a low-carbon economy, fostering an inclusive environment where all individuals can thrive, and generating a positive impact on communities.

In addition to these strategic priorities, the Bank places strong emphasis on contributing to the development of its employees, customers, and suppliers. This approach enables Scotiabank Chile to respond effectively to the specific needs and expectations of its stakeholders, while supporting sustainable and inclusive growth in the country.

Our commitment to the Sustainable Development Goals

In 2026, the Bank reaffirmed its commitment to the Sustainable Development Goals (SDGs) as a reference framework to guide initiatives with measurable impact on customers, communities, and the broader value chain. This commitment is fully integrated into the business strategy, prioritizing those SDGs that most directly contribute to value creation, including financial inclusion, decent work and innovation, sustainable cities and communities, and climate action.

The 2026 approach focuses on defining clear targets and metrics to assess the Bank's specific contributions, strengthen alignment with business lines, and ensure consistency with long-term corporate objectives.

In this context, the Bank has designed programs and initiatives aligned with 13 of the 17 United Nations Sustainable Development Goals. This framework highlights key global challenges that must be addressed by 2030 to advance toward a more inclusive, resilient, and sustainable society.

Further detail on the Bank's contributions to its priority SDGs is presented in Chapter 07 ("Sustainable Strategy") of the Scotiabank Chile 2025 Integrated Report.

Communication with stakeholders

To ensure continuous alignment of its sustainability programs and initiatives with the evolving needs and expectations of its environment, Scotiabank Chile maintains ongoing and structured engagement with its stakeholders.

Feedback generated through these interactions represents a key source of continuous improvement for ESG initiatives and supports the development of long-term, trust-based relationships, particularly with stakeholders that are strategically relevant to the business.

Based on this approach, the Bank identifies its key stakeholder groups, defines their strategic importance, and establishes the primary communication channels used to engage with each of them:

Table N° 3: Communication channels by segment:

Segment	Executive Description	Classification	Key Products
Collaborators	Employees are the main engine of our organization, since their performance, commitment and alignment with corporate values are essential to achieve strategic objectives and maintain high standards of service. Ensuring that we have the best team in our sector allows employees to thrive and grow professionally in our Bank.	Inform, sensitize and raise awareness about the value of each of the initiatives carried out by the Bank, to meet the annual goals of the organization.	Strategic planning day • VP breakfasts with employees • Open agenda • Periodic feedback and coaching • Internal communications • Intranet: Scotiabank People • Yammer *by* Office 365 • RS Newsletter • Workplace screens • Surveys • Executive Committee meetings • Town hall with International Banking Leader • Performance evaluations • Training cycles • Induction processes • Whistleblowing channels • Integrated memory • Relationships labor
	Customers are at the heart of Scotiabank's operations. Their	To inform, respond to their concerns and offer	Through executives • Surveys • Calls • Whistleblowing channel • Complaints

Segment	Executive Description	Classification	Key Products
Customers	satisfaction, trust and loyalty are essential to guarantee sustained growth and competitiveness in the financial market. The Bank's goal is to continue to innovate and evolve its sustainable financing offering with new products and services to further help clients integrate sustainability into their organizations through innovative financial instruments.	services, in order to establish a bond of trust through the different media, channels and forms of communication.	channel • Contact centers • Social networks • Media • Social events • Email • Corporate website • Bank App • NPS measurements • New digital service platforms • Testing of new products • Integrated memory
Suppliers	Suppliers play a crucial role in Scotiabank's value chain, ensuring the supply of goods and services that are essential to our operations. With these companies, we seek to maintain a solid, transparent and equitable relationship that contributes to operational efficiency and compliance with quality standards, as well as to ensure that purchasing processes are always competitive and aligned with the best practices in the market.	Have fluid and honest communication with our suppliers through the respective area.	Email • Telephone • Face-to-face • Corporate website • Meetings • Integrated Memory • Negotiation Platform (*Smartbuy*) • Risk Assessment Platform (Coupa).
Regulators	Regulators help ensure that Scotiabank's operations comply with local and international regulations. Maintaining an effective relationship with these organizations ensures Scotiabank's stability, license to operate and reputation in the market.	Maintain regular communication through the formal channels established by the CMF.	CMF website • Seli Platform (Information Submission System to the Regulator) • Integrated Memory
	Scotiabank plays an important role in the development of the communities where it operates, promoting financial inclusion,	Establish a link with the community and society where we operate.	Corporate Website • Media • Meetings • Perception Surveys • Partnerships • Social Media • On-the-Ground Programs and Initiatives • Integrated Memory

Segment	Executive Description	Classification	Key Products
Communities and Civil Society	sustainability and support for social initiatives. This strengthens its reputation and commitment to corporate social responsibility. Our global community investment strategy connects our "for our future" purpose to our business, our employees, our community engagement strategies, and our approach to community investment connections.		
Financial Community	The financial community, which includes investors, rating agencies and ESG analysts, provides multiple resources necessary for the Bank's growth and sustainability. A strong relationship with this group is key to maintaining confidence in financial performance and sustainability strategies. Scotiabank's fundamental pillars are the creation of long-term value and maximum transparency of information. The Bank's commitment is to provide complete, clear and truthful information to its shareholders and investors, using various communication channels to ensure an open and effective dialogue.	Ensure transparency, trust, and alignment with the expectations of the financial community, showcasing financial results, sustainability strategies, and ESG performance.	Corporate Website • Integrated Report • Face-to-Face • Meetings • Investor Conferences • Monthly, Quarterly and Annual Earnings Reports • Trust Channels • *Investor Relations* Website • Media
Industry Peers	Industry peers allow for the sharing of best practices, common challenges, and strengthening the banking industry as a whole. Collaboration not only fosters innovation and sustainable development in the financial sector, but also facilitates the generation of strategic	Promote dialogue and collaboration among industry peers to improve industry practices, anticipate regulatory changes, and foster joint initiatives that drive innovation, identify risks and opportunities, and contribute to the	Association of Banks and Financial Institutions (ABIF) • Integrated Report • Corporate Website • Participation in Committees

Segment	Executive Description	Classification	Key Products
	alliances, early adaptation to regulatory changes and the joint identification of risks and opportunities. These interactions help position Scotiabank as a proactive player in a dynamic and competitive environment.	sustainable and competitive development of the banking industry as a whole.	

During 2026, the Bank maintained structured and ongoing engagement with its stakeholders—including customers, employees, suppliers, regulators, and communities—to gather feedback on strategy execution and refine ESG priorities.

This engagement is focused on material issues for the business, including responsible financial services, data protection, climate transition, and inclusion. Insights generated through these interactions are systematically integrated into the Bank's strategic plans and performance metrics for the period.

Environmental Action

Scotiabank has established a global commitment to actively contribute to the fight against climate change, promoting high-impact initiatives and strategies that support environmental sustainability.

In line with this commitment, the Bank has developed a range of plans, products, and solutions aimed at advancing decarbonization, while strengthening internal management practices to further reduce its environmental footprint.

Global strategy to support the climate transition

Aligned with the Group's global strategy, Scotiabank Chile implemented a local plan in 2025 to support the transition to a low-carbon economy, incorporating clear targets, timelines, and performance indicators applicable to both its portfolio and internal operations.

The plan focuses on three key areas: integrating climate risks—both physical and transition—into governance and risk management processes; mobilizing sustainable finance toward eligible activities; and supporting clients in their transition through dedicated advisory and financial solutions.

The main objectives and initiatives under these pillars are summarized below:

Figure N°8: Climate Pillars and Transition Plan

THE MAIN BANK FOR OUR CUSTOMERS	SUPPORTING CUSTOMERS' CLIMATE TRANSITION	FINANCING CLIMATE SOLUTIONS
• To have 100% emission-free electricity by 2030. • Reduce greenhouse gas emissions by 40% in the same year.	• Advance engagement with clients in their climate transition through service offerings and advice. • Reduce physical emissions intensity in key sectors.	• Mobilize CAD $350 billion by 2030 in climate-related finance.

CULTURE, SKILLS AND COMPETENCIES TO SUPPORT THE CLIMATE TRANSITION.	Climate Transition Plan, climate-related training for employees, Net Zero Research Fund and Center of Excellence for Climate Change.
CLIMATE RISK MANAGEMENT AND RESILIENCE BUILDING.	Climate change risk assessments and climate situation analysis.

To address these priorities and align with the Group's global guidelines, Scotiabank Chile developed in 2025 a structured program with clearly defined commitments and measurable targets across each of the strategic pillars established by Headquarters.

This plan builds on actions previously advanced under the ESG Strengthening Master Plan introduced in 2023, as well as on additional initiatives identified in 2024 through ESG working groups formed across key business areas to further implement this roadmap.

Among these initiatives, those led by the Real Estate area stand out, focusing on supporting the Bank's global objective of reducing operational emissions.

As of year-end, key progress achieved under this plan included:

Table N°4: Local ESG Goals

Local targets to reduce operational emissions	Level of progress at the end of 2025
100% of air conditioning equipment without polluting gas (R22) by 2025.	By the end of 2025, this goal was met.
Reduce water consumption by 6% by 2025.	At the end of the year, this 2025 goal was considered fulfilled.
Implement the recycling program in 12 branches by 2025.	At the end of the year, the program was operating in 12 branches. The Bank's aspiration is to extend it to its entire branch network within a period to be defined.
Reduce electricity consumption by 5% by 2025.	In 2024, the fulfillment of this goal by 2025 reached 173,406 KWh of the 204,007 KWh considered.
Use of electromobility in transfers and suitcases of the Bank by 2030.	At the end of the year, the level of progress of this goal reached 3.8%.

5% less printing in branches by 2025.	At the end of 2024, the reduction rose to 7%, which represents an overachievement of the goal.

Policies and structures for sustainable finance

In addition to the Climate-Related Financing Framework, developed by the parent company in 2023—which identifies the categories of eligible activities for financing aligned with the Bank's target of mobilizing CAD 350 billion by 2030 to support climate change mitigation—Scotiabank Chile operates under a set of frameworks, policies, and processes that define eligibility criteria, sustainable finance governance, and control mechanisms.

These include ESG policies, risk management guidelines, third-party reviews, and reporting requirements. Together, these structures support capital allocation decisions, risk appetite management, and performance monitoring, including metrics such as volumes mobilized, sector exposure, and compliance indicators.

These internal frameworks include:

Environmental, Social and Governance (ESG) Risk Management Framework: Scotiabank has established and reports on a comprehensive risk management framework that identifies, assesses, measures, monitors, manages, and reports ESG risks, as outlined in the Environmental, Social, and Corporate Governance Risk Management Framework. This framework, together with its supporting policies, processes, and guidelines, enables the Bank to manage ESG risks in line with regulatory requirements, industry standards, and global best practices.

- **ESG Risk Management Program:** The framework defines key principles, as well as roles and responsibilities related to ESG risk management, and establishes minimum requirements for integrating ESG considerations into decision-making across risk types, strategies, business activities, and internal operations.
- **Day-to-day operations:** ESG risk considerations are embedded across the Bank's core processes and functional areas.
- **Operational Risk:** ESG factors are incorporated into key processes such as the New Initiatives Risk Assessment (NIRA) and the Risk and Control Self-Assessment (RCSA).

In addition to internal policies and frameworks, the Bank is also guided by external commitments related to sustainable finance, derived from international standards, agreements, and government-led initiatives to which it has adhered.

Key initiatives include:

- **Principles for Responsible Investment:** Since 2022, Scotia Administradora General de Fondos has been a signatory to the UN Principles for Responsible Investment (UNPRI), a global initiative aimed at promoting a more sustainable financial system by integrating environmental, social, and governance (ESG) factors into investment decisions. In line with this commitment, the Wealth Management Division is progressively incorporating ESG considerations into all investment processes.

- **Ministry of Finance Green Agreement:** In May 2024, the Bank renewed its participation in the Green Finance Agreement led by the Ministry of Finance. Originally established in 2019 under the Public-Private Roundtable on Green Finance—supported by the Inter-American Development Bank (IDB) and the British Embassy—this initiative defines a common framework for managing climate-related risks and opportunities.

  Under this agreement, participating financial institutions commit to:

  - Promoting a culture of sustainability by adopting policies, processes, and internal mechanisms that integrate ESG criteria into decision-making;
  - Incorporating ESG variables into asset management and the risk assessment of clients and projects;
  - Developing strategies aligned with societal needs, focused on improving quality of life, promoting the responsible use of natural resources, and contributing to environmental protection, while fostering collaboration among participating institutions.

For risk analysis and the structuring of sustainable financing, Scotiabank Chile operates under a set of mandatory policies, procedures, and governance frameworks that define the roles and responsibilities of the areas involved.

As of year-end 2025, the exposure of the Bank's commercial portfolio to Environmental Risk (*) and Climate Risk is as follows:

Figure N°9: Exposure of the commercial portfolio to Environmental Risk and Climate Risk

Environmental Risk

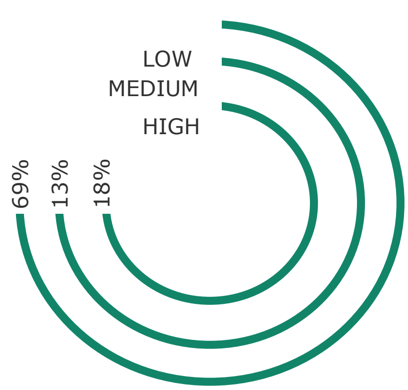
	Risk	Auth MMCAD
IERR 1 and 2	Low	43.572
IER 3	Medium	8.086
IERR 4 and	High	11.497

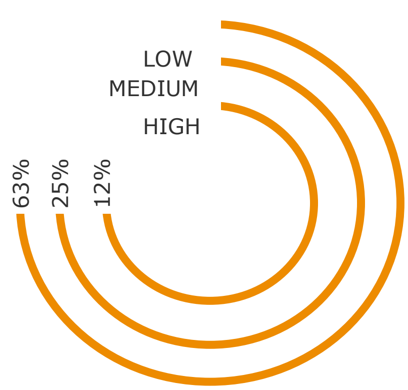
Transition Risk

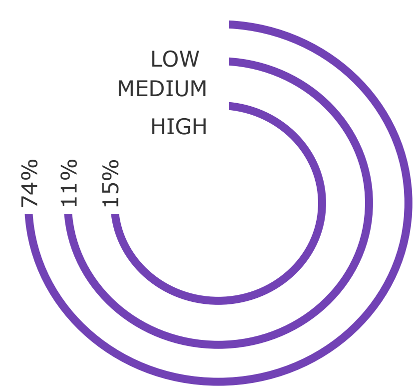
	Auth MMCAD
IERR 1 and 2	7.519
IER 3	39.757
IERR 4 and 5	15.880

Physical Risk

	Auth MMCAD
IERR 1 and 2	9.643
IER 3	46.879
IERR 4 and 5	6.633







Ethical Management and Compliance

For Scotiabank, strengthening customer relationships through trust is a strategic priority. A key enabler of this objective is the integrity of the Bank's activities and its interactions with stakeholders.

To support this, the Bank's risk management program promotes a strong culture of integrity and incorporates control frameworks aligned with best practices in compliance and corporate conduct. Through this approach, the Bank aims to:

- Avoid significant financial losses and regulatory penalties;
- Protect key intangible assets, including reputation and customer trust;
- Contribute to the stability of the financial system from a systemic perspective;
- Create sustainable competitive advantages and long-term value;
- Mitigate operational risks and prevent unethical conduct, including fraud and misconduct;
- Enhance adaptability to evolving regulatory requirements;
- Ensure alignment between corporate conduct and the Bank's business strategy.

Management Milestones Ethics and Compliance

During 2025, progress was made in 4 critical areas of the field:

Revitalization of the Code of Conduct

The Code of Conduct was updated to align with the Bank's new cultural values, with a particular focus on strengthening customer relationships. This update was supported by a comprehensive internal communication campaign and the direct integration of these principles into performance evaluation processes.

Proactive adaptation to an increasingly complex regulatory framework

Following the introduction of key regulations, including the Economic Crimes Law, the Personal Data Protection Law, and the Fintech Law, the Bank strengthened its risk management tools—such as models, training programs, and internal controls—to expand coverage and ensure compliance with these new requirements.

Managing Emerging Risks

During 2025, Anti-Money Laundering (AML) and cybersecurity risks were identified as top priorities at both the global and local levels. In response, the Bank implemented action plans and ongoing reviews of processes across Headquarters and its subsidiaries, with the objective of strengthening its capabilities and positioning itself as a leader in managing these risks.

In parallel, the Bank is advancing the adoption of Artificial Intelligence tools to enhance efficiency and effectiveness in areas such as Compliance and AML. These initiatives cover a broad range of use cases, from the automation of daily processes to more complex, enterprise-wide applications.

Continuous strengthening of whistleblowing channels and internal training

The Bank actively promotes the use of its reporting channels and the appropriate escalation of issues as part of its risk culture program, managed jointly by the Compliance, Business Risk Management, and Risk functions.

These reporting channels are available to all employees through the Bank's intranet. In addition, requirements related to the Karin Law are reinforced biannually through internal communications and are incorporated into mandatory compliance training programs.

The Bank's reporting framework includes the following channels:

- Compliance channel (Law 20,239): for reporting matters related to the Law on Criminal Liability of Legal Entities;
- Employee Relations channel (Karin Law): for reporting cases related to workplace harassment, sexual harassment, and workplace violence;
- Whistleblower channel: for confidential or anonymous reporting of misconduct;
- Ombudsman channel (Headquarters): for escalation of issues at the Group level;
- Dedicated email channels: for the submission of various types of complaints, which are subsequently routed internally for review and resolution.

Economic Resilience

At Scotiabank, community economic resilience is approached through a shared value perspective. The Bank recognizes that, over the long term, sustainable business performance depends on a social environment that supports economic progress and on communities that understand and benefit from financial inclusion.

At the same time, the Bank acknowledges its role in helping to remove barriers that limit full participation in the financial system, promoting inclusive access without discrimination. It also seeks to support the development of local economies and contribute to sustainable growth.

Under the Economic Resilience pillar of its ESG strategy, Scotiabank focuses on providing individuals and their families with the resources and capabilities needed to improve quality of life, access financial solutions, and expand their opportunities. This approach aims to foster inclusive, prosperous, and environmentally sustainable communities.

In line with these commitments, the Bank will continue to finance development initiatives, strengthen financial education for youth and other stakeholders, and promote corporate volunteering as a means of engaging employees in social impact initiatives.

Financial Resources and Capital Allocation

The implementation of the Bank's strategy for the 2024–2028 period is supported by an annual, management-led process that integrates strategic, financial, and capital planning. This process defines business priorities, identifies resource requirements, and allocates financial capacity to support balanced, sustainable, and compliant growth.

In terms of execution, during 2026 the Bank continues to implement the guidelines established in its current strategic plan, together with the seven strategic focus areas defined in 2025. Key actions are aimed at strengthening primary customer relationships, advancing digitalization, and improving operational efficiency, while maintaining a disciplined and profitability-driven growth approach. Execution is delivered through the annual plans of each business line, close coordination between Finance and Risk functions, and continuous monitoring of key indicators defined under the Risk Appetite Framework.

As part of this approach, risk and financial management are fully integrated. The Risk Appetite Framework establishes limits, metrics, and action plans covering both financial and non-financial risks, ensuring that execution remains aligned with target levels of capital, liquidity, and portfolio quality. These metrics are monitored on a monthly basis, enabling timely adjustments when required.

With respect to financial resource allocation, the Bank maintains a balance sheet and funding plan that supports strategic execution over the 2025–2028 period. The projections include:

Figure N°10: Projections of financial resources

Projections of financial resources

Placements

Gradual growth of placements

Deposits

Strengthening of the deposit base, especially in retail clients

Funding Sources

Diversification of funding sources, including local and international issuances and liabilities to related institutions

Capital Instruments

Use of equity instruments such as AT1 and Subordinated Bonds to bolster solvency and sustain projected growth

Financial Capital Planning

Financial capital planning is a core pillar for ensuring the soundness, resilience, and sustainability of Scotiabank Chile's business model. This process integrates the Bank's strategic objectives with the availability of capital and liquidity required to support business growth, absorb material risks, and maintain adequate buffers under stress scenarios.

Planning is led by Senior Management and approved by the Board of Directors, in accordance with applicable corporate and regulatory frameworks, including Basel III, the Risk Appetite Framework, the General Banking Law, and the requirements of the CMF. It is supported by a governance structure consisting of specialized committees, such as the Capital Management and Profitability Committee, the Asset and Liability Committee (ALCO), and the Risk Committee.

Financial planning includes a structural stress testing component, consisting of periodic exercises that assess the impact of a wide range of risks on capital adequacy. These analyses support both short- and long-term strategic planning by comparing expected performance with the impact of adverse macroeconomic scenarios.

To assess capital strength, stress tests incorporate key risk factors, including Pillar 1 risks (credit, market, and operational) as well as additional material risks, all of which are integrated into capital management. During 2025, the stress testing methodology was further strengthened.

These tests assess the impact of macroeconomic, financial, and credit risk shocks on:

- Available capital levels;
- Liquidity metrics (LCR and NSFR);
- Portfolio quality and provisioning levels;
- The Bank's ability to maintain regulatory ratios under severe stress scenarios.

Financial and capital planning also incorporates the assessment of climate-related risks. At the Group level, the Internal Capital Adequacy Assessment Process (ICAAP) and the Allowance for Credit Losses (ACL) framework include the evaluation of these risks.

During the period, two climate scenarios were incorporated into the ICAAP process to assess potential outcomes under different climate pathways:

- Orderly transition scenario: assumes the implementation of immediate and robust climate policies to achieve net-zero emissions by 2050. This pathway entails higher transition risks for certain sectors, but results in lower physical risk, reflecting reduced emissions and limited increases in global temperatures.
- Delayed transition / high physical risk scenario: assumes the continuation of current policies without additional measures. Under this scenario, transition risks are lower; however, physical risks are significantly higher due to increased emissions and more pronounced temperature impacts.

A comprehensive and forward-looking process

Financial capital planning is developed under both an annual and multi-year horizon, aligned with the Scotiabank Group's global strategic cycle. This process considers:

- The projection of capital requirements to support loan growth, strategic investments, technological modernization, and operational improvements.
- The progressive implementation of Basel III capital buffers, which increased total regulatory requirements to 12.25% in 2025, including a minimum CET1 requirement of 8.75%.
- The allocation of capital across business lines is based on risk-adjusted returns, capital consumption, and strategic priorities.
- The ongoing review of the Risk Appetite Framework, which defines the limits and thresholds within which the Bank is willing to operate to achieve its objectives.

As of the end of the first quarter of 2026, the Bank maintained a strong capital position, with a CET1 ratio of 11.02% and a total capital ratio of 16.73%, both well above regulatory requirements. This provides a solid buffer to withstand adverse scenarios and supports the Bank's capacity for sustainable growth.

The Bank prioritizes business activities that generate stable, recurring, and predictable earnings.

Significant changes in objectives and strategy

Scotiabank Chile's strategy and objectives remain broadly consistent with those of the previous year and are aligned with the new global strategy of The Bank of Nova Scotia (BNS), published in December 2023. This global strategy is focused on driving growth and scale in priority markets, while strengthening relationships with primary customers.

It also aims to simplify how clients interact with the Bank and to enhance performance through a more integrated and collaborative operating model.

The strategic priorities and focus areas outlined in the Scotiabank Strategy section are fully aligned with the Group's global direction, maintaining a strong emphasis on customer centricity and digitalization, as well as on initiatives that support profitability, team engagement, and strict adherence to regulatory requirements and control frameworks.

4. RESOURCES AND RELATIONSHIPS

This section provides an integrated, risk-based view of the resources and relationships that underpin the Bank's business model. It explains how the Bank is funded, the level of solvency and liquidity at which it operates, the key non-financial resources it relies on, its critical dependencies and relationships, and its plans to manage potential surpluses or deficits, in alignment with applicable regulatory frameworks.

Description of the main financial resources available

Description of the Bank's liquidity and cash flow

Liquid assets are a core component of liquidity management, and the Bank maintains an adequate stock of high-quality liquid assets to meet potential liquidity needs.

These assets can be readily converted into cash through sale, repurchase (repo) transactions, or by being used as collateral. They may also generate cash flows upon maturity. Liquid assets include central bank deposits, placements with financial institutions, short-term loans, marketable securities, and collateral received in securities financing and derivative transactions.

The Board of Directors is responsible for defining and periodically reviewing the Bank's liquidity risk tolerance, understood as the level of liquidity risk the Bank is willing to assume. Scotiabank Chile has established a Liquidity Management Policy aimed at ensuring the timely fulfillment of obligations and maintaining a robust liquidity risk management framework.

The Bank conducts liquidity stress tests at least on a quarterly basis to assess the potential impact of adverse conditions on its liquidity position, considering both idiosyncratic and systemic scenarios.

Short-term liquidity is a key enabler of the Bank's value proposition, supporting the operation of payment systems, foreign trade activities, and digital platforms, while accommodating funding dynamics.

In this context, the coordinated management of high-quality liquid assets (HQLA) and net cash outflows ensures strong compliance with both short-term liquidity coverage (LCR) and long-term stable funding (NSFR) requirements. The Bank maintains structural buffers above regulatory minimums, in line with Basel III standards and local regulations.

Liquidity coverage ratio (LCR)

This indicator ensures that the Bank maintains a minimum level of unencumbered high-quality liquid assets (HQLA) that can be readily converted into cash to meet liquidity outflows over a 30-day horizon under a regulatory-defined stress scenario.

The Bank's primary liquidity metric is the Liquidity Coverage Ratio (LCR). Consolidated LCR levels achieved by the Bank are presented in Table 5.

Table N°5: Liquidity Coverage Ratio

Liquidity coverage ratio	Mar - 2026B$	Dec - 2025MM$	Mar - 2025MM$
High-Quality Liquid Assets (ALAC)	3.798.189	2.613.425	3.274.573
Adjusted net expenses	2.507.761	1.484.934	2.026.745
LCR%	151,46%	176,00%	161,57%

The Liquidity Coverage Ratio (LCR) stood at 151% as of March 2026, below the level recorded in December 2025, yet still reflecting a strong and resilient liquidity position. This level remains well above regulatory minimum requirements and is sufficient to withstand a 30-day stress scenario.

From a management perspective, this profile provides a solid liquidity buffer to absorb potential shocks without disrupting operations. At the same time, it requires continuous calibration to balance resilience with funding costs, while optimizing the composition of liquid assets and reinforcing funding stability.

Net stable funding ratio (NSFR)

In addition to the LCR, and in line with current regulatory requirements, the Bank also monitors the Net Stable Funding Ratio (NSFR). This indicator is a structural liquidity metric designed to ensure that the Bank maintains a stable funding profile relative to the composition of its assets and off-balance sheet exposures.

In March 2022, the Central Bank of Chile issued updated regulations on liquidity risk management for the banking system. Under this framework, a minimum NSFR requirement of 60% was introduced as of January 2022, with a gradual phase-in period culminating in a 100% requirement in January 2026.

The Bank's NSFR levels are presented in Table 6.

Table N°6: Net stable funding ratio

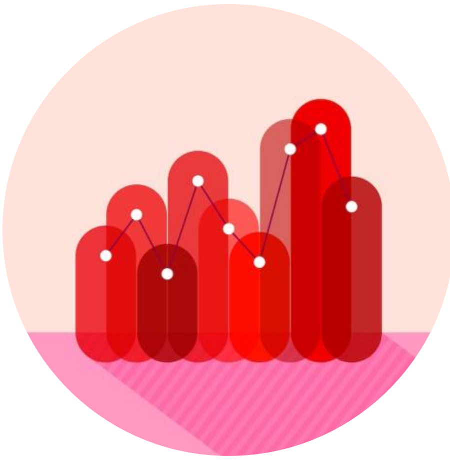
Net Stable Funding Ratio	Mar - 2026B$	Dec - 2025MM$	Mar - 2025MM$
Stable Funding Element Available (ASF)	27.018.195	27.018.195	27.216.413
Stable Funding Required (RSF)	24.333.971	24.333.971	24.424.563
Net Stable Funding Ratio (%)	111,03%	111,03%	111,43%

The NSFR remained stable at around 111% between March 2025 and March 2026, reflecting a strong long-term funding structure that exceeds the requirements associated with the Bank's assets and stability-weighted exposures.

This position is supported by a consistent base of available stable funding—including deposits, capital, and longer-term liabilities—which has remained broadly aligned with the funding needs of the portfolio, with limited variation over the period.

From an operational perspective, this level of funding resilience reduces refinancing risk, enhances the Bank's ability to absorb market shocks, and provides flexibility to support growth without placing pressure on the balance sheet. It also ensures full compliance with regulatory requirements, including the 100% minimum NSFR threshold effective January 2026.

Financing structure and diversification



To support the execution of its short- and long-term strategy, Scotiabank Chile actively manages its liquidity and funding structure, ensuring an appropriate level of diversification across funding sources. This diversification is a key element of its funding strategy, aimed at balancing cost efficiency with stability.

Funding concentration is regularly monitored and analyzed by source type. These primarily include capital, demand deposits, term deposits from individuals and institutions, interbank obligations, and issued debt instruments, among others.

On November 26, 2024, the Bank completed a private issuance of USD 700 million in perpetual bonds at an annual rate of 6.94%. These instruments, classified as Additional Tier 1 (AT1) capital, were subscribed by an entity of The Bank of Nova Scotia, the parent company of Scotiabank Chile.

The Bank maintains liabilities denominated in Chilean pesos, UF (Unidad de Fomento), and foreign currencies, primarily U.S. dollars. Currency mismatches are continuously monitored to ensure that exposures remain within defined liquidity risk appetite limits.

Table 7 presents the main funding sources for the first quarter of 2025 and 2026.

Table N°7: Sources of financing

Componentss	Mar - 2026B$	Dec - 2025MM$	Mar - 2025MM$
Deposits and other demand obligations	5.923.855	5.784.104	5.448.351
Deposits and other time deposits	13.376.832	12.686.661	13.325.917
Obligations with Banks in the country	-	-	-
Obligations with foreign banks	2.269.472	2.254.122	2.318.141
Obligations with the Central Bank of Chile	-	-	-
Letters of credit	61.458	64.633	73.287
Current Bonds	8.075.125	8.008.602	8.219.967
Subordinated bonds	1.280.427	1.271.766	1.278.291
Bonds without a fixed maturity	649.334	630.280	663.514
Total	**31.636.503**	**30.700.168**	**31.327.468**

The Bank operates on a solid and diversified financial base, supported by

- Total assets of CLP 44,602,990 million as of March 31, 2026;
- A loan portfolio of CLP 31,362,209 million, with a balanced composition across segments (housing ~45%, commercial ~40%, and consumer ~15%);

- Total deposits of CLP 19,300,687 million, with year-on-year growth in demand deposits of 8.7%, contributing to an improvement in the Bank's structural liquidity position;

- Sustained profitability, supported by operating revenues of CLP 436,535 million (+3% YoY) and net income of CLP 97,241 million (+7.0% YoY). These results were achieved alongside strengthened treasury operations, including the repayment of the Central Bank funding facility without material capital impacts and continued optimization of the funding profile.

- In addition to its deposit base, the Bank maintains access to diversified funding sources, including debt instruments issued in local and international markets, financing agreements, and contingent credit lines (e.g., agreements with Export Development Canada signed between 2021 and 2024). These resources, together with the Bank's stock of liquid assets, support the timely fulfillment of obligations across short- and medium-term horizons and underpin the sustainable growth of the business.

- Deposits amounted to $19,300,687 million, with a year-on-year growth in demand deposits of 8.7%, which increased the structural liquidity gap during the period.

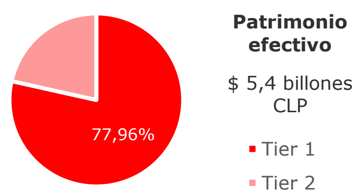
- Profitability was sustained by operating revenues of $436,535 million (+3% YoY) and profits of $97,241 million (+7.0% YoY). These results were achieved in a context of strengthening treasury processes, including the repayment of the Central Bank's financing line without relevant capital impacts and optimization of the funding profile.

- In addition to the deposit base, the Bank has debt instruments issued in local and international markets, and financing contracts and contingent lines that reinforce the availability of liquidity (for example, agreements with *Export Development Canada* signed between 2021 and 2024). These resources, together with the portfolio of liquid assets for regulatory and management purposes, allow us to comfortably meet obligations in short and medium term horizons and sustain the organic growth of the business.

+ 8,7% Deposits and other **demand obligations**	Obligations with **foreign banks** **- 2,1%**	**+ 0,2%** **Subordinated bonds**
+ 0,4% Deposits and other **time deposits**	**- 1,8%** **Current Bonds**	**- 2.1%** **Perpetual bonuses**

Capital structure and solvency

Scotiabank Chile's capital structure complies with minimum regulatory requirements established by the CMF under Law No. 21,130[4], which introduced new capital standards in line with the international Basel III framework.

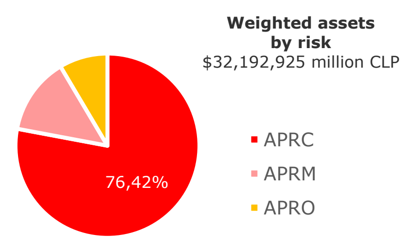


As of March 2026, Common Equity Tier 1 (CET1) capital amounted to CLP 3,549,227 million. This was complemented by Additional Tier 1 (AT1) capital following the issuance of USD 700 million in perpetual bonds on November 26, 2024, bringing total Tier 1 capital to CLP 4,198,561 million.

Tier 2 capital, consisting of eligible provisions and subordinated debt, totaled CLP 1,186,940 million. As a result, total regulatory capital reached CLP 5,385,501 million.

Regulatory limits on Tier 2 capital components remained well within established thresholds. Subordinated debt accounted for 30.60% of eligible Tier 1 capital, below the regulatory cap of 50%, while eligible provisions represented 0.41% of credit risk-weighted assets (RWA-Credit), compared to a maximum limit of 1.25%.

In accordance with CMF regulations, risk-weighted assets (RWAs) used in the calculation of the Bank's regulatory capital ratios amounted to CLP 4,967,000 million for market risk (APRM), CLP 2,623,695 million for operational risk (APRO), and CLP 24,602,230 million for credit risk (APRC) as of March 2026.



The total capital ratio reached 16.73% as of March 2026, compared to a regulatory requirement of 12.25% to maintain Grade A solvency, while the CET1 ratio stood at 11.02%, above the minimum requirement of 8.75%. As a result, the Bank exhibits a strong solvency position aligned with the strategic guidelines of its parent company, maintaining a solid capital buffer above regulatory requirements:

[4] Law No. 21,130 modernized Chilean banking legislation in 2019 and incorporated the Basel III framework into the local regulatory environment through the introduction of new capital requirements (Common Equity Tier 1 – CET1, Tier 1, and Total Capital), prudential buffers, and the Pillar 2 supervisory framework under the oversight of the CMF.

Countercyclical Capital
$160,965 million CLP
RCC
0,5%

Systemic Charge
$ 402,412 million CLP
Mattress
1,25%

Pillar 2
$ 0 CLP
From 2026, from 2.5% to 0%

Leverage ratio
8,28%

- In May 2023, the Central Bank of Chile announced the activation of a countercyclical capital buffer (CCyB) of 0.5% of RWAs, which became effective in May 2024.
- In March 2025, the CMF confirmed that Scotiabank remains classified as a systemically important bank, maintaining a systemic capital buffer requirement of 1.25%.
- On January 16, 2026, following the supervisory review and evaluation process (SREP), the CMF informed the Bank of a reduction in the additional Pillar 2 capital requirement from 0.25% to 0%. Under this framework, if a Pillar 2 requirement were to be reinstated, at least 56.3% would need to be met with Common Equity Tier 1 (CET1) capital, with the remainder covered by other capital instruments (AT1 or Tier 2). This requirement will continue to be assessed annually through the supervisory process. The decision reflects improvements in the Bank's economic value sensitivity (ΔEVE), indicating lower risk levels and a strengthened capital base, as well as robust management of non-Pillar 1 risks.
- As of March 2026, the leverage ratio—defined as Tier 1 capital over total assets—stood at 8.28%, well above the regulatory minimum of 3% in Chile. This reflects a strong capital structure, moderate reliance on leverage, and a solid capacity to absorb losses, positioning the Bank comfortably within prudential thresholds.

The capital structure is presented in Table 8.

Table N°8: Capital Structure

Available Capital	Mar - 2026 MM$	Dec - 2025 MM$	Mar - 2025MM$
Capital Level 1	**4.198.561**	**4.323.850**	**4.191.706**
CET 1	**3.549.227**	**3.693.570**	**3.528.192**
Capital	1.368.421	1.368.421	1.368.421
Reservations	381.405	381.405	381.405
Retained earnings	2.085.193	2.199.406	1.985.457
Other cumulative comprehensive income	(167.542)	(43.626)	(83.406)
Minority interest	117.919	123.757	114.092
Equity adjustments	(236.169)	(335.793)	(237.777)
AT1	**649.334**	**630.280**	**663.514**
Additional Capital 1	649.334	630.280	663.514
Capital Level 2	**1.186.940**	**1.182.398**	**1.182.603**
Subordinated bonds	1.085.910	1.081.368	1.081.573
Additional provisions	101.030	101.030	101.030
Total Effective Equity	**5.385.501**	**5.506.248**	**5.374.309**

Table N°9: Capital Components

Concept	Mar - 2026 MM$	Dec - 2025 MM$	Mar - 2025MM$	Regulatory Requirement
Regulatory Capital (T1 + T2)	16,73%	17,18%	17,01%	> = 12.25%
CET1 / APR	11,02%	11,53%	11,17%	> = 8.75%
T1 / APR	13,04%	13,49%	13,27%	> = 10.25%
Leverage Ratio	8,28%	8,82%	8,48%	> = 3%
Tier 2 / Tier 1	28,27%	27,35%	28,21%	-
Subordinated debt / CET1	30,60%	29,28%	30,66%	< 50%

Capital Management

Capital management at Scotiabank Chile is governed by local regulations and the Bank's Capital Management Policy, and is conducted through a formal, systematic, integrated, and continuous process. To support this, the Bank implements a range of processes and controls that enable the quantification of the impact of various risks on capital requirements, including regular reviews and validation of the underlying models.

In line with this framework, capital management is based on the following four key processes:

Figure N°11: Stages of the Capital Management Process

Design and planning

In this stage, capital adequacy is evaluated from a medium-term perspective. It also sets out the guidelines for the capital management process in terms of policies, methodologies, limits and risk appetite

Risk measurement and assessment

In this process, the exposures to material risks assumed by the organization must be qualified and quantified, evaluating the probable losses that they may cause.

Risk control

Once the risks have been identified, estimated and quantified, control measures must be adopted to deal with them and/or minimise their exposure in the most effective and economical way possible.

Reporting/Communication

The relevant information captured, identified and processed in the previous stages must be communicated in such a way as to allow the members of the organization to assume their individual responsibilities. Communication must occur in a broad sense, flowing in the organization in all directions. Likewise, there must be adequate communication with the external parties involved in the organization (customers, regulators and shareholders).

The Capital Management Policy also establishes a set of procedures and tools, ranging from the definition of internal capital targets to risk assessment and financial planning. The main elements supporting the Bank's capital management framework include:

Capital planning and projection

Capital planning is a fundamental process to determine the amount, quality, and composition of capital required to support business growth, while ensuring alignment with the Bank's long-term strategy. It also establishes the minimum internal and regulatory conditions necessary to withstand potential stress scenarios over the defined planning horizon.

Stress Testing

Stress testing is designed to assess the Bank's ability to absorb potential losses and to evaluate management actions available to mitigate risk and preserve capital. These exercises are conducted under a structured Capital Stress Testing Program, which complements the Bank's risk management framework. This program provides forward-looking insights into potential adverse outcomes arising from a range of risks and informs the capital required to absorb losses under severe scenarios. The results are assessed in relation to the Bank's risk appetite and its internal capital adequacy framework, supporting informed decision-making and strategic planning.

Financial Agreements

In the normal course of its operations, the Bank enters into contractual agreements with third parties, which, depending on their nature, may have current or future impacts on its financial performance.

Among the most relevant arrangements—further detailed in the Relationships section—is the strategic alliance with Cencosud, in place since 2015 for the provision of consumer financial services. This partnership represents a key component of the retail ecosystem, expanding the Bank's transactional capabilities and providing access to stable customer bases and recurring operating flows.

The Bank also maintains financing and support agreements with international counterparties, such as Export Development Canada (EDC), to strengthen funding capacity and enhance contingency management. In addition, it enters into agreements with third parties in areas including payment services, insurance, and outsourced services.

Action plan to manage an excess or deficit of resources

The Bank maintains a liquidity contingency plan that defines an appropriate governance structure for the management and monitoring of liquidity events, establishes processes for effective internal and external communication, and identifies potential countermeasures to be implemented at different stages of a liquidity stress event. These plans are in place both at the Bank level and across its main subsidiaries.

Scotiabank manages its excess financial resources within the framework of established market and liquidity risk limits, ensuring prudent allocation and compliance with internal risk appetite parameters.

Description of the main non-financial resources available

Scotiabank has developed a range of initiatives and resources aimed at enhancing the quality of life of its communities, stakeholders, employees, customers, and the environment, as outlined below:

Infrastructure and operational sites

The Bank's physical distribution network comprises 92 branches and 153 ATMs across Chile, supported by 371 facilities (57 owned and 314 leased) and four corporate buildings located in Santiago.

This infrastructure is complemented by a robust technological platform—including data centers, cloud capabilities, telecommunications, and security systems—which enables scalable operations and ensures service continuity.

Type of installation	Own	Leased	Total
Branches	51	41	92
Offices	2	2	4
Others	-	3	3
Parking lots	4	268	272
Total	57	314	371

Corporate Buildings	Own	Leased
Flag 287	1	-
SDT T4 Building	-	1
STD T7 Building	-	1
Titanium Tower	-	1
Total	1	3

Digital platforms and capabilities

The Bank further strengthened its digital capabilities, delivering 18 new solutions during the first quarter, including 12 in Retail Banking and 6 in Corporate Banking.

Scotia *Connect*

This platform provides a fully remote service model, where customers are supported by dedicated teams of relationship managers operating under a semi-assigned portfolio structure. As all interactions are conducted remotely, product delivery and document execution are completed through specialized delivery services.

As of March 2026, the Bank operates 25 Connect service platforms, serving more than 225,000 customers. The positive performance of this remote service model is supported by several key initiatives:

- **Promotion of customer-oriented digital and operational solutions:** Continued enhancements aimed at improving customer experience, operational efficiency, and service continuity. During the quarter, multiple digital releases were implemented to expand self-service capabilities across Retail, SME, and Corporate segments, addressing key friction points in payments, foreign trade, customer service, and onboarding.
- **Expansion of transactional and self-service capabilities for business clients:** New functionalities in foreign trade and foreign exchange (FX) were introduced, including transactions in additional currencies and expanded coverage across digital channels. Improvements in payment processing and critical operational flows further supported client autonomy and regulatory compliance.
- **Strengthening the digital experience and customer service:** Initiatives focused on reducing transaction rejections and operational errors in payment processes, expanding digital customer contact channels, and strengthening security and service continuity, resulting in a more seamless and reliable customer experience.

Intellectual capital and intangibles

Customer insights, analytical models, product design capabilities, data management, and brand reputation are key assets that support customer acquisition, service delivery, and long-term loyalty.

The Bank leverages data quality and capability-building initiatives to further enhance these strengths, driving higher fee-based income and improving operational efficiency.

In this context, information security and cybersecurity play a critical role within the Bank's non-financial resources framework. Their purpose is to safeguard confidentiality, integrity, and availability of information and services, protect the Bank's reputation, strengthen customer trust, and ensure adequate technological support and regulatory compliance.

During 2025, progress was achieved across the following key areas:

- Cybersecurity strategy and capabilities: Implementation of a cybersecurity strategy aligned with the NIST framework, supported by training programs for directors and employees, and initiatives such as Secure Code Warrior. Strengthening of data protection tools, including Data Loss Prevention (DLP) solutions and secure access platforms such as Zscaler, contributed to safe and resilient operations. No privacy breaches were reported in 2025, with five minor incidents effectively contained.
- Data governance and regulatory readiness: Enhancements in data governance frameworks (DRMF/DRMP[5]), with a focus on data quality, governance, and ethical use. The Bank also strengthened its readiness to comply with evolving regulations, including the Economic Crimes Law, the Personal Data Protection Law, and the Fintech Law.
- Business continuity and resilience: Strengthening of the Business Continuity Management System (BCMS), including drills coordinated with the regulator, improvements to response and recovery plans, and ongoing monitoring of physical and transition climate risks.

Intangible assets also include those arising from business combinations. In this context, the Bank recognizes intangible assets generated from the acquisition of CAT Administradora de Tarjeta de Crédito S.A. and CAT Corredores de Seguros y Servicios S.A.

These assets primarily relate to identifiable components such as customer relationships, technological platforms, commercial know-how, and other expected future economic benefits derived from operations within the retail financial segment.

People and culture

The Bank's most important resource is its people. As of March 2026, Scotiabank Chile employed a total of 5,466 individuals across the Bank and its subsidiaries.

Scotiabank fosters a strong performance-driven culture, understood as a continuous development process that supports employee growth, enhances capabilities, and promotes high levels of engagement. This approach is reflected in consistent investments in training (approximately 34,460 hours, or around 7 hours per employee), flexible work arrangements (including a 39-hour work week and W4 hybrid model), and health and safety initiatives (with an accident rate of 0.27%).

[5] Disaster Risk Management Framework and Plan, which establishes the policies, procedures, and actions to identify, mitigate, and respond to risks associated with disaster events.

Employee engagement remains high, with a score of 90%. In addition, the Bank continues to advance its inclusion agenda, with 1.8% of its workforce represented by persons with disabilities, and maintains a gender-balanced Board of Directors.

These elements shape a performance-driven culture focused on continuous learning and responsible execution, which underpins the Bank's strategy and its ability to attract, develop, and retain critical talent in areas such as data and AI, cybersecurity, digital products, and risk management.

The composition of collaborators can be visualized in Table N°10

Figure N°12: Employee Metrics

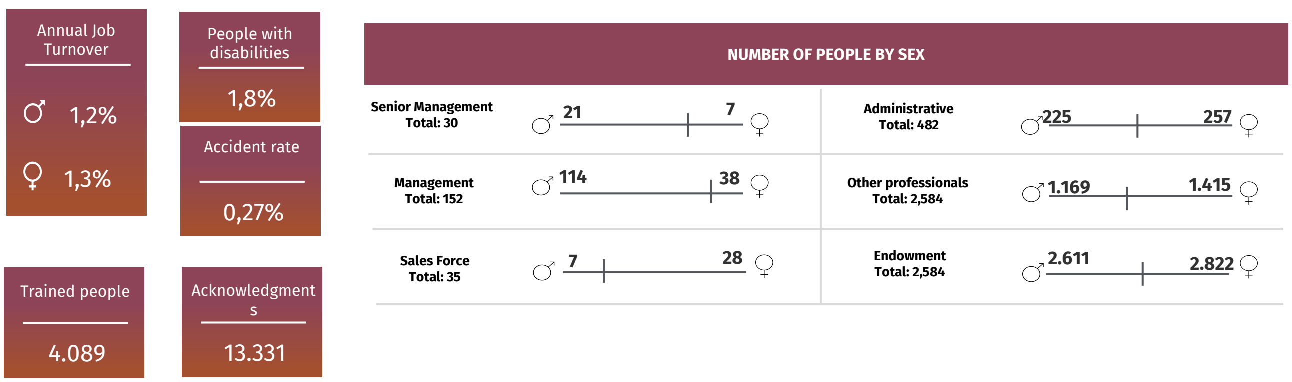


Table N°10: Composition of collaborators

Total Strength	Mar - 2026	Dec - 2025	Mar - 2025
Senior management	30	29	22
Management	152	145	148
Professionals	3.810	3.750	3.865
Administrative	1.439	1.477	1.499
FFVV	35	35	36
Total	**5.466**	**5.436**	**5.570**

Links, dependencies and concentrations

The Bank is highly dependent on its non-financial resources, which, when managed at appropriate levels of scale, quality, and cost, constitute a key source of competitive advantage. At the same time, these resources may give rise to concentration risks, particularly if funding relies on a limited number of wholesale depositors, if a critical technology provider represents a single point of failure, or if business expansion requires foreign currency funding in a volatile market environment

In this context, the functionality of these resources and their main dependencies and concentration risks are presented below:

Table N°11: Dependencies and concentrations of non-financial resources

Resource	What does it enable in the model?	Relevant Dependencies / Concentrations
Infrastructure and operational sites	The physical network guarantees national coverage, commercial proximity and operational support for *Retail*/SME and Business segments; it integrates with digital channels for omnichannel service and continuity.	High concentration of logistics and talent in Santiago (corporate buildings), with exposure to physical events (urban/climatic contingencies) and dependence on third parties for payment infrastructure (e.g., *Redbanc* and *Transbank*) and on landlords for the proportion of leases.
Digital platforms and capabilities	They enable the digital model (sales, service, and payments), operational efficiency (automation, process mining), and risk management/*reporting*.	Critical third parties (processing, cloud/hosting, telecom, cybersecurity) and payment scheme entities; risk of *vendor* ***lock-in*** and *single points of failure* if there are no alternatives or mirror contracts.
Intellectual capital and intangibles	It enables the bank's ability to compete, differentiate itself in the industry, build trust, and sustain brand reputation. Intellectual capital allows for innovation, strategic decision-making, and improved operational efficiency.	Dependence on key people, tactical knowledge, software, brand reputation and others, which compromises operational continuity, inefficiencies with possible incidents and the materialization of risk events.
People and culture	Relationships enable smooth operations, good customer experience, trust and the ability to generate flows, risk management and regulatory compliance.	Critical profiles (risks, data/AI, cyber, digital product) and concentration of knowledge in key teams (*core* cards, cash, channels).

From a financial perspective, the Bank’s strategic dependencies are concentrated in core deposits, access to capital markets, and digital platforms. A loan-to-deposit (L/D) ratio of 1.71x (as of December 2025) requires continuous monitoring of depositor concentration, as well as gaps by currency and maturity, together with close oversight of funding costs.

From a non-financial perspective, dependence on critical third parties—such as providers of processing, cloud, and cybersecurity services—is managed through a strengthened Third-Party

Risk Management (TPRM[6]) framework, including robust selection criteria, service level agreements (SLAs), continuity testing, and exit strategies.

The overall management approach incorporates limits on counterparties and third parties, supported by periodic resilience testing to ensure the robustness of both financial and operational structures.

These relationships, together with the Bank's technological infrastructure and operational facilities, support business continuity and its ability to generate cash flows.

Main relationships

Scotiabank Chile's relationships are a key driver of its business model, connecting talent, customers, strategic partners, capital, and institutions to support sustainable growth and resilience.

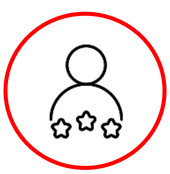
With a broad customer base, a skilled workforce, and an ecosystem of critical third-party providers in payments and technology, each relationship is actively managed through clear performance and continuity metrics, supported by strong transparency standards that reinforce market trust.

Stakeholder Relations

Collaborators

The Bank's relationship with its people is centered on an employee value proposition that balances performance, well-being, development, and diversity and inclusion, supported by flexible work practices and targeted training programs focused on critical skills. This approach, reinforced by employee recognition programs and a comprehensive health and safety framework with joint committees, aims to secure specialized talent and ensure operational continuity. It also mitigates the risk of knowledge concentration in critical functions and strengthens the customer experience through enhanced front-line capabilities.

Customers



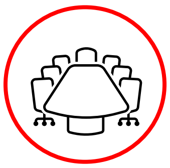
Customers are at the core of the Bank's strategy and purpose, and Scotiabank strives to deliver high-quality service and consistent value to its clients. This includes ensuring the confidentiality and security of information, adhering to responsible sales practices, and addressing customer requests and complaints in a timely manner.

The Bank is committed to offering products, services, and experiences that enable customers to achieve their long-term financial goals, supported by a comprehensive portfolio of financial solutions. The voice of the customer

[6] Third-Party Risk Management is the process through which the Bank oversees its interactions with counterparties, with the objective of assessing their behavior, performance, and associated risks.

framework drives cross-functional teams to prioritize improvements in customer experience and service reliability.

These efforts are further supported by key achievements and recognitions during the period, particularly in digital and corporate banking, reinforcing the Bank's positioning in terms of quality, trust, and security across Retail, SME, and Corporate segments.



Shareholders

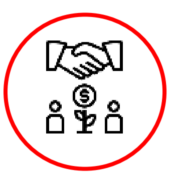
The relationship with the controlling shareholder and the market is structured around timely and transparent disclosure, as well as dedicated engagement channels such as meetings, presentations, and investor relations activities, complemented by the prudential transparency provided through Pillar 3 disclosures.

Capital and funding planning are communicated in accordance with local and international standards, including Basel III, facilitating a consistent and comprehensive assessment of the Bank's solvency, liquidity, and leverage by analysts and rating agencies.

Suppliers

The Bank maintains long-term relationships with strategic suppliers and critical third parties, particularly in payments, ATM services, and technology, under a robust Third-Party Risk Management (TPRM) framework that classifies criticality, enforces security and continuity controls, and monitors service levels.

In areas where substitution is limited in the short term, the Bank implements mitigation measures such as mirror contracts, contingency testing, and, where efficient, dual-vendor schemes to reduce concentration and structural dependency risks, thereby supporting the operational continuity required by the business.



Regulators and supervisor

The dialogue with the CMF and the Central Bank of Chile (BCCh) represents a strategic relationship that supports the Bank's license to operate, informs its risk appetite, and ensures the integration of capital and liquidity management in line with Basel III standards.

During 2025, the Bank advanced in its adaptation to key regulatory frameworks, including the Economic Crimes Law, Personal Data Protection regulations, and the Fintech Law. Regular disclosure of capital (KM1/CC1), liquidity (LIQ1/LIQ2), and leverage (LR1/LR2) templates reinforces the transparency required by regulators and strengthens market confidence.

Community

The Bank's relationship with the community is reflected in its initiatives on financial education, inclusion, and corporate volunteering, implemented in partnership with allied organizations and local networks.

These efforts prioritize programs with measurable impact and continuity, aimed at strengthening financial capabilities, supporting educational pathways, and mobilizing employees. This approach reinforces the Bank's reputation and deepens its connection with the communities in which it operates.

Environment

The Bank's relationship with the environment is framed by corporate commitments that integrate climate-related criteria into business decisions and risk management, including both operational and credit risk. This dimension complements the overall relationship framework by aligning the expectations of customers, investors, and society with the transition to a low-carbon economy.

To advance climate action and promote sustainable economic growth, the Bank has defined five corporate-level climate commitments, which are outlined below:

Commitments

1. Mobilize CAD 350 billion by 2030 to support climate change mitigation and sustainability initiatives.
2. Strengthen climate governance and enhance transparency in the Bank's climate-related disclosures.
3. Decarbonize operations and develop innovative solutions to reduce the Bank's environmental footprint.
4. Establish a Climate Centre of Excellence to foster internal and external collaboration, and to coordinate dialogue and knowledge sharing on climate-related issues.
5. Enhance the integration of climate risk assessments into key business processes, including lending, financing, and investment activities.

Milestones related to stakeholders

New edition of ScotiaINSPIRA

In March 2026, the Bank launched a new call for applications under the ScotiaINSPIRA competitive fund, Scotiabank's social investment program, which marks six years of promoting high-impact initiatives in the areas of education, employability, social inclusion, and the environment.

This new edition, with a total funding pool of approximately CLP 530 million, attracted social organizations from across the country and received 120 applications.

Gender Equality Month

As part of its commitment to female leadership, gender equality, and inclusion, Scotiabank Chile developed a comprehensive agenda of initiatives in March 2026 to mark Women’s History Month, aimed at fostering women’s professional development, leadership, and participation across different areas.

Key activities included sessions such as “Influence and Lead”, “Invisible Power, Visible Results in the Age of AI”, and “Live, Lead and Advance: The Power of Equity and Inclusive Spaces”, which created spaces for reflection and learning on current and future challenges in female leadership. The program also included initiatives such as “Inspiring Future Generations”, targeted at students and young professionals.

During the period, the Bank also strengthened engagement with clients through dedicated meetings with women business leaders and participated in the Global International Women’s Day event, reinforcing its commitment to gender equality at both local and international levels.

Awards and Recognition

As of March 2026, Scotiabank Chile has received four awards and recognitions, reflecting its strong positioning in key areas such as customer value proposition, corporate reputation, inclusion, and the technical strength of its teams.

In the area of business performance and customer service, the prestigious British magazine Euromoney—an international benchmark in banking and finance—recognized Scotiabank Wealth Management Latin America at the Euromoney Private Banking Awards 2026, awarding it in the “Best for Client Service” category. This recognition reaffirms the Bank’s commitment to delivering an outstanding client experience.

In terms of reputation and talent attraction, Scotiabank was included in the Top of Mind Index Tech Chile, ranking among the top 50 most attractive employers for professionals under 35 in the technology sector. This distinction highlights the Bank’s value proposition as an employer and its focus on innovation and professional development.

Additionally, Pride Connection Chile recognized Scotiabank as “Best International Company”, underscoring its commitment to diversity, inclusion, and the development of a respectful and open organizational culture, where diversity plays a central role in decision-making and business practices.

Finally, in the field of economic analysis, Consensus Economics granted Scotiabank the Forecast Accuracy Award 2025, recognizing the precision of its economic team’s forecasts for key variables such as GDP growth and inflation, reinforcing the Bank’s credibility and expertise in macroeconomic analysis.

Stakeholder Sustainability

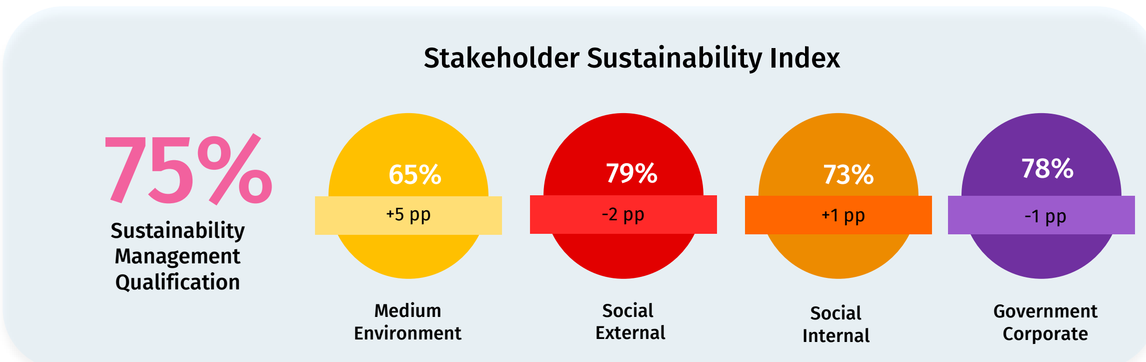
The purpose of sustainability at Scotiabank is to create shared value for society and the Bank, through its commitments to key stakeholders, underpinned by strong corporate governance and sound Corporate Social Responsibility (CSR) practices. Sustainability is embedded as a way of doing business, where economic growth is aligned with social inclusion and environmental stewardship, through the identification and mitigation of risks and the promotion of development opportunities for both the Bank and society.

Since 2022, Scotiabank Chile has assessed its sustainability management through the Stakeholders Sustainability Index (SSINDEX). This survey aims to evaluate the Bank's performance across key ESG dimensions—environmental, social (internal and external), and corporate governance—based on the perceptions of its main stakeholders

In the 2025 assessment, 75% of the 3,823 respondents—including employees, customers, and suppliers—positively evaluated Scotiabank Chile's sustainability and risk management, representing an improvement compared to the previous year. At a disaggregated level, the highest scores were observed in External Social (79%) and Corporate Governance (78%).

Opportunities for improvement were primarily identified in environmental management, which received 65% positive responses, reflecting a 5-percentage point increase compared to the 2024 assessment.

Figure N°13: Ssindex Index Results



Strategic linkages and critical dependencies

Scotiabank Chile manages a focused set of strategic relationships whose performance has a direct impact on service continuity, customer experience, and financial resilience. These relationships extend beyond the general stakeholder framework and are governed by segmented value propositions, defined service standards, and service level agreements (SLAs).

They are supported by a comprehensive Third-Party Risk Management (TPRM) framework, which includes periodic assessments, continuity and contingency planning, and adherence to responsible sales and data privacy practices in line with local regulatory requirements.

Payments and cash infrastructure

The relationship with payment operators and ATM schemes represents a critical operational dependency given its scale and reach. The Bank maintains long-term agreements with leading acquiring and ATM network providers in the market, under contracts that include explicit service level agreements (SLAs), operational reporting requirements, periodic contingency testing, and, where efficient, dual-provider arrangements to mitigate substitution risk.

These relationships are managed within a comprehensive Third-Party Risk Management (TPRM) framework, which evaluates service continuity, cybersecurity, and data protection, and requires defined incident recovery plans to safeguard transaction availability for both retail and corporate clients.

The value proposition is based on key performance indicators such as availability, latency, authorization rates, and settlement times, complemented by fraud prevention controls and data traceability. Performance is monitored in accordance with SLA-defined frequencies, with corrective actions triggered in the event of deviations.

Operational transparency enables the Bank to anticipate demand peaks—such as mass payments, government disbursements, and commercial campaigns—and coordinate capacity enhancements with operators accordingly.

Technology and Critical Processing

The Bank operates core processing platforms that support card issuing and acquiring, loan origination, payments, and business services. During 2024, Scotiabank advanced the migration of its card processing platform to TSYS, strengthened the integration of credentials and authentication across digital channels, and deployed APIs for foreign trade and Cash Management. These capabilities are complemented by low-code automation solutions and monitoring dashboards, enhancing productivity and operational control.

Contracts with processor, cloud, and telecommunications providers incorporate end-to-end service level agreements (SLAs), coordinated maintenance windows, stability metrics (MTBF/MTTR), and cybersecurity requirements, including system hardening, data loss prevention (DLP), and penetration testing. The Third-Party Risk Management (TPRM) framework further includes security assessments, business continuity and disaster recovery testing, and defined exit strategies, reducing lock-in risks through modular architecture, API-based integration, and the progressive modernization of legacy systems.

Card Alliances & Consumer Finance

The Bank maintains strategic vehicles and alliances within its card and consumer finance businesses, including its card issuer CAT, which act as key enablers for customer acquisition, cross-selling, and deepening retail relationships. These partnerships are managed through robust product governance and performance monitoring frameworks that balance growth and risk, with a focus on acquisition, utilization, non-performing loans (NPLs), and risk-adjusted returns. This approach is supported by responsible sales practices and data privacy policies, ensuring consistent customer treatment across all channels.

These relationships are formalized through operating and commercial agreements, service playbooks, and defined risk thresholds that trigger corrective actions when necessary. Regular executive reviews enable ongoing recalibration of the product mix, as well as adjustments to limits and pricing based on observed customer behavior.

The partnership with Cencosud represents a high-value and strategically critical relationship with limited substitutability, contributing significantly to the growth and strengthening of the Bank's business model. This collaboration leverages the complementarity between the Bank's financial capabilities and Cencosud's retail platforms to drive customer acquisition, loyalty, and relationship deepening. As a result, it has enabled the development of a new retail customer segment, generating meaningful income and reinforcing Scotiabank's value proposition and financial performance.

Alliances with multinationals

The relationship with multinational groups is managed under a global coverage model that aligns geographies, products, and risks to deliver a consistent "One Bank" experience. This model offers an integrated value proposition across treasury and Cash Management, foreign trade (including APIs and front-to-back solutions), financing, and transactional services.

These relationships are leveraged by the Group's international presence and digital capabilities, enabling the standardization of processes, as well as enhanced visibility and control across multiple jurisdictions.

The coverage model is structured around three coordinated roles:

- *Parent account manager* (PAM). Responsible for managing relationships with multinational clients at the parent company level, overseeing overall performance and ensuring alignment with the Group's global strategy and objectives.
- *Subsidiary account manager* (SAM). Responsible for managing relationships with clients at the local subsidiary level, ensuring effective execution of the client strategy in each country and coordinating closely with Parent Account Managers (PAMs) and Regional Account Managers (RAMs).
- *Operating account manager* (OAM). Responsible for designing and executing the service plan required to ensure consistent service quality and customer experience across all countries in which the client operates.

This coordinated approach across countries has enabled the Bank to better address the global needs of multinational clients by enhancing service quality, streamlining points of contact, and facilitating the approval process for credit lines at both parent and subsidiary levels.

It also supports the monitoring of financial and strategic objectives defined collaboratively across jurisdictions, ensuring consistent execution and alignment with the Group's overall strategy.

Prudential dialogue and regulatory framework

The relationship with the CMF and the Central Bank of Chile (BCCh) shapes the Bank's risk appetite and ensures the integration of capital, liquidity, and leverage management under the Basel III framework, with public disclosures provided through Pillar 3 on minimum capital requirements and risk management practices.

This dialogue is supported by technical roundtables, participation in sector-wide continuity exercises, and structured roadmaps to address evolving regulations, including the Economic Crimes Law, Personal Data Protection regulations, and the Fintech Law, reinforcing financial system stability and investor confidence.

The Bank operates under a framework of policies, limits, and reporting approved by the Board of Directors, complemented by internal self-assessment processes linked to capital and liquidity planning. Consistency between public disclosures and internal governance enables a more robust, evidence-based regulatory dialogue and the use of comparable metrics.

5. RISKS

The Bank and its subsidiaries operate in a highly digitalized, regulated, and competitive environment, exposed to a range of risks that may impact both their financial performance and corporate reputation.

These risks are managed through governance structures and methodologies aligned with the scale, complexity, and level of automation of the Bank's operations, ensuring that they remain within the risk appetite defined by the Board of Directors. Management is responsible for implementing these guidelines and aligning risk management with the Bank's overall strategy and corporate governance framework.

This approach enables the Bank and its subsidiaries to maintain an appropriate balance between risk and return, supporting the sustainable maximization of shareholder value.

Principles

Risk-taking and risk management activities at the Bank are guided by the following principles:

- **Balance risk and return**: Business and risk decisions are aligned with the Bank's risk strategy and risk appetite.
- **Risk awareness and understanding**: All material risks—both financial and non-financial—are identified, assessed, and managed.
- **Proactive risk management**: Emerging risks and potential vulnerabilities are identified and addressed in a timely manner.
- **Shared responsibility**: Risk management is a responsibility shared across the organization, with all employees accountable for managing risk.
- **Customer focus**: Understanding customers and their needs is essential to all business and risk-related decision-making.
- **Brand protection**: All risk-taking activities are aligned with the Bank's risk appetite, Code of Conduct, and core values and behaviors (Conexión Scotia).
- **Control environment**: The Bank maintains a robust and resilient control environment to safeguard stakeholders and manage risk in line with the Risk Appetite Framework.
- **Compensation alignment**: Performance management and compensation structures reinforce the Bank's values and behaviors, promoting prudent risk-taking in line with regulatory expectations.
- **Financial resilience**: The Bank maintains strong capital and liquidity positions to absorb shocks and meet obligations under stressed conditions.
- **Operational resilience**: The Bank ensures its ability to prepare for, respond to, and recover from disruptions to critical services, minimizing potential harm to customers, protecting its

viability, and supporting financial system stability. Effective risk management recognizes the interconnection between risk types, reinforcing both financial and operational resilience.

Risk Management Framework

Scotiabank Chile's risk management and control guidelines are defined within its Risk Management Framework, which is reviewed and updated on an annual basis. This ensures that risks arising from all activities remain aligned with the Bank's strategic objectives, risk appetite, regulatory requirements, and industry best practices.

The framework's internal controls, derived from comprehensive risk identification and assessment processes, support effective monitoring and reporting mechanisms. These processes provide visibility and accountability across the organization, from the Board of Directors to all employees, ensuring a clear understanding of the risks associated with the Bank's activities.

This framework is structured around five key elements:

Figure N°14: Elements of the Risk Management Framework

These elements, which are further detailed in the following sections, aim to strengthen the Bank's financial and operational resilience. This refers to the ability to effectively respond to and recover from disruptions that may affect the continuity of services and cause harm to customers.

Such disruptions may also impact the Bank's capacity to meet its obligations under stress conditions and, in extreme cases, affect the stability of the financial system. At the same time, this framework enhances the understanding of risk interdependencies and their impact across the organization, supporting a risk management approach based on criticality and aligned with the Bank's strategic objectives.

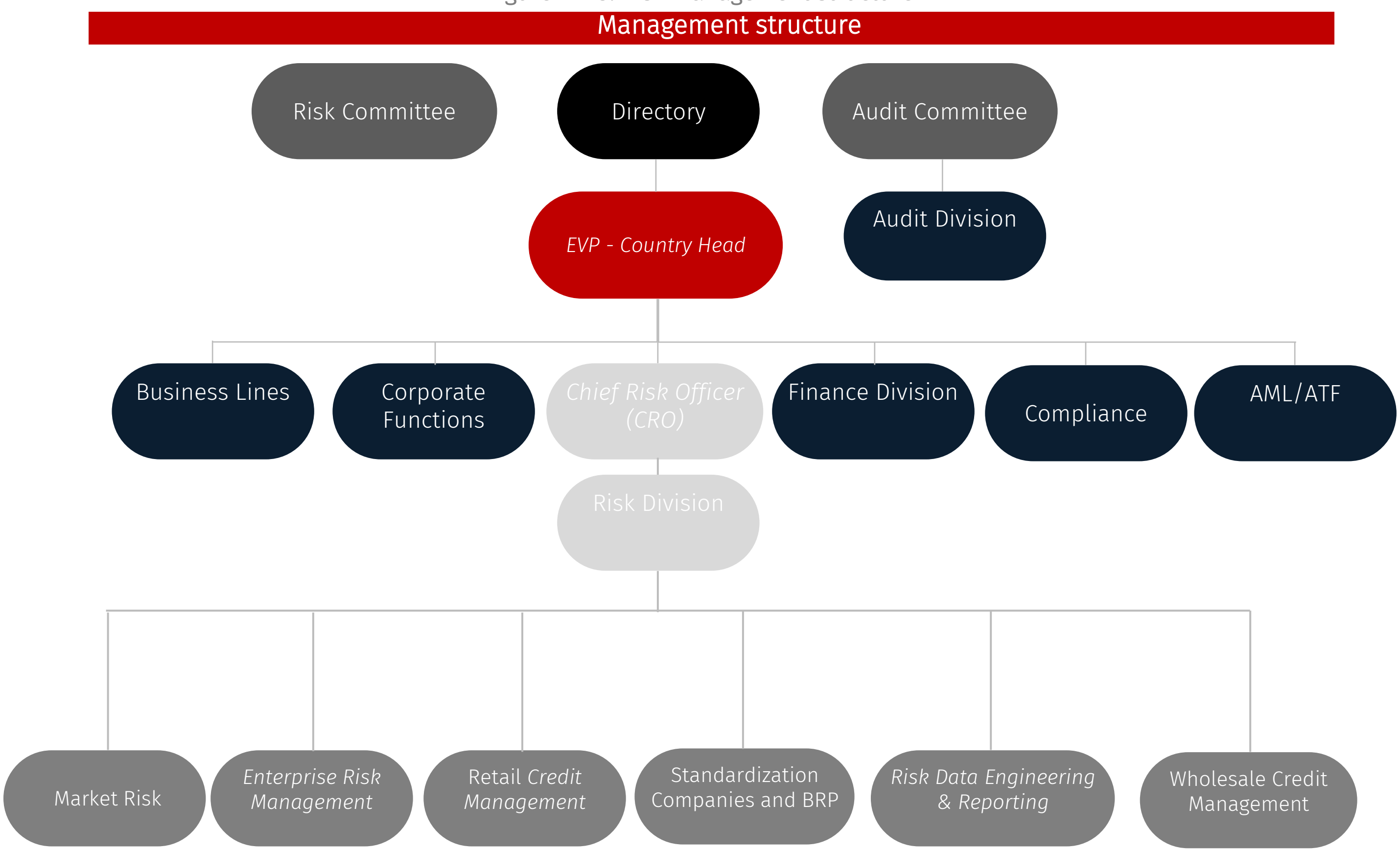
Risk Governance

The risk management governance structure at Scotiabank Chile assigns a central role to both the Board of Directors and Senior Management in the design of strategies and the oversight of risk management activities across the organization.

Within this structure, the Board-level Risk and Audit Committees play a fundamental role in supporting the supervision and control of risks.

The Board of Directors and its committees are responsible for overseeing the Bank's overall risk management framework, as illustrated in Figure 15. A more detailed description of the governance structure and its key components is provided in the Prudential Relevance Report.

Figure N°15: Risk management structure



The Bank's risk management model assigns a central role to both the Board of Directors and Senior Management in the design of risk strategies and the oversight of risk activities across the organization.

In 2025, key enhancements were made to the risk governance structure led by the Board and its Risk Committee, including: (i) the direct reporting of the Compliance and AML/ATF functions to the EVP–Country Head, and (ii) the revision of committee mandates to strengthen clarity, accountability, and focus.

A key challenge within the governance framework is balancing the efficiency gains derived from centralized and regional processes with the Bank's ultimate accountability to local regulators in Chile.

The Enterprise Risk Management (ERM) function is responsible for the annual review and update of the Risk Management Framework and the Risk Appetite Framework (RAF), or more frequently if required. These updates are subject to an Advice & Counsel process at the Head Office and are subsequently submitted to the Risk Committee and the Board of Directors for approval.

Once approved, the frameworks are communicated to senior management, including members of the Executive Committee, and disseminated across the organization. They are published through internal channels, including the Bank's intranet, and are also shared with subsidiaries for adoption, in accordance with their respective operational characteristics and regulatory requirements.

For further details on governance roles and responsibilities, refer to Chapter 05 (Risk Management) of the 2025 Annual Report and Chapter 03 (Global Risk Overview) of the Prudential Information Report (Pillar 3).

Management model

At Scotiabank Chile, risks are managed and monitored under a three lines of defense model, which is composed of:

Figure N°16: Elements of the Risk Management Framework

01 First Line of Defense

Lines of Business (Risk Owners)

The first line is made up of the business units, which are basically the business units, which incur the risks and own them. It designs and executes internal controls and ensures that the risks generated that are identified, assessed, managed and monitored are within the risk appetite and aligned with relevant policies, guidelines and limits.

02 Second Line of Defense

Control functions such as Risk Management and Compliance &

The second line of defense is made up of the control functions (Risk Management and Compliance) and provides the guidelines and governance framework for risk management. It provides independent oversight and objective challenges to the Front Line, monitors and controls risk, and sets risk appetite, risk limits, and policies and frameworks, in accordance with best practices and regulatory provisions. In addition, it measures, monitors and reports the risks assumed in relation to limits, appetite and emerging risks.

03 Third Line of Defense

Internal Audit

The Internal Audit area constitutes the third line of defense, independently verifying the actions of the business areas and the risk management control functions. Its mission is to provide independent assurance to Senior Management and the Board of Directors regarding the effectiveness of risk management practices. Its mission is to provide independent assurance to Senior Management and the Board of Directors regarding the effectiveness of risk management practices.

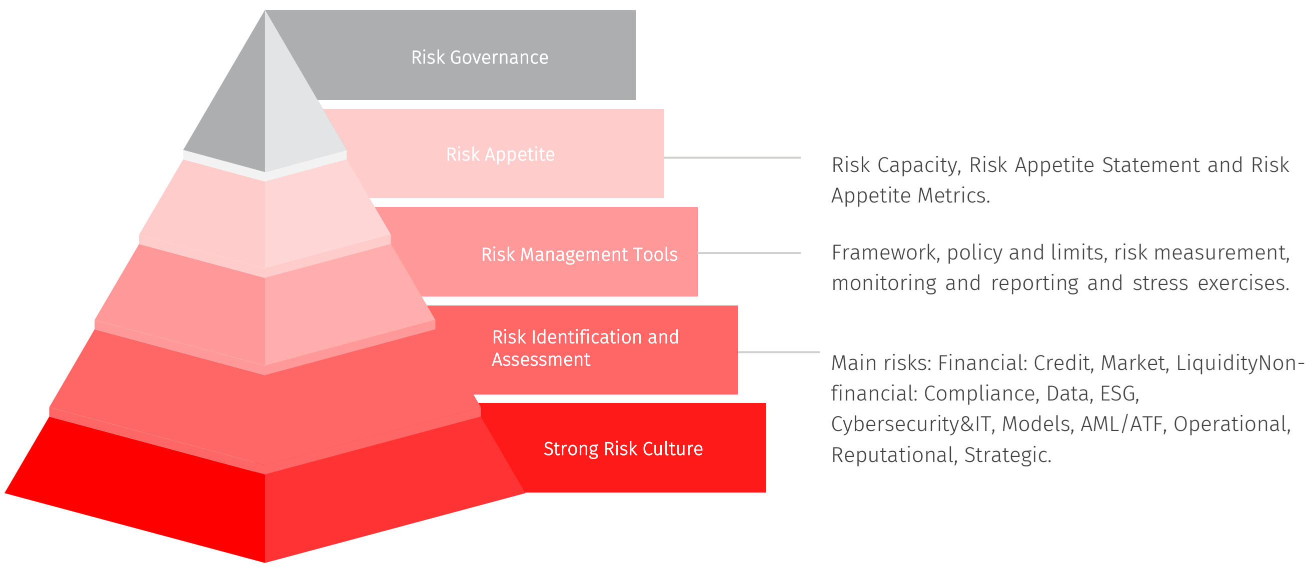
Risk Culture

Efficient ffective and efficient risk management is critical to Scotiabank Chile's success and is embedded both in the Bank's risk management framework and in its overall strategic approach.

Scotiabank promotes a strong risk culture in which all employees play an active role. This culture is supported by key elements such as policies, processes, control management, and internal audit, which together form the foundation for sound and disciplined risk management.

The main components of the Bank's risk culture are presented in Figure 17.

Figure N°17: Elements of the Culture of Risk



Risk Identification and Assessment Process at Scotiabank Chile

The Bank defines risk as the potential for deviations from expected outcomes affecting its earnings, capital, liquidity, reputation, and overall resilience, arising from both external and internal vulnerabilities.

To support the effective identification and assessment of risks, the Bank has developed specific risk taxonomies that guide the management and governance of the various risk types to which it is exposed. In addition, it has implemented a Comprehensive Risk Measurement (MIR) methodology, which enables the identification, evaluation, and quantification of risks associated with its banking activities and the execution of its business model.

This process is guided by the following objectives:

- Identify the risks to which the Bank is exposed.
- Identify and quantify both financial and non-financial risks across different business lines, in order to determine—based on their complexity and materiality—which risks require a more robust control environment.
- Identify new risks, both external and internal.

Under this methodology, the Bank periodically updates its risk inventory, estimates inherent risk levels, assesses the effectiveness of the control environment, and ultimately determines residual risk, both at the individual risk level and on an aggregate basis.

In line with the requirements set forth in Chapter 21-13 of the RAN, the Bank has established a structured process for the identification and assessment of the risks to which it is exposed, as described below:

Figure N°18: Risk identification and assessment process

1. Survey of risks and potential threats
2. Analysis of the materiality of risks considering their financial, regulatory and reputational impact, as well as probability and frequency
3. Evaluation of the profile of each risk through specific indicators
4. Analysis of the control environment of material risks
5. Sensitivity of risk events to current and potential risk factors
6. Classification of the score obtained in each phase mentioned to establish the residual or final risk of the organization

In addition, the Bank continuously explores new risk exposures through assessments based on::

- Transactions of the different lines of business
- Trend monitoring and analysis of emerging, top, and adverse risk scenarios.
- Strategic investments.
- New products and initiatives.
- Risk owners' self-assessments of people, processes, and systems.

ESG Risk Management

With With respect to Environmental and Social (E&S) risks, the Bank has established structured processes for the identification and assessment of both environmental and climate-related risks.

Environmental Risk Assessments are conducted for business lending activities to identify, assess, and manage or mitigate environmental risks and liabilities associated with borrowers' operations, as well as with real estate pledged as collateral. These processes incorporate tools and procedures to ensure compliance with the Equator Principles, where applicable.

Climate Risk Assessments are performed for Business Banking clients to evaluate the sensitivity of their operations to both physical and transition risks associated with climate change. In 2025, the Bank conducted a comprehensive assessment of these risks with the support of an external consultant.

During 2025, the integration of environmental and social risk considerations across key risk types included:

- Operational risk: Implementation of the Risk and Control Self-Assessment (RCSA) program, incorporating ESG risk factors. In addition, ESG risk was integrated into the Risk Assessment of New Initiatives (NIRA).
- Third-party risk (TPRM): Inclusion of ESG risk criteria in supplier evaluation processes
- Credit risk: Incorporation of ESG risk assessments within the Wholesale segment.
- Reputational risk: Recognition of ESG risk as a factor with potential impact on the Bank's reputation.

Main risks

Financial risks		
Credit	Market	Liquidity

Non-financial risks		
AML&ATF	Data	Reputational
Strategic	Cybersecurity & IT	Models
Operational	ESG	Compliance

At Scotiabank Chile, continuous processes are in place to identify, assess, monitor, and proactively manage the risks associated with its operations. This function is considered a critical priority, as it reduces exposure to potential threats that could materially impact the Bank's performance, financial condition, and reputation.

These processes also enable the generation of relevant information required to design appropriate prevention and mitigation strategies, tailored to the Bank's operating model and business characteristics.

Risk monitoring and control activities primarily focus on two broad categories: financial and non-financial risks. During 2025, the Bank's key financial risks remained consistent with the prior year, namely credit, market, and liquidity risk. Adjustments in this area were mainly related to the calibration of limits and key performance indicators (KPIs) used to monitor these risks.

The Bank continues to strengthen the measurement and management of non-financial risks, which, due to their nature, present greater challenges in terms of quantification.

As part of this effort, Scotiabank remains aligned with industry best practices and continuously incorporates enhancements to improve its methodologies, supporting more robust and consistent risk management in line with corporate standards.

Financial risks

Financial risks are directly associated with the Bank's core business activities and its ability to generate revenue. These are risks that the Bank understands well and actively assumes in order to support sustainable, stable, and predictable earnings. Financial risks are generally quantifiable and relatively predictable.

The Bank is willing to take on these risks as they are an inherent part of its business model, provided they are well understood, remain within established limits, and meet the desired risk-return profile.

Credit Risk

Credit risk refers to the potential for loss arising from a customer or counterparty's failure to meet its financial or contractual obligations to the Bank. This risk originates in the Bank's lending activities, as well as in its financing, investment, and trading operations, where counterparties are required to fulfill payment or other contractual commitments.

The Bank manages credit risk through a comprehensive framework that includes policies and procedures, risk models, independent validation processes, internal controls, and ongoing monitoring of client behavior. These practices form part of a global risk strategy, under which differentiated limits, methodologies, and models are applied based on client characteristics and the environment in which they operate.

For further information on credit risk management and exposures, refer to Note 47 of the Interim Consolidated Financial Statements and to the Prudential Information Report (Pillar 3), specifically Chapter 04 (Credit Risk), which covers governance, organization, credit quality, risk management, and classification, as well as supplementary disclosures (CR1, CR2, CR3, CR4, and CR5).

In addition, details on counterparty credit risk are provided in Note 47 of the Interim Consolidated Financial Statements and in the Prudential Information Report, Chapter 05 (Counterparty Credit Risk), which includes topics such as governance, management practices, wrong-way risk, and counterparty risk exposure, along with complementary disclosures (CCR1, CCR3, CCR5, and CCR8).

Market Risk

Market risk refers to the potential for loss arising from adverse changes in market prices and rates—including interest rates, credit spreads, foreign exchange rates, and commodity prices—as well as from movements in their correlations and volatility. This risk encompasses trading risk, investment risk, interest rate risk in the banking book (IRRBB), foreign exchange risk, and inflation or indexation risk.

For further information on market risk management and exposures, refer to Note 47 of the Interim Consolidated Financial Statements and to the Prudential Information Report (Pillar 3), specifically Chapter 06 (Market Risk), which covers governance, organization, and the management of market risk-weighted assets (RWA-Market), as well as supplementary disclosures (MR1).

In addition, details on structural risk (RMLB/IRRBB) are provided in Note 47 of the Interim Consolidated Financial Statements and in the Prudential Information Report, Chapter 07 (Structural Risk), which includes governance, management practices, and the sensitivity of the Bank's economic value and net interest income to interest rate movements.

Liquidity Risk

Liquidity risk refers to the risk that the Bank may not be able to meet its financial obligations as they come due, or may only do so at an excessive cost. Such obligations include liabilities to depositors, payments under derivative contracts, settlement of securities financing transactions (including repos and securities lending), as well as lending and investment commitments.

For further information on liquidity risk management and exposures, refer to Note 47 of the Interim Consolidated Financial Statements and to the Prudential Information Report (Pillar 3), specifically Chapter 08 (Liquidity Risk), which covers governance, organization, liquidity management, funding strategy, liquidity risk exposures, and quantitative requirements, along with supplementary disclosures (LIQ1, LIQ2, and ENC)

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Non-financial risks

Non-financial risks are inherent to the Bank's operations and may give rise to adverse strategic, operational, financial, or reputational outcomes if not properly managed. Compared to financial risks, they are generally less predictable and more challenging to define, measure, and quantify.

The Bank maintains a low risk appetite for non-financial risks and focuses on ensuring that they are effectively managed and controlled through robust governance, frameworks, and mitigation practices.

Operational Risk

Operational risk refers to the risk of loss resulting from inadequate or failed internal processes, people, systems, or from external events. It includes third-party risk and legal risk, but excludes strategic and reputational risks.

Operational risk is inherent in all business and support functions of the Bank and its subsidiaries and may result in financial losses, regulatory sanctions, or damage to the Bank's reputation.

For further information on operational risk management and exposures, refer to the Prudential Information Report (Pillar 3), specifically Chapter 09 (Operational Risk), which covers governance, organization, management practices, and quantitative requirements, along with supplementary disclosures (R08).

Strategic Risk

Strategic risk refers to the risk that the Bank, its business lines, or corporate functions may make ineffective strategic decisions, fail to adapt to changes in the business environment, operate outside the established risk appetite, or execute strategies inadequately.

Reputational Risk

Refers to the risk that negative publicity or adverse stakeholder sentiment regarding Scotiabank's conduct, business practices, or partnerships—whether founded or unfounded—may have a detrimental impact on its revenues, operations, or customer relationships, or result in legal actions or other costly defensive measures.

Compliance Risk

Refers to the risk that the Bank's activities may not be conducted in accordance with applicable laws, regulations, and prescribed standards, or with its internal policies, procedures, and ethical expectations established by regulators, customers, investors, employees, and other stakeholders.

Compliance risk encompasses regulatory compliance risk, conduct risk, and privacy risk.

Cybersecurity and Information Technology (IT) Risk

Refers to the risk of loss arising from the compromise of the confidentiality, integrity, or availability of information, data, or information systems. Such events may adversely affect the Bank's operations, including its functions, reputation, and assets, as well as its customers and other stakeholders.

It also encompasses the risk of financial loss, operational disruption, or reputational damage resulting from failures, vulnerabilities, or inadequacies in information technology systems.

Money Laundering and Terrorist Financing Risk (AML/AFT)

Refers to the Bank's susceptibility to being used by individuals or organizations for money laundering, terrorist financing, or the violation of economic sanctions.

This risk also includes the possibility that the Bank may fail to comply with applicable AML/CTF and sanctions regulations, or may not implement effective controls designed to prevent, detect, and report such activities in a timely manner.

Environmental, Social and Governance (ESG) Risk

Refers to the potential impact that ESG-related factors—arising from the Bank's conduct, business practices, or relationships—may have on its financial performance, operations, and reputation. The Bank is exposed to ESG risks both directly, through its internal operations, and indirectly, through its business activities; by nature, these risks can amplify other key risk types, including credit, operational, compliance, and reputational risks, and are therefore integrated into the Bank's overall risk governance framework. ESG risk comprises environmental risk, related to adverse impacts on the natural environment from direct or indirect activities; social risk, associated with the mismanagement of social factors affecting individuals, communities, or stakeholders; and governance risk, linked to decision-making processes, internal controls, and the management of relationships with key stakeholders, including shareholders, customers, employees, and the broader community.

Model Risk

Refers to the risk of adverse financial outcomes—such as impacts on earnings, capital, or revenue—and potential reputational consequences arising from the design, development, implementation, or use of models. This risk may result from inadequate model specifications, incorrect parameter estimations, faulty assumptions, computational errors, the use of inaccurate or incomplete data, or deficiencies in model use, monitoring, and control processes.

Data Risk

Refers to the potential for adverse financial and non-financial impacts—such as revenue loss, reputational damage, regulatory exposure, and suboptimal decision-making—arising from the inadequate management, misuse, or misunderstanding of the Bank's data assets. This risk may stem from poor data quality, insufficient data governance or architecture, and the unethical or inappropriate use of data.

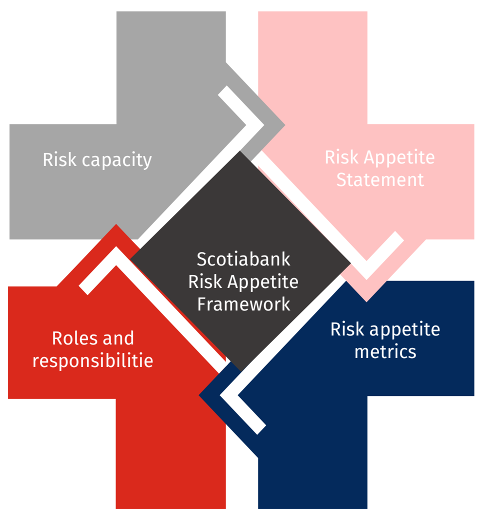
Risk Appetite Framework

Scotiabank Chile's Risk Appetite Framework (RAF) defines the level and types of risk that the Bank and its subsidiaries are willing and able to assume in pursuit of their strategic and financial objectives. It establishes the boundaries within which the Bank operates, as well as the associated risk limits, metrics, and governance structures required to ensure an appropriate balance between risk and return.

Risk appetite metrics and thresholds are aligned with the Bank's strategy, as well as its financial and capital planning processes. The Board of Directors and Senior Management play a key role in this framework, with responsibility for its approval and oversight, including the policies, procedures, models, and tools used to manage the various risk types.

Risk appetite indicators are monitored on an ongoing basis and formally reported on a monthly basis to the Risk Committee and the Board of Directors as part of the Bank's regular risk reporting process.

Figure N°19: Elements of the Risk Appetite Framework.



Accordingly, Scotiabank Chile's Risk Appetite Framework (RAF) includes both qualitative statements and quantitative metrics, which support the measurement and monitoring of the Bank's risk appetite and ensure that it remains within defined limits. The framework also incorporates key governance elements, including roles and responsibilities, escalation thresholds, and action plans to be implemented in the event of breaches or emerging risk alerts.

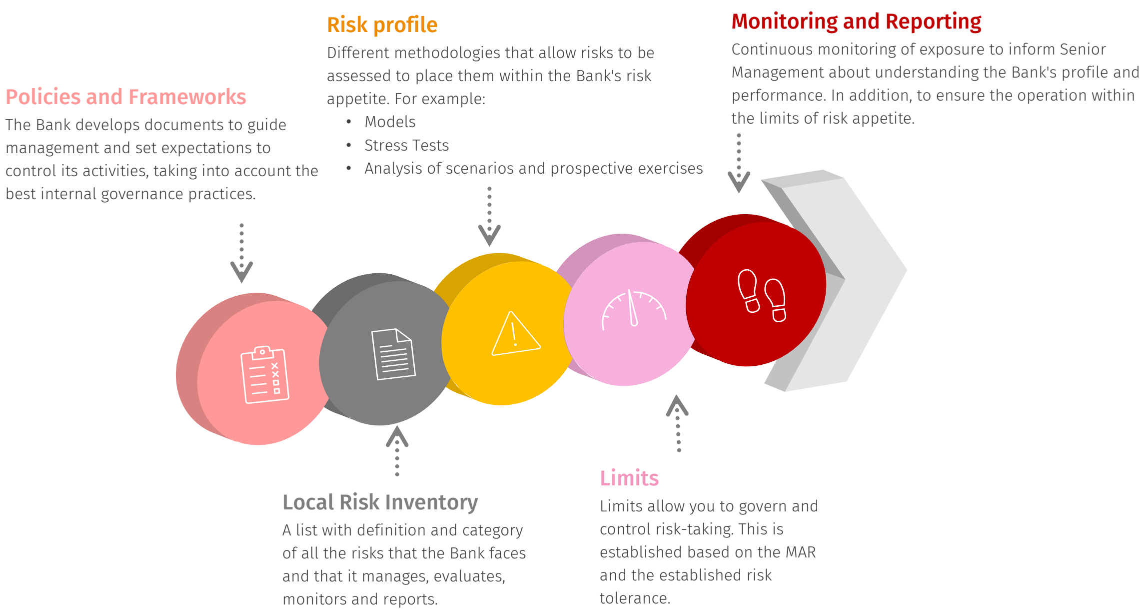
The definition of risk appetite considers all material risk types, in alignment with the guidelines established by the parent company. In this context, the Bank maintains a robust and resilient control environment to protect its stakeholders and ensure both operational and financial readiness to respond effectively to adverse events.

Risk Management Tools

Scotiabank Chile's risk management framework is supported by a range of tools that are applied both individually and on an integrated basis to manage risks at the institutional level. These tools are regularly reviewed and updated to ensure alignment with the Bank's risk-taking activities, as well as its business and financial strategies.

The Bank continuously monitors risk exposures through a dashboard of key indicators, which provides a consolidated view of risk trends, alerts, and corresponding action plans on a periodic basis. Risk owners are responsible for measuring, monitoring, and reporting these indicators, ensuring timely and accurate information to support decision-making.

Figure N°20: Tools for risk management



Stress Testing

Scotiabank Chile conducts institution-wide and risk-specific stress testing programs covering credit, market, and operational risks. These exercises are designed to estimate the potential impact on the Bank's performance under adverse scenarios, including significant changes in market conditions, credit quality, liquidity needs, and other risk factors. Stress testing is integrated into the Bank's strategic and financial planning processes, as well as into its recovery and crisis management planning framework.

The programs are developed with input from a broad range of stakeholders, and the underlying variables are designed to capture multiple stress scenarios with varying degrees of severity and time horizons. The results are used to assess the Bank's capacity to absorb potential losses and to evaluate management actions aimed at reducing risk exposures and preserving capital.

The Bank conducts stress testing exercises under both internal and regulatory scenarios. In this context, it is important to note that the local regulator aligns its approach with practices observed in developed economies, where stress testing is conducted on an annual basis as a core supervisory tool to assess the resilience of financial institutions under adverse market conditions and to evaluate systemic risk.

In Chile, the implementation of Basel III formally incorporated stress testing as a key risk management technique, used to assess the potential impact of severe but plausible scenarios on risk factors and, consequently, on the Bank's financial condition.

In line with its commitment to long-term stability and solvency, Scotiabank Chile has developed and implemented a program of continuous enhancements to its stress testing methodologies and tools. This program addresses regulatory expectations and is aligned with the principles set out in Chapter 21-13 of the RAN, as well as with leading international practices in Europe, the United States, and Canada.

Risk Training

Scotiabank Chile maintains policies and programs aimed at training employees across the different risk types. Mandatory training is required for all staff, complemented by local initiatives and onboarding programs designed to strengthen risk awareness and support risk prevention and mitigation across the organization.

These programs include courses such as "Understanding Global Sanctions", "Fighting Bribery and Corruption", "Risk Culture, Risk Appetite and Operational Risk", "Cybersecurity and Data Protection", and "Understanding Anti-Money Laundering and Sanctions", as well as initiatives such as Scotiaplay, a large-scale cybersecurity webinar.

In addition, members of the Board of Directors received training on IFRS S1 and IFRS S2 standards. Throughout the year, ongoing training and knowledge update programs were also delivered to directors on topics related to regulatory compliance, risk management, and governance, with particular focus on globally prioritized areas such as anti-money laundering and cybersecurity.

Table N°12 : Metrics of employees trained in risks

Risk Training Facts	2025
People trained in risk management during 2025	5.917
Average hours of training per person in the year	2.2

Changes and trends in risk management

During the year, the Bank advanced various risk management initiatives with a particular focus on ESG, cybersecurity, and ethics and compliance, in response to an environment characterized by rapid global change and an evolving regulatory landscape.

In this context, efforts have focused on strengthening a culture of integrity and compliance, enhancing corporate conduct, and reinforcing the Bank's capabilities to anticipate emerging risks. At the same time, the Bank continues to strengthen its control environment and technological infrastructure to safeguard information and services, while improving overall organizational resilience.

These initiatives are supported by the integration of environmental, social, and governance (ESG) criteria, together with robust digital security practices. The progress achieved in these areas is described below:

Environmental, Social and Governance (ESG) Risk Management

At Scotiabank Chile, ESG risk management is conducted in accordance with the ESG Risk Framework, which establishes the key principles, as well as the roles and responsibilities associated with the management of ESG risks across the organization. This framework also defines the minimum requirements for integrating ESG considerations into decision-making processes related to risk management, strategic planning, business activities, and internal operations.

The main ESG risks identified by the Bank are as follows:

- Innovation and Digital Transformation
- Occupational Health and Safety
- Ethics and Integrity
- Training and Development
- Anti-Corruption and Antitrust
- Customer Care and Satisfaction
- Sustainable Finance
- Financial Inclusion
- Climate Change
- Diversity and inclusion

In this context, it is important to note that Head Office is currently developing a system to assess the financial and strategic impacts of ESG risks and opportunities, with the objective of making this tool available in the medium term.

From an ESG risk management perspective, 2025 represented a transition year for Scotiabank, both locally and globally, in response to the evolving regulatory landscape in Chile and other jurisdictions. These developments require the Bank to progressively adapt its policies, processes, and governance frameworks in the coming years.

During this period, efforts were focused on advancing and fulfilling the commitments established in the ESG Strategy Strengthening Master Plan defined for 2025 (see Sustainable

Business Strategy chapter – Integrated Report). Within this framework, the following key milestones were achieved:

- Double materiality assessment: The Bank developed a double materiality process to better identify both its ESG impacts and financial risks. Following its completion in December, this process is being used to design mitigation and prevention plans for risks not previously identified.
- Climate risk framework and industry collaboration: Through the Chilean Banking Association (ABIF), the Bank participated in the Public-Private Green Finance Roundtable led by the Ministry of Finance, which concluded with the renewal of the Green Agreement in May. As part of this initiative and internal developments, the Bank advanced in the identification and classification of physical and transition climate risks within its portfolios. Methodologies—developed in coordination with the parent company and supported by external advisory—were implemented to assess these risks based on sector exposure and collateral characteristics, with ongoing monitoring at the local level.
- ESG integration and capacity building: The Bank conducted training workshops to strengthen internal capabilities in the application of ESG methodologies, particularly in supplier evaluation processes. In addition, targeted training programs delivered from Head Office were implemented to support front-line and commercial teams in the use of centralized platforms for measuring physical and transition climate risks.

ESG Risk Governance

Scotiabank Chile has established a governance framework for the management of ESG risks, integrating environmental, social, and governance criteria into strategic decision-making processes. This framework is aligned with the Three Lines of Defense model, defining clear roles, responsibilities, and processes to ensure effective risk management, support long-term business sustainability, and strengthen stakeholder trust.

Its purpose is to establish the mechanisms required to evaluate, monitor, and continuously improve ESG performance, ensuring alignment with the Bank’s strategic objectives, climate-related commitments, and international best practices.

Figure N°21: Model 3 Lines of Defense

01 First Line of Defense

It is made up of the Corporate Affairs and Sustainability Department, which is responsible for the management of material ESG issues, and the Corporate Finance area, when it comes to matters associated with investments and placements of green financial instruments.

02 Second Line of Defense

It is represented by the Risk Management, which ensures compliance with the ESG Risk Management Framework.

03 Third Line of Defense

It is made up of the Audit area and the ESG Advisory Board. This body was created in 2021 to provide a cross-cutting look at our environmental, social, and governance challenges and to make visible the initiatives that the Bank promotes in these areas. It is made up of representatives from all divisions, and its function is to monitor compliance with the ESG indicators, policies and programs promoted by our different managements. Once a year, usually in October, this body is required to report to the Board on our ESG progress and challenges. Regarding the effectiveness of risk management practices.

Progress driven by the ESG Council

The ESG Advisory Board is a cross-functional body established by Scotiabank Chile to provide an integrated view of the organization's environmental, social, and governance challenges, and to promote visibility of the Bank's initiatives in these areas. Comprised of representatives from all divisions, the Board has, over the past three years, led the definition and monitoring of ESG indicators, policies, and programs across the organization.

In addition, it serves as the primary channel through which members of the Board of Directors are regularly informed of progress and developments in ESG matters, including social, environmental, governance, and human rights initiatives. This body reports annually to both the Risk Committee and the Board of Directors.

During 2025, as part of its activities, the ESG Advisory Board participated in the preliminary evaluation of the first Green Mortgage launched by Scotiabank Chile, an innovation developed by the Products area. It also monitored the Bank's performance in sustainable finance and validated the Environmental Strategic Plan prepared by the Real Estate area, which establishes targets for reducing emissions, water consumption, and waste, as well as initiatives to adapt branches to better serve customers with reduced mobility.

In March, members of the Board also participated in a training session conducted by the IB Legal Department on the concept of greenwashing.

Cybersecurity and information security

Cybersecurity and information security are among the Bank's key non-financial risks, given their potential to significantly impact operational continuity and corporate reputation. In this context, Scotiabank Chile continuously strengthens its policies, controls, and procedures to ensure the secure and appropriate use of its systems and information assets, while fostering a strong risk awareness and prevention culture across the organization.

This commitment is reflected in the Bank's recognition by Global Finance as the safest bank in Chile for the third consecutive year, which also enabled its inclusion in the World's Safest Banks ranking.

Key advancements in cybersecurity and information security during the period include:

- Protection against automated attacks: Implementation of advanced detection and mitigation mechanisms to address automated threats—including botnets, credential stuffing, and distributed denial-of-service (DDoS) attacks—leveraging artificial intelligence (AI) and behavioral analytics.
- Strengthening of security controls: Enhancement of preventive and detective controls across the Bank's technology infrastructure, including:

  – Full implementation of multi-factor authentication (MFA) across all critical access points;

  – Deployment of Zero Trust architecture across internal and external environments;

  – Continuous updates to policies and procedures aligned with international standards;

  – Improved vulnerability management and remediation of technological obsolescence;

  – Optimization of technology risk assessment processes and access control frameworks.
- Governance and compliance: Consolidation of the cybersecurity governance model, including regular reporting to the Board of Directors and full compliance with applicable regulatory requirements.
- Technology protection: Migration to more secure architectures, segmentation of critical networks, and implementation of continuous monitoring tools with predictive capabilities.
- Incident management: Reduction of average incident response time (MTTR) by 30%, driven by automation within the Security Operations Center (SOC) and integration with global platforms.
- Data and information risk management: Strengthening of risk assessment processes related to information assets.

Cybersecurity Risk Culture

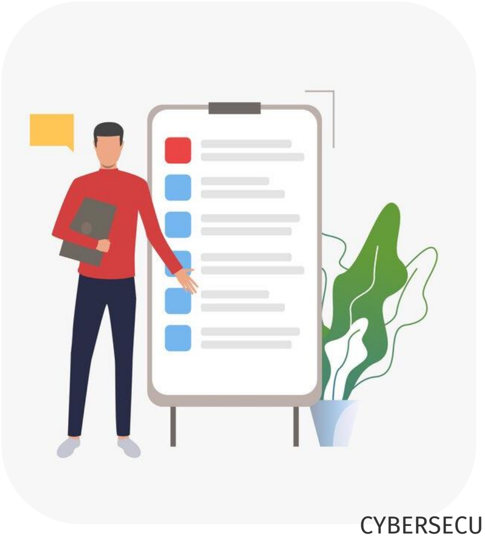
To foster a strong risk culture, the Bank promotes initiatives and practices that support informed, risk-based decision-making. Key elements include:

- **Staffing:** The Bank maintains adequate staffing levels within risk management and independent oversight functions, ensuring appropriate distribution across the Three Lines of Defense to support effective and efficient risk management.
- **Risk awareness education:** The Bank reinforces its risk culture through consistent communication, emphasizing that risk management is an integral part of employees' daily responsibilities. Ethical behavior is also promoted as a core component, supported by formal behavioral risk programs and training.
- **Risk Training and Certificates:** Employees across all levels, particularly in cybersecurity and IT risk functions, receive ongoing training and are required to certify compliance with the Bank's risk management policies on an annual basis. In addition, individuals in risk advisory, IT, and independent risk oversight roles receive specialized training and certifications, combining expertise in cybersecurity, technology, and business processes.

In parallel, the Cybersecurity Culture Program continued to be strengthened, providing training aimed at preventing risks related to remote work, information leakage, and phishing. Key initiatives in each area include:

- **Teleworking:** Implementation of a world-class secure access tool (Zscaler), enabling the configuration of browsing policies to prevent access to malicious or unauthorized websites.
- **Data Loss Prevention (DLP) regulations:** Enhancement of monitoring, detection, blocking, and alert processes. In addition, the Bank updated its DLP exception framework, enabling controlled alternatives that support business continuity without compromising security.
- **Phishing:** Execution of phishing simulation campaigns to raise awareness and strengthen employees' ability to identify malicious emails. These initiatives have evolved to include more sophisticated scenarios, such as spear phishing, improving overall preparedness against cyber threats.

In 2025, the following program outcomes are highlighted:



- Strengthening of technical controls, including centralized server management through the "LAM" process, enabling the use of dynamic credentials.
- Implementation of "Privacy Talks" aimed at Risk Ambassadors, covering topics such as data privacy and protection, with approximately 100 participants.
- Full employee coverage in mandatory cybersecurity training and awareness programs focused on emerging threats and digital fraud.

Table N°13: Training Record

CYBERSECURITY AND INFORMATION SECURITY TRAININGS

Item	2025		
	Men	**Women**	**Total**
Total number of people trained	2.736	2.937	5.673
Total Training Hours	3.523	3.466	6.990
Average Training Hours Per Person	1,3	1,2	1,2

Cyber Intelligence Services

In the area of Cyber Intelligence, threat intelligence shared by the ABIF Virtual Task Force (Association of Banks and Financial Institutions of Chile) regarding security incidents affecting local industry providers enabled the Bank to take preventive actions to mitigate potential impacts on platforms that rely on these third parties.

In addition, alerts and threat intelligence provided by the Computer Security Incident Response Team (CSIRT) of the Government of Chile allowed the Bank to generate specific reports, which were shared with the global Security Operations Center (SOC) in Canada for further analysis, monitoring, and, where necessary, the implementation of appropriate mitigation actions.

Cyberattack drills and exercises

In 2025, Head Office conducted training on the updated incident management process. In parallel, ABIF coordinated two tactical exercises involving all member banks, with the regulator and the Central Bank participating as observers. The most recent exercise expanded to include other financial institutions and service providers, evolving into a sector-wide cybersecurity drill, which enabled the Bank to comply with the requirements established in RAN 20-10.

As a result of these initiatives, the Bank maintained stable levels in its Cybersecurity Risk Index (SRI) and achieved positive outcomes in strengthening employee preparedness against phishing attacks, despite the increasing sophistication of these threat scenarios.

2026 Goals

Over the coming year, the Bank will continue to explore opportunities related to the use of artificial intelligence, with a focus on its effective and responsible integration into business functions.

At the same time, efforts will continue to enhance the efficiency of perimeter security controls, including the strengthening of firewall capabilities and the implementation of advanced protection mechanisms against automated attacks targeting internet-facing systems.

Actions implemented to adapt to new regulations

As part of its commitment to responsible management and the soundness of the Chilean financial system, Scotiabank Chile has implemented a range of initiatives aimed at ensuring effective adaptation to evolving regulatory requirements. These actions are designed to strengthen compliance standards, enhance operational efficiency, and align internal processes with prudential, technological, and risk management expectations. This proactive approach reflects the Bank's strategic focus on transparency, stability, and the protection of customers and stakeholders.

Key actions implemented by the Bank include:

- **Adaptation to CMF regulations and Personal Data Protection Law:** Comprehensive updating of data processing policies and procedures, to incorporate privacy principles by design and by default. In addition, the implementation of controls to guarantee ARCO rights on digital platforms.
- **Strengthening of Cybersecurity Governance:** Enhancement of the governance model to align with CMF standards on Technology Risk Management and Cybersecurity, including the integration of maturity metrics and periodic reporting to the Board of Directors on technology-related risks.
- **Protection of Critical Infrastructure and Open Finance:** Adaptation of processes to comply with security requirements in open finance ecosystems, ensuring the protection

of APIs and data shared with third parties, supported by supplier validation through risk assessments and contractual safeguards aligned with regulatory requirements.

- **Incident Management and Operational Resilience:** Update of the Incident Response Plan to incorporate regulatory scenarios and mandatory drills, supported by continuous monitoring capabilities and timely reporting mechanisms in the event of material incidents.

For further details on the regulatory environment underlying these initiatives, refer to Chapter 06 (External Environment), which provides a comprehensive overview of the context guiding these actions.

Systemic Risk Management

Systemic risk management is a core component of Scotiabank Chile's risk management framework, aimed at anticipating and mitigating potential contagion effects arising from the interconnected nature of the financial system. Its objective is to safeguard the Bank's financial soundness while contributing to the stability of the broader financial system.

In this context, the Bank achieved several key milestones in 2025, which are outlined below:

Global Systemically Important Bank Score, by Category

Scotiabank Chile is not classified as a global systemically important bank. However, at the local level, the implementation of new capital requirements aligned with Basel III standards incorporates the identification of systemically important banks through an entity-specific index. This index considers multiple factors that capture the potential impact that a bank's financial deterioration or loss of solvency could have on the functioning and stability of the financial system, as well as on the broader economy.

In March 2022, the Chilean Financial Market Commission (CMF) classified the Bank as a domestic systemically important bank (D-SIB), a designation that was reaffirmed in March 2025 based on annual data reported by financial institutions. This classification entails an additional Common Equity Tier 1 (CET1) capital buffer requirement of 1.25%, to be phased in at a rate of 25% per year until reaching full implementation by December 2025, with the objective of strengthening the resilience and solvency of the financial system.

Integrate stress test results into capital adequacy planning

Stress testing is a periodic exercise that assesses the impact of comprehensive risk scenarios on the Bank's financial position and capital requirements. The results are incorporated into both short- and long-term strategic planning, enabling comparisons between the effects of adverse macroeconomic scenarios and the Bank's baseline projections.

To ensure adequate capital strength, stress testing exercises consider key business risks, including Pillar 1 risks (credit, market, and operational), as well as other material risks. These are integrated into the Bank's capital management framework, supporting a comprehensive view of risk and resilience.

Milestones in the management of financial and non-financial risks

Within the Finance function, an action plan was implemented to address the requirements of the updated Chapter 21-13 of the RAN (“Assessment of the Adequacy of Banks’ Effective Equity”), which came into force in 2025. This update introduced changes related to market risks in the banking book and to the internal capital adequacy assessment process.

Non-financial risks

Transition to a more robust and integrated management approach to non-financial risks, with an emphasis on technology and cybersecurity.

Retail Banking Risks

A complete alignment of the risk strategy of Retail Banking with the new commercial and segmentation strategy was achieved.

Emerging risks

Update of identification and evaluation methodology, with a prospective vision.

Corporate and Commercial

Improved response time to customers in most of the portfolio.

Technology assets

Reduction of system obsolescence with the update of platforms that were losing support from their suppliers.

Innovation and efficiency

Launch of Artificial Intelligence pilots to improve task efficiency and reduce customer response time

As part of this implementation, the Bank submitted its 2025 Internal Capital Adequacy Assessment Process (ICAAP) report—locally referred to as the Self-Assessment of Effective Equity (IAPE)—to the regulator. This report is a mandatory requirement under Chapter 21-13 of the CMF’s Updated Compilation of Standards and involves the identification, measurement, and aggregation of risks, as well as the determination of the capital required to cover them over both short- and medium-term horizons (at least three years).

At the same time, the Bank has recognized the increasing relevance of non-financial risks in a context of accelerating digitalization and greater reliance on third parties. Accordingly, it has evolved its risk management approach from a traditional focus on financial risks toward a more integrated framework that incorporates non-financial risks, with particular emphasis on technology and cybersecurity.

This enhanced approach is reflected in the expansion of the Risk Appetite Framework, which evolved from a single consolidated metric to a set of eight specific indicators related to technological risks, including aspects such as technological obsolescence and the centralization of systems and application controls.

6. EXTERNAL ENVIRONMENT

The external environment is shaped by both global and local dynamics, including economic, political, social, regulatory, technological, and environmental factors, which directly influence the strategies and adaptability of financial institutions.

These conditions create both opportunities and pressures on growth, margins, investment, and demand for financial services, while ongoing regulatory and societal changes require continuous adjustments to business models, governance practices, risk management, and operational processes.

At the same time, political, technological, and environmental trends are reshaping customer expectations, compliance standards, and competitive dynamics. This environment requires organizations to respond effectively to change and external pressures while maintaining operational continuity, resilience, and stability. It also drives the need to modernize infrastructure and proactively identify emerging risks in order to sustain long-term competitiveness in an increasingly dynamic and interconnected landscape.

International Stage

The external environment has recently been shaped by a reconfiguration of global macroeconomic risks, with renewed inflationary pressures and geopolitical factors gaining prominence.

In the United States, inflation dynamics remain above the Federal Reserve's target, reinforcing a cautious monetary policy stance. Markets are increasingly pricing in a prolonged period of restrictive conditions, amid persistent inflationary risks—particularly those linked to energy price volatility[7].

Geopolitical tensions, particularly those related to developments in the Middle East, have shown temporary easing, contributing to a short-term correction in energy prices and risk premiums. This has supported a more favorable market environment, with improved risk appetite, equity gains, and a weaker U.S. dollar. However, this scenario remains highly contingent on the sustainability of recent diplomatic progress.

In Europe, economic activity continues to present mixed signals, with moderate performance in consumption and industrial output. At the same time, the persistence of external inflationary pressures has led to expectations of a more cautious monetary stance, despite a broadly stable policy outlook in the near term.

In China, policy priorities remain focused on supporting domestic demand and technological self-sufficiency, with growth targets reflecting a gradual moderation in economic expansion. Fiscal and strategic policy measures continue to play a central role in sustaining activity and addressing structural challenges.

Across Latin America, central banks have adopted a predominantly cautious stance in response to persistent external pressures and inflation risks. Monetary policy decisions across the region reflect a balance between supporting growth and preserving macroeconomic stability and policy credibility.

Beyond cyclical dynamics, sustainability continues to consolidate as a structural driver of the global economy. In a context defined by climate urgency, the transition toward renewable energy, and increasing regulatory requirements, sustainability considerations are increasingly

[7] This document may include forward-looking statements based on assumptions and information available as of the date of this report. These statements are subject to risks and uncertainties that may cause actual results to differ materially from those expressed or implied. Management undertakes no obligation to update such forward-looking statements, except as required by applicable law or regulation.

embedded in corporate strategies, public policies, and stakeholder expectations. As a result, they have become a key factor in the identification of risks and opportunities at both sectoral and macroeconomic levels.

International Standards

The regulatory process to incorporate Basel III standards into the Chilean banking framework, led by the CMF since 2019, was completed in 2025 in accordance with Law No. 21,130. This modernization introduced more stringent capital requirements, the gradual implementation of new prudential buffers, and strengthened Pillar 2 requirements, reinforcing the solvency, risk management, and governance practices of local banks. Notable advances were also achieved in areas such as liquidity management and risk culture.

As a result, the Chilean banking system is now aligned with leading international standards in regulation and supervision.

Within this context, the main international regulatory standards applicable to the Bank are presented below:

IFRS *Practice Statement* 1 – *Management Commentary*

In June 2025, the International Accounting Standards Board (IASB) published a revised version of the Management Commentary (MC), designed to better meet investor needs by incorporating a long-term perspective and the integration of environmental, social, and governance (ESG) factors.

Although the Management Commentary is not a mandatory component of IFRS adoption, it represents a best practice framework for management reporting. It provides structured guidance on areas such as strategic positioning, business model analysis, risk identification, and future outlook, fostering greater transparency and connectivity in reporting.

The updated framework is strongly aligned with IFRS S1 and S2 standards, promoting the integration of financial and sustainability information and addressing the expectations of both regulators and capital markets.

For banking institutions, the framework highlights key topics including the structure of the banking business model, effective capital and liquidity management, the management of financial and non-financial risks, and the incorporation of macroeconomic, ESG, and climate-related factors into strategy and operations.

IFRS S1 and IFRS S2 - International Financial Reporting Standards on Sustainability

Regulations require that, starting with the 2026 financial year—reported in 2027—entities supervised by the CMF that are required to prepare an Integrated Annual Report, including banks, disclose information in accordance with IFRS S1 and S2 standards. These standards represent a significant structural shift, as they integrate sustainability and financial reporting into a single framework.

Under this approach, sustainability disclosures are no longer presented as a standalone ESG report but are aligned with financial statements, applying the same consolidation perimeter and subject to internal controls and, potentially, external assurance. This transformation entails the active involvement of Boards of Directors, as well as finance, risk, and audit functions.

In practice, this implies that organizations must assess the financial impacts of climate and ESG-related risks, adapt their business models and strategies, strengthen information systems and internal controls, and prepare for increased regulatory oversight and investor scrutiny.

National Scenario

Economic environment

Economic Activity

The escalation of the conflict in the Middle East has reintroduced relevant risks to the growth outlook for Chile and its main trading partners. Combined with the fiscal adjustment announced by the new administration, this has led to a downward revision in growth expectations for 2026. In its latest Monetary Policy Report, the Central Bank revised its GDP growth projection from a range of 2.0%–3.0% to 1.5%–2.5%.

Despite a more uncertain external environment, copper prices have remained at elevated levels, reinforcing their key role in supporting investment, employment, and regional development.

National accounts data for the fourth quarter confirmed a recovery in investment, driven by increased demand for machinery and equipment in the mining and energy sectors, as well as a rebound in private consumption. As a result, GDP grew by 2.5% in 2025, supported by a 7% expansion in total investment.

Looking ahead, investment is expected to remain a key driver of growth in 2026, with gross fixed capital formation (GFCF) projected to increase by approximately 3%. This outlook is supported by higher imports of capital goods, a robust pipeline of mining and energy projects, and structural infrastructure needs in sectors such as ports, data centers, transport, and electricity grids, in line with upward revisions from the private sector and government initiatives aimed at accelerating investment.

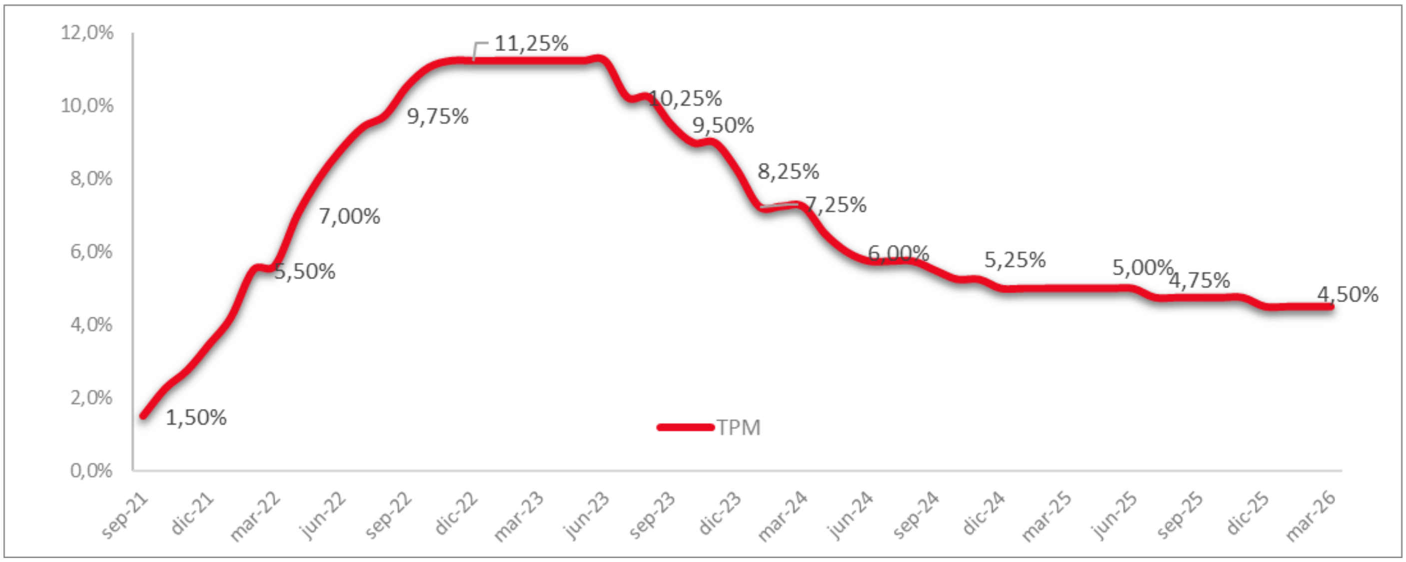
In the short term, economic activity has shown signs of weakness. The February IMACEC recorded a second consecutive year-on-year contraction (-0.3%), mainly reflecting a decline in the trade sector. While part of this performance is explained by temporary factors, data from subsequent months are expected to increasingly reflect the initial effects of the geopolitical context, particularly through higher fuel prices, which have increased costs for firms and reduced household purchasing power.

For 2026, GDP growth is projected at around 2.0% as an upper bound, reflecting both the fiscal consolidation measures—estimated at approximately USD 4 billion—and the challenging external environment associated with the escalation of geopolitical tensions, which are expected to weigh on private consumption.

Figure N°22: IMACEC variation

IMACEC Variation[8]

(% YoY change)



Source: Central Bank of Chile.

Inflation

Inflation expectations have increased significantly following the rise in international fuel prices and their transmission to the local economy. In March, the Consumer Price Index (CPI) recorded a monthly increase of 1.0% (2.8% year-on-year), with fuels contributing 0.3 percentage points to total inflation.

Core inflation, excluding volatile components, rose by 0.5% month-on-month (3.4% year-on-year), reflecting a divergence between categories: goods prices declined (-0.2% m/m), while services increased significantly (1.0% m/m), alongside a strong rise in volatile components (1.7% m/m). Notably, second-round effects of higher fuel prices have begun to materialize, particularly in transportation costs such as domestic and international airfares.

Inflation diffusion increased to 55%, indicating that the impact of the fuel shock is becoming more widespread across the consumption basket. While March figures remained relatively stable compared to historical averages, the effects of fuel-related inflation are expected to intensify in the April CPI. As a result, diffusion is projected to reach elevated levels in the coming months—particularly in services—before gradually normalizing toward mid-year.

Against this backdrop, the Bank revised its inflation projection upward to 4.5% year-on-year for 2026, slightly above the Central Bank's latest projection of 4.0% in the Monetary Policy Report

[8] For the IMACEC, figures were considered as of February 2026, since no public information was available as of March.

(IPoM). However, approximately 70% of this increase is expected to occur during the first four months of the year, with inflation dynamics likely easing thereafter and converging toward historical averages in the remainder of the year.

Table N°14: CPI variation last 12 months (%)

Month	Monthly	Cumulative	Last 12 months
Jan – 2024	0,7	0,7	3,8
Feb - 2024	0,6	1,3	4,5
Mar – 2024	0,4	1,6	3,7
Apr – 2024	0,5	2,2	4,0
May – 2024	0,3	2,4	4,1
Jun – 2024	-0,1	2,3	4,2
Jul – 2024	0,7	3,0	4,6
Aug – 2024	0,3	3,3	4,7
Sep – 2024	0,1	3,4	4,1
Oct – 2024	1,0	4,5	4,7
Nov – 2024	0,2	4,7	4,2
Dec – 2024	-0,2	4,5	4,5
Jan- 2025	1,1	1,1	4,9
Feb – 2025	0,4	1,5	4,7
Mar – 2025	0,5	2,0	4,9
Apr – 2025	0,2	2,1	4,5
May – 2025	0,2	2,3	4,4
Jun – 2025	-0,4	1,9	4,1
Jul – 2025	0,9	2,8	4,3
Aug – 2025	0,0	2,9	4,0
Sep – 2025	0,4	3,3	4,4
Oct – 2025	0,0	3,3	3,4
Nov – 2025	0,3	3,6	3,4
Dec – 2025	-0,2	3,4	3,5
Jan – 2026	0,4	0,4	2,8
Feb – 2026	0,0	0,4	2,4
Mar – 2026	1,0	1,4	2,8

Interest rate

Changes in the international environment have increased uncertainty for the Central Bank. At its March meeting, the Central Bank maintained the Monetary Policy Rate (MPR) at 4.5%, adopting a neutral policy bias in response to the uncertain external outlook. In this context, it revised its inflation projection upward and postponed convergence to the target until 2027, marking a shift from the disinflation trend observed in the months prior to the escalation of geopolitical tensions.

Regarding the policy outlook, the Board presented a trajectory that includes a 25 basis point increase at the June meeting, followed by a cut of the same magnitude in October. However, this scenario appears unlikely, as it would imply reversing the tightening cycle shortly after implementation, which seems inconsistent with the Bank's recent communications.

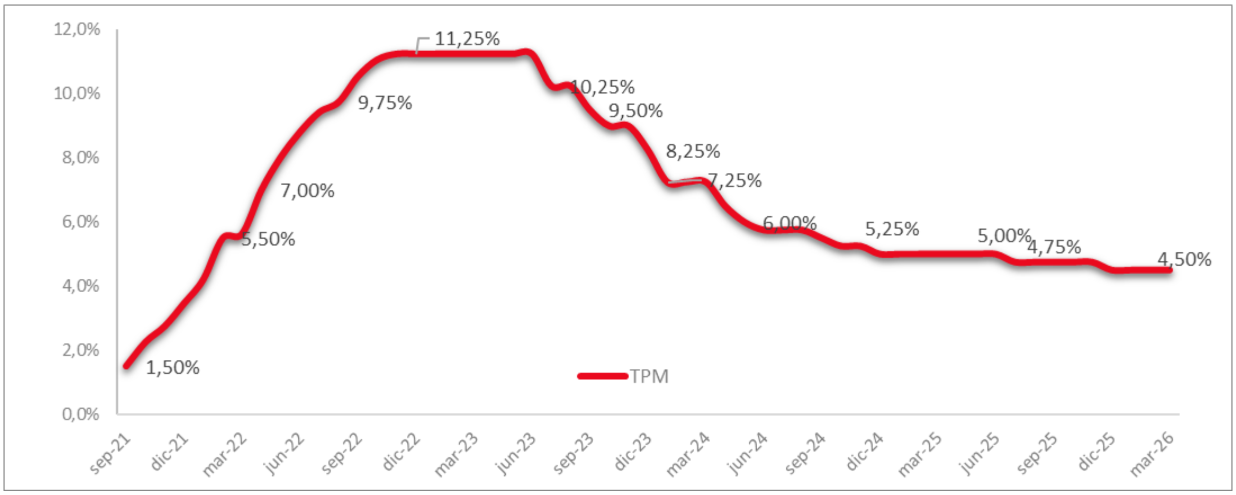
Under our baseline scenario, we expect the Monetary Policy Rate to remain at 4.5% throughout 2026, with the easing cycle resuming gradually toward its neutral level of 4.25% in early 2027.

For the April meeting, we anticipate that the MPR will be maintained at 4.5%, given the elevated inflation observed in March and the expectation of additional short-term pressures in April. However, recent developments—such as the decline in international fuel prices and the appreciation of the Chilean peso (CLP)—could ease inflationary pressures going forward, potentially leading to lower local fuel prices starting in May.

Figure N°23: Variation in the Monetary Policy Rate

Monetary Policy Rate Evaluation

(change %)



Source: Central Bank of Chile.

Exchange rate

The escalation of geopolitical tensions led to a broad-based appreciation of the U.S. dollar, under which the Chilean peso (CLP) was among the most affected currencies, reflecting Chile's high dependence on fuel imports. In this context, the peso depreciated by approximately 7% relative to its pre-conflict level, in line with a 2% appreciation of the dollar index (DXY) and an 11% decline in copper prices. As of the close of this report, these variables have largely reverted to pre-conflict levels, with the exchange rate stabilizing around CLP 880 per U.S. dollar.

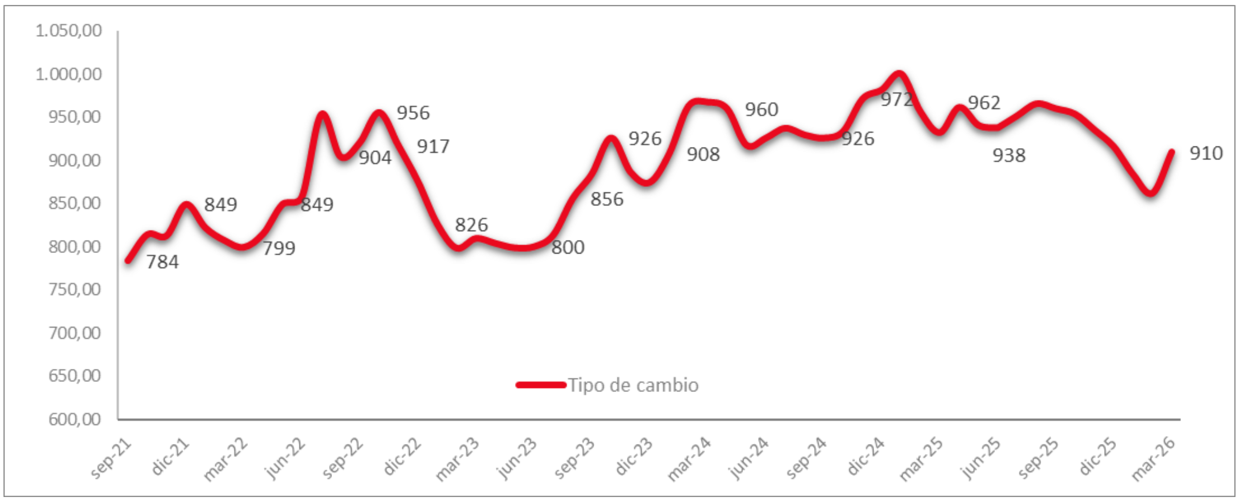
In parallel, the Central Bank has continued its international reserve accumulation program, totaling USD 18.5 billion since its launch in August 2025, through daily purchases of USD 25 million. The effect of this program on the exchange rate has been limited, reflecting both its operational design and built-in flexibility. In addition, the Ministry of Finance announced a new cycle of dollar sales beginning in April 2026, amounting to USD 300 million per week, subject to adjustments depending on financing needs and market conditions.

Against this backdrop, the depreciation pressures previously affecting the Chilean peso relative to both developed and emerging market currencies have largely dissipated. The exchange rate is now more closely aligned with its fundamental drivers and is expected to fluctuate around CLP 870 per U.S. dollar over the course of the year, although with some degree of volatility.

Figure N°24: Exchange Rate Variation

CLP/USD exchange rate variation

($/US$)



Source: Central Bank of Chile.

Labor market

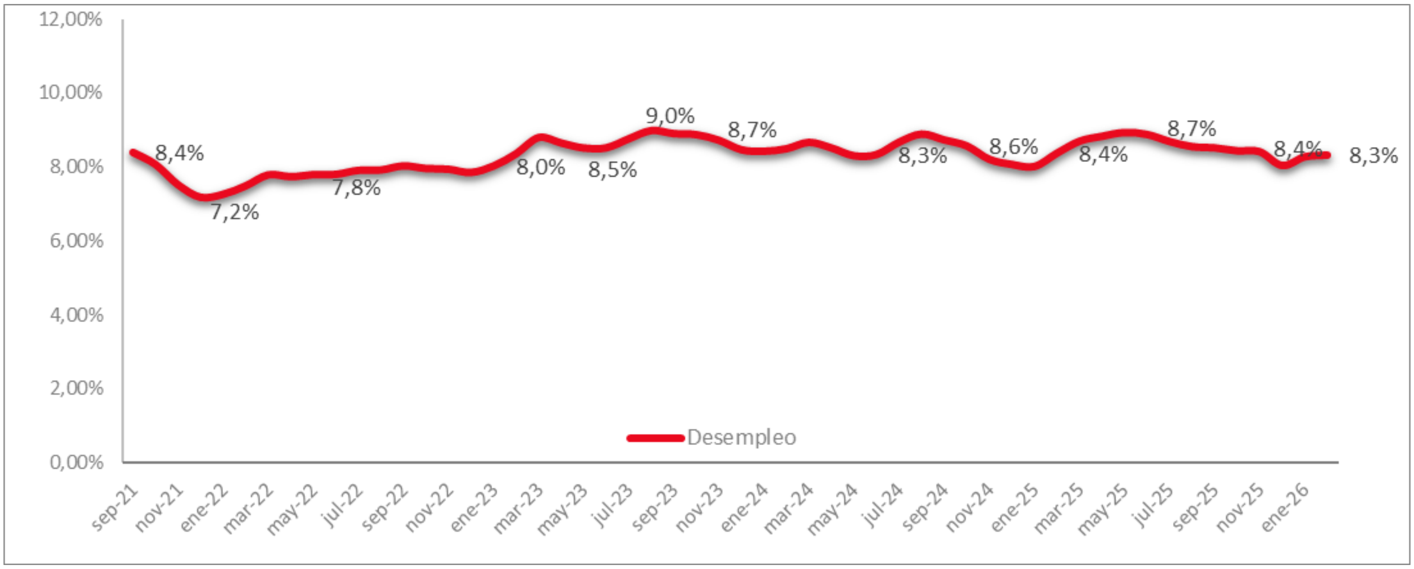
The unemployment rate stood at 8.3% in the quarter ending in February, remaining unchanged from the previous period. The labor market data reflected a loss of 11,000 jobs and a decline of 7,000 participants in the labor force, interrupting seven consecutive rolling quarters of employment growth. On a seasonally adjusted basis, the National Statistics Institute (INE) reported a slight decrease in the unemployment rate to 8.5% (from 8.6%), driven by a sharper contraction in the labor force (-34 thousand) compared to the reduction in employment (-13 thousand).

Overall, the labor market continues to show signs of weakness. This, combined with the negative output gap estimated by the Central Bank—where GDP is growing below its potential level—suggests a low likelihood of policy tightening in the near term, despite the projected increase in year-on-year inflation in the coming months.

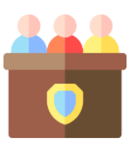
Figure N°25: Unemployment Rate

Unemployment rate[9]

(change %)



Source: Central Bank of Chile.



Political environment

On April 15, the government announced a reconstruction and economic reactivation package aimed at restoring fiscal balance, re-anchoring medium-term growth around a 4% trend, and strengthening formal employment creation. Although the total fiscal cost has not yet been fully specified, the government indicated that financing will rely primarily on higher revenues associated with an investment-led recovery, temporary measures to boost fiscal income, and expenditure rationalization. Legislative approval is expected in early June, ahead of the Presidential Public Account.

The tax component of the package includes a gradual reduction in the corporate tax rate from 27% to 23% over the medium term, with the objective of improving competitiveness and converging toward OECD standards. This is complemented by the progressive reintegration of the tax system, allowing full imputation of corporate taxes against personal income taxes, thereby reducing distortions in investment and profit distribution decisions.

To facilitate the transition from the current semi-integrated regime, a transitional substitute tax is introduced, enabling companies to convert accumulated tax credits into fully usable credits

[9] For the unemployment rate, figures for February 2026 were considered, since no public information was available as of March.

through an advance payment mechanism. This measure accelerates fiscal revenues in the short term while reducing future tax frictions.

Additional measures include a temporary regime for the declaration of foreign assets and capital repatriation, aimed at attracting liquidity and generating immediate fiscal revenues, as well as a temporary reduction in inheritance and gift taxes to accelerate tax collection.

In the social dimension, the package establishes a permanent exemption from property taxes on primary residences owned by individuals aged 65 and over. This is complemented by compensatory transfers to municipalities through the Municipal Common Fund, ensuring fiscal neutrality at the subnational level.

The second pillar of the package focuses on supporting short-term demand, protecting employment, and reducing regulatory uncertainty. Measures include a temporary VAT exemption on new housing sales to accelerate inventory absorption and stimulate construction activity, as well as a payroll-based tax credit to reduce labor costs and support business liquidity, particularly for small and medium-sized enterprises.

These initiatives are complemented by the expansion of the Emergency Reconstruction Fund, providing immediate fiscal resources for post-disaster recovery.

From a regulatory standpoint, the package seeks to enhance investment certainty by reducing the period for administrative invalidation of sectoral permits and introducing mechanisms to compensate investments made under environmental approvals (RCA) that are later revoked by judicial decisions.

Finally, the package includes expenditure containment measures, such as a four-year moratorium on the entry of new institutions into the free higher education system, aimed at limiting structural spending growth while maintaining benefits for current participants.

Regulatory environment

Legal environment

Banks in Chile operate under Law No. 18,046 on Corporations and primarily under the General Banking Law, which governs their activities. In an increasingly demanding international environment, the sector's legal and regulatory framework continues to evolve in alignment with the best global practices, promoting higher standards of transparency, accountability, and information security. These developments aim to strengthen trust, enhance supervision, and facilitate the adoption of new financial products and services.

Within this robust framework, both sector-specific and cross-cutting regulations require financial institutions to meet high standards of corporate governance, internal control, cybersecurity, compliance, and financial crime prevention, thereby safeguarding the stability of the financial system and protecting users' interests.

Key regulatory developments include:

- Financial Portability Law (Law No. 21,236): Establishes portability as a consumer right and continues to be strengthened to reduce switching costs and streamline procedures for changing financial service providers.
- Labor regulations: Between 2024 and 2025, institutions adapted to Law No. 21,561 (40-hour workweek) and Law No. 21,643 (Karin Law), which introduces enhanced requirements to prevent workplace harassment and violence. These include expanded definitions of misconduct, updates to the Labor Code, and mandatory protocols for prevention, reporting, investigation, and protection of affected individuals.
- Economic Crimes Law (Law No. 21,595): Consolidated in 2025, this regulation significantly expanded the scope of economic crimes—from approximately 15 to more than 200 offenses—and strengthened penalties and enforcement mechanisms. It also introduced modifications to complementary regulations, including Law No. 20,393 on the criminal liability of legal entities. As a result, the Bank undertook a comprehensive reassessment of risks, updated its Crime Prevention Model (MPD), implemented targeted training programs, and initiated an independent external review, expected to be finalized in 2026.
- AML and CTF regulations: The CMF issued Circular No. 2,368, updating the RAN and aligning with Financial Analysis Unit (UAF) Circular No. 62, effective June 2025. These updates strengthen requirements for reporting suspicious transactions and enhance traceability and access to information. These provisions are supported by Law No. 19,913, which establishes the legal framework to prevent money laundering and terrorist financing.

This risk area has been identified as a top priority for Scotiabank at both global and local levels in 2025, alongside cybersecurity. The Bank continues to strengthen its controls through ongoing process reviews across Head Office and subsidiaries, positioning itself as a leader in AML risk management.

In this context, the AML & Compliance function is also exploring the use of artificial intelligence (AI) to improve efficiency and effectiveness. It has already implemented Microsoft-based solutions in daily operations and continues to assess more advanced applications at the corporate level, particularly to enhance compliance monitoring and financial crime prevention processes.

In July 2025, the CMF issued NCG No. 540 and the associated MSI Manual in relation to the Consolidated Debt Registry, in accordance with Law No. 21,680. These regulations establish the operational framework, security standards, consent requirements, and reporting obligations for the centralized registry managed by the CMF, which consolidates credit information on individuals and companies to enhance risk assessment and financial transparency.

In the area of innovation and competition, the Fintech Law (Law No. 21,521) establishes a formal regulatory framework for the fintech ecosystem and the Open Finance System, enabling the secure sharing of data with customer consent while preserving banking secrecy principles. Although the law entered into force partially in 2023, its implementation has been gradual.

A key milestone was the issuance of the Open Finance regulation (NCG No. 514), which includes a phased implementation period of 24 months, incorporating pilot programs and transition phases during 2025. Under this framework, banks assume the role of Information Providing Institutions (IPIs), requiring the implementation of secure APIs, robust consent management mechanisms, and advanced authentication and traceability systems.

This regulatory development implies significant adjustments to the banking business model, including the redefinition of relationships with fintech players and the reassessment of the scope of banking secrecy, in a context of increased competition in products, pricing, and customer experience. In addition, NCG No. 559 introduced requirements for supervised entities to notify the CMF prior to offering fintech-related services.

Adaptation to the Fintech Law has been treated as a strategic and high-impact initiative. In 2025, multidisciplinary working groups remained active, supported by dedicated teams and allocated budgets comparable to other major regulatory programs. This initiative, led by the Technology area, combines compliance requirements—such as API enablement—with the identification of new business opportunities arising from open finance. The implementation timeline is extended and complex, given the need for coordination across multiple stakeholders.

In parallel, cybersecurity and information security efforts continue to align with Law No. 21,719 on Personal Data Protection, published in December 2024 and effective from December 2026. This regulation strengthens individuals' rights regarding the processing of personal data and establishes the Personal Data Protection Agency as an autonomous supervisory body.

This law represents a significant transformation for organizations, introducing new rights for data subjects—such as data portability and data blocking—and reinforcing principles such as transparency and accountability. It also establishes a robust sanctions framework, including fines of up to 20,000 UTM for severe breaches, with additional penalties for repeat offenses and corrective measures such as the suspension of data processing activities.

The main cross-cutting impacts include:

Strengthening data governance

The review and adaptation of internal processes

The requirement of explicit and informed consent

Incident and security breach management

Increased investment in cybersecurity, compliance, and internal training.

Preparation for the Personal Data Protection Law has been one of Scotiabank Chile's most significant initiatives, alongside the implementation of Open Finance. In this context, the Bank allocated an investment of approximately USD 3.5 million and, by the end of 2025, had established dedicated governance structures and multidisciplinary teams actively working across all regulatory requirements. The project is scheduled for completion by December 2026, with the objective of ensuring full compliance with the Law.

In parallel, progress continued in the implementation of Law No. 21,663, the Cybersecurity Framework Law enacted in March 2024. This regulation establishes a comprehensive and mandatory legal framework for cybersecurity across both public and private sectors, including entities classified as Operators of Vital Importance (OIVs). During 2025, its general provisions entered into force, alongside the formal launch of the National Cybersecurity Agency (ANCI), which acts as the supervisory authority and defines differentiated obligations based on the role of each entity.

As a result, cybersecurity has evolved from a primarily operational concern into a core legal, strategic, and governance priority for organizations. In this context, these regulatory requirements apply directly to companies, including banks, reinforcing the need for enhanced controls, governance, and resilience capabilities.

The main technological requirements include:

Implementation of an Information Security Management System (ISMS).

Establishment of formal cybersecurity risk management frameworks.

Development of operational continuity and incident response and recovery plans.

Execution of regular audits, simulations, and resilience testing exercises.

Appointment of a designated cybersecurity officer, particularly for entities classified as Operators of Vital Importance (OIVs).

Integration of cybersecurity as a core element of corporate governance, extending beyond the scope of the technology function.

Regulatory and prudential environment

The regulatory and institutional framework in Chile has gained significant strategic relevance in recent years, as it not only defines operating conditions but also directly influences banks' ability to adapt, innovate, and sustain their business models. Regulatory developments have a cross-cutting impact on technology, sustainability, and social dimensions, affecting risk management, capital structure, product offerings, and overall market confidence.

In this context, the role of the Financial Market Commission (CMF) as the unified supervisory authority has strengthened, with the primary objective of ensuring the proper functioning, development, and stability of the financial system, while promoting market participation and safeguarding public trust.

The CMF conducts regular supervision of banks—typically at least annually—and requires the periodic submission of financial and operational information. Banks must submit monthly financial statements, as well as annual audited financial statements and interim reports, which include reviews by independent external auditors.

In parallel, the Central Bank of Chile operates in coordination with the CMF, sharing the objective of preserving financial stability within their respective legal mandates. The Central Bank is an autonomous institution of constitutional rank, with a technical mandate to maintain the stability of the Chilean peso and ensure the proper functioning of internal and external payment systems.

In addition, the Central Bank has regulatory and supervisory powers over the financial system and capital markets, aiming to ensure that financial institutions operate in a sound and orderly manner, while promoting efficient and reliable payment systems. It also plays a key role in safeguarding financial stability, including through the use of financial policy tools in times of stress.

Together, the CMF and the Central Bank play a central role in the implementation and oversight of the evolving regulatory ecosystem, ensuring that its development is aligned with principles of security, transparency, and stability in the Chilean financial system.

Financial-Banking Regulations

The Basel Committee on Banking Supervision has developed a comprehensive set of international standards for risk management, which have evolved through successive frameworks known as Basel I, Basel II, and Basel III. These frameworks have introduced significant changes and challenges for both global and local financial systems, strengthening capital adequacy, risk management practices, and transparency requirements.

The Chilean regulatory approach follows the Basel III structure, based on its three pillars: Pillar 1 (minimum capital requirements), Pillar 2 (supervisory review process), and Pillar 3 (market discipline). This framework has been implemented on a gradual basis, as illustrated in the following figure:

Figure 26: The three pillars of Basel

Pillar 1

Establishes minimum capital requirements based on risk-weighted assets (RWA), including a minimum total capital ratio of 8%, of which at least 4.5% must consist of Common Equity Tier 1 (CET1). In addition, it incorporates capital buffers such as the capital conservation buffer, the countercyclical buffer, and supplementary requirements for systemically important banks.

Pillar 2

Establishes the supervisory review process and the internal capital adequacy assessment framework, requiring banks to conduct an Internal Capital Adequacy Assessment Process (ICAAP)—locally referred to as the Self-Assessment of Effective Equity (IAPE). Under this framework, banks must demonstrate that their capital levels are adequate relative to their business model, material risks, and severe but plausible stress scenarios.

Pillar 3

It aims to strengthen transparency and market discipline through enhanced disclosure by financial institutions, complementing existing financial reporting by providing comprehensive information on risk exposures, capital adequacy, and risk management practices; these disclosures are essential to fostering confidence in the banking system and promoting greater transparency in financial operations, enabling investors and other stakeholders to assess the financial strength and risk profile of institutions and thereby supporting informed decision-making and the efficient allocation of capital.

In this context, the main regulatory framework applicable to banks in Chile is established through the Updated Compilation of Standards (RAN) and General Regulations (NCG) issued by the CMF, through which the principles and guidelines of the Basel III framework are incorporated. Some of the most relevant applicable regulations are outlined below:

Circular No. 2.365 - Pillar 2 of Basel III

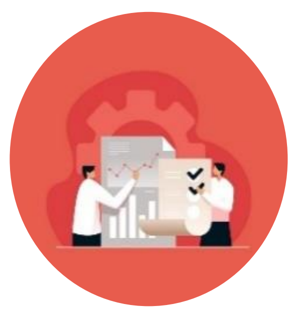
In line with Pillar 3 requirements regarding the disclosure of adequate, timely, and comparable information—aimed at strengthening the solvency and stability of the financial system—Circular No. 2,365 was issued in July 2025, introducing amendments to Chapter 21-13 of the RAN.

Although most provisions entered into force in December 2025, key changes include: (i) the formal definition of the Internal Target for Effective Equity (OIPE), which must be incorporated into banks' 2025 IAPE, including projections for the 2025–2027 period; and (ii) updates to the minimum structure of the IAPE, requiring banks to align their Internal Capital Adequacy Assessment reports with the new conceptual framework established by the regulation.

Additionally, the Circular introduces a maximum length of 70 pages for the IAPE report and establishes the requirement for quarterly publication of financial statements, with the objective of enhancing supervisory effectiveness and ensuring greater consistency and transparency in reported information.

RAN 21-20 - Basel III Pillar 3

The implementation of Basel III in Chile has significantly modernized banking regulation, raising standards in terms of solvency, capital adequacy, and risk management. Within this framework, Pillar 3 plays a critical role by requiring financial institutions to disclose sufficient, consistent, and comparable information, enabling the market to assess their risk profile, capital position, and overall financial soundness.



In Chile, Pillar 3 is implemented through Chapter 21-20 of the RAN ("Market Discipline and Transparency"), which is supervised by the CMF. This regulation operationalizes Basel III disclosure requirements by defining minimum content, standardized formats, and reporting frequencies, ensuring that published information is clear, comparable, and useful for market participants.

In this context, Scotiabank Chile has continued to strengthen its disclosure practices, enhancing transparency through the regular publication of relevant financial and risk management information for both regulators and the public. These regulatory requirements have contributed to more effective supervision and monitoring of the financial system by providing standardized and reliable data, facilitating the timely identification of risks and supporting preventive actions where necessary.

Since 2023, Pillar 3 disclosures have been mandatory on a quarterly basis for all banks in Chile, complemented by an annual report that provides a more comprehensive and integrated view of the institution's risk profile and capital adequacy.

General Character Standard (NCG) N°519- CMF

In October 2024, the CMF issued NCG No. 519, introducing significant amendments to NCG No. 30 and NCG No. 461 related to the Integrated Annual Report. Certain provisions entered into force on December 31, 2025, applicable to banks and other regulated entities, requiring institutions to prepare during the 2025 financial year for full compliance in their Integrated Annual Report. This regulation strengthens disclosure standards by requiring greater transparency in corporate governance, including detailed information on governance structures, roles, and operating practices; mandates enhanced reporting on people and labor compliance, particularly in relation to the Karin Law, including policies, prevention practices, and metrics such as the percentage of employees trained in matters of workplace harassment, sexual harassment, and violence; and introduces more robust requirements for risk and sustainability disclosures. Although IFRS S1 and S2 are not yet mandatory for the 2025 report, the regulation requires a more structured identification and explanation of material business risks and ESG (environmental, social, and governance) risks, including their integration into the Bank's strategy and governance framework, as well as the disclosure of sustainability metrics aligned, where applicable, with Sustainability Accounting Standards Board (SASB) sector standards.

Social environment

According to publications by the Public Prosecutor's Office[10], Chile's social environment in recent years has undergone a profound transformation, characterized by the emergence and consolidation of increasingly complex and violent criminal phenomena. This shift has been reflected both in the rise of crimes associated with organized crime—such as homicides, kidnappings, extortion, drug trafficking, and illegal weapons possession—and in their expansion into regions that historically exhibited lower levels of serious crime.

Criminal networks have extended beyond major urban centers, demonstrating greater territorial reach and operational sophistication, including the integration of multiple illicit markets and coordination between domestic and foreign actors. These developments have directly

[10] According to the Organized Crime Report published by the Public Prosecutor's Office in 2025.

influenced household expectations and broader social perceptions of security, while also affecting financial institutions, which must operate in an environment of heightened vigilance and increased expectations regarding transparency, information security, social responsibility, and ethical conduct.

This evolving context has led to intensified regulatory scrutiny, placing both financial institutions and authorities at the center of public debate, with a strong focus on strengthening transaction monitoring, enhancing know-your-customer (KYC) processes, and improving the identification of ultimate beneficial owners.

In parallel, in March 2025, the Undersecretariat of Telecommunications[11] (Subtel) introduced new regulations under the Digital Security Agenda requiring that commercial calls linked to existing customer relationships use the prefix “600,” while unsolicited calls must use the prefix “809.” This measure seeks to enhance transparency, protect consumers, and reduce spam and telephone fraud. Following a six-month adaptation period, the use of alternative numbering for commercial campaigns was prohibited starting in August 2025.

This regulation has had significant social and economic implications. It has altered user behavior by enabling individuals to more easily identify and avoid unwanted calls, while also affecting banks and financial institutions, where contactability is critical for collection and customer management processes. As a result, traditional contact strategies have been redefined, accelerating the adoption of alternative channels such as SMS, messaging platforms (e.g., WhatsApp), email, mobile applications, and automated notifications.

Over the medium term, these changes may reduce the effectiveness of collections, potentially leading to higher delinquency rates, increased collection costs, and additional pressure on credit risk indicators.

All of the above occurs alongside broader social dynamics that continue to influence the banking industry, reinforcing the need for adaptive strategies in response to evolving social, regulatory, and technological conditions:

(i) Housing costs and access to credit: The sustained increase in housing prices has reduced affordability and limited access to homeownership. Combined with stricter credit requirements, this has constrained households’ ability to obtain mortgage financing.

(ii) Household budgets: Declining purchasing power, together with a high cost of living, has reduced households’ capacity to save. As a result, reliance on debt to maintain basic living standards has increased, while investment capacity has diminished.

(iii) Demographic trends: The decline in birth rates has led to a gradual aging of the population. This demographic shift is reshaping the demand for financial products and services, influencing their composition over the long term.

(iv) Labor and social dynamics: The country faces challenges related to the pursuit of improved social welfare, including shorter working hours and evolving workplace arrangements, which affect productivity, income generation, and consumption patterns.

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11 In accordance with the regulations of the Undersecretariat of Telecommunications.

(v) Digitalization and technological adoption: The widespread and intensified use of social networks and digital technologies has accelerated their integration into business activities, transforming how individuals interact with financial products and services and driving changes in business models and strategic approaches.

Environmental environment

In a global context where sustainability has become a central pillar of corporate development, and in anticipation of the entry into force of IFRS S1 and S2 standards in 2026, companies in Chile have initiated a transition process to adapt to this paradigm shift, which places sustainability at the core of business management. This transition reflects a broader international trend that requires the effective integration of environmental, social, and governance (ESG) risks and opportunities into organizational strategy, strengthening transparency and the linkage between financial and non-financial information.

In this context, organizations—including banks—have intensified their commitment to climate action by implementing policies, processes, and governance mechanisms aimed at environmental sustainability and the progressive integration of ESG criteria into their operations. The objective is to generate measurable impacts in the short and medium term, representing a turning point in how Chilean companies manage and disclose sustainability-related risks, in alignment with global standards of transparency and climate governance.

From a business perspective, this transformation requires an enhanced ability to assess and anticipate the financial implications of climate-related risks, strengthen governance structures, and support informed decision-making by Boards of Directors in scenarios involving economic transition and physical risks. Consequently, companies must invest in strengthening data systems, internal controls, and analytical capabilities, incorporating principles of traceability, comparability, and auditability into non-financial reporting.

These developments raise overall standards of management and competitiveness at both local and international levels, while also creating strategic opportunities, including improved access to sustainable financing, enhanced market valuation through reduced information asymmetry, and stronger positioning with global investors who increasingly demand alignment with International Sustainability Standards Board (ISSB) frameworks.

Relevant Changes and Impacts at Scotiabank

In recent years, the business environment has been significantly influenced by evolving customer expectations and behaviors, as well as by increasingly demanding local and international regulatory frameworks aimed at strengthening financial stability, safeguarding data, and promoting fair competition.

Given its systemic role, the Bank must ensure operational continuity, financial soundness, and full regulatory compliance at all times. These requirements have not only increased formal obligations but have also driven substantial transformations across processes, internal controls, organizational structures, technology, monitoring systems, and strategic priorities. In this context, Scotiabank has not only adapted to ongoing changes but has also strengthened its ability to anticipate them, enhancing resilience, efficiency, and transparency. As a result, the capability to respond to regulatory, social, political, and economic developments has become a key strategic advantage, supporting public trust, financial stability, and the transition toward more sustainable and responsible business models.

From a technological perspective, digital transformation and infrastructure development remain strategic priorities for the Bank. Investment plans include the launch of digital products and services, enhancements to customer experience models, and the implementation of technology-driven initiatives. A significant portion of the Bank's project portfolio—comprising over 100 initiatives—is executed within a one-year horizon and aligned with its long-term strategic vision. These efforts are complemented by ongoing initiatives focused on regulatory compliance, as well as the maintenance and modernization of systems and infrastructure.

In parallel, the Bank continues to strengthen its capabilities in data protection and cybersecurity, which are critical to its commitment to being a trusted financial partner. Key initiatives include the development of a comprehensive privacy program, the promotion of robust data governance and ethical data use, the responsible adoption of artificial intelligence, and the reinforcement of controls to prevent money laundering, fraud, and other financial crimes.

At the same time, in response to emerging climate-related risks and opportunities, the Bank has implemented enhancements to its governance and regulatory framework. These include the definition of climate-related strategic pillars, initiatives aligned with the Sustainable Development Goals (SDGs), the development of ESG risk management tools, and training programs for directors, employees, and suppliers aimed at strengthening capabilities in this area.

Finally, the Bank continues to reinforce its operational capacity in response to an increasingly dynamic market environment. This includes the digitalization of processes, optimization of organizational structures, and greater cross-functional collaboration, as well as continuous improvements in operational risk management and security standards, supported by a strong culture focused on control, integrity, and prudent risk management.

Conclusions and focuses for the next period

The external environment shows signs of improvement toward 2026, supported by greater global economic dynamism driven by advances in artificial intelligence and more favorable financial conditions. However, significant risks persist that could affect market volatility and access to financing.

At the local level, investment continues to be the main driver of the economic recovery, while inflation has continued to decline and is converging toward the Central Bank's target of 3%. In addition, the USD/CLP exchange rate reflects a strengthening Chilean peso, contributing to a more stable macroeconomic environment. Nevertheless, the labor market remains weak and continues to face upward cost pressures.

Looking ahead, the new government anticipates adjustments in public spending, security policies, and investment incentives, which could support a more dynamic economic environment but will also require increased regulatory and operational adaptability from market participants.

At the same time, the regulatory cycle is intensifying across several key areas, including financial crime prevention, capital requirements, cybersecurity, data protection, open finance, and sustainability. These developments are expected to significantly increase compliance demands and strengthen governance standards across the financial sector.

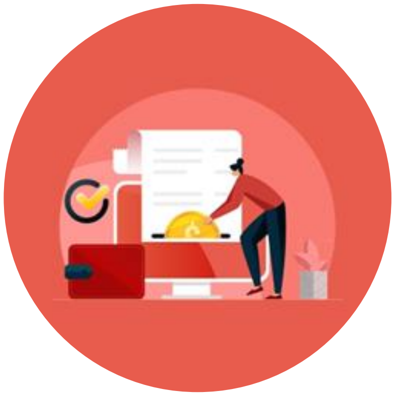
In this context, both Scotiabank and the broader banking sector must strengthen their capacity to withstand, absorb, and adapt to shocks or adverse changes in the environment, ensuring operational continuity, financial soundness, security, and the quality of customer service. At the same time, it is essential to reassess economic and strategic priorities, with greater emphasis on investments in compliance, technology, and risk management, while anticipating potential impacts on margins, capital allocation, and overall competitiveness in an increasingly demanding environment.

In conclusion, the Bank's strategic priorities for 2026–2027 are focused on strengthening regulatory and operational resilience through two key pillars: security and sustainability. On the one hand, the Bank reaffirms its commitment to a robust risk culture, placing greater emphasis on the management of non-financial risks, particularly those related to technological risk and cybersecurity. Continued progress in internal training and international recognition reflects the effectiveness and continuity of these efforts. On the other hand, the Bank maintains a strong ESG commitment, integrating sustainability into its overall business strategy. Its support for the transition to a low-carbon economy—through climate financing initiatives defined at the Head Office level—demonstrates a forward-looking approach in which environmental responsibility and client support are central. Together, these strategic priorities position the Bank to effectively navigate future challenges and to lead with a secure, responsible, and sustainable business model.

7. PERFORMANCE AND FINANCIAL SITUATION

The presentation of the Bank's performance and financial position is intended to provide a detailed view that complements the financial information in the Financial Statements, allowing a comprehensive assessment of the Bank's capacity to generate cash flows and create value over time.

In this way, the chapter presents the main components, metrics, and financial ratios of Scotiabank, which support stakeholders' interpretation of the Bank's financial performance, profitability, efficiency, capital strength, and overall financial condition:



- The long-term sustainability of the business model.
- The strategic perspectives of the organization according to the trends and risks identified.
- The Bank's financial position in relation to the market.
- The management of solvency and liquidity, as well as structural strength.
- The Bank's resilience to face adverse scenarios, sustain operations and respond to regulatory and market demands.

Bank's development and performance during the year

Based on the above, and considering the objective of this chapter, an analysis of the Consolidated Financial Statements of Scotiabank Chile as of March 31, 2026 is presented below, structured around two levels of analysis:

1. A comparison of the Bank’s financial position between year-end 2025 and March 2026.
2. A quarterly comparison between the last quarter of 2025 (October to December 2025) and the first quarter of 2026 (January to March 2026).

Table 15 presents the Income Statement for 2025 and 2026, with the objective of reporting total operating income, operating expenses, credit loss provisions, income tax, and consolidated net income (loss) for the period:

Table N°15: Income Statement

	Quarter ended at:		
Income Statement	**Mar - 2026B$**	**Dec - 2025MM$**	**Mar - 2025MM$**
Net interest income and readjustments	562.250	336.749	318.627
Net fee income	58.177	46.373	56.400
Net financial result	(195.377)	31.325	45.098
Other Operating Income	11.485	6.801	4.704
Total, Operating Income	**436.535**	**421.248**	**424.829**
Total, Operational Expenses	(168.450)	(175.016)	(165.719)
Operating profit before credit losses	**268.085**	**246.232**	**259.110**
Credit loss expenses	(145.898)	(128.067)	(190.223)
Profit or loss of continuing operations before tax	**122.187**	**118.165**	**68.887**
Income tax	(24.946)	(17.625)	(11.552)
Consolidated Profit (Loss) for the Year (or Period)	**97.241**	**100.540**	**57.335**

In the quarter ended March 2026, net interest income and adjustments totaled CLP 562,250 million, representing a 76.5% increase compared to the same quarter of the previous year, mainly driven by improved results from accounting hedges associated with UF indexation. On a quarter-over-quarter basis, net interest income and adjustments increased by 67.0%, also reflecting stronger hedge-related results.

Net fee and commission income amounted to CLP 58,177 million, representing an increase of 3.2% compared to the first quarter of 2025, driven by higher advisory, card, and prepaid service fees. Compared to the previous quarter, fee and commission income increased by 25.5%, mainly due to higher insurance and advisory revenues.

Net financial income recorded a loss of CLP 195,377 million, representing a deterioration of CLP 240,475 million compared to March 2025, primarily due to lower results from financial derivative contracts. On a quarter-over-quarter basis, the net financial result also declined by CLP 226,702 million, reflecting weaker performance in financial derivatives and foreign exchange results.

Other operating income totaled CLP 11,485 million, increasing by 144.2% compared to the same period of the previous year, mainly driven by higher card-related incentives. Compared to the previous quarter, other operating income increased by 68.9%, also reflecting stronger incentive-related revenues.

Operating expenses[12] amounted to CLP 168,450 million, reflecting an increase of 1.6% compared to the same quarter of the previous year, mainly due to higher technology-related expenses (including regional services and consulting) and increased personnel costs (benefits and vacation expenses). On a quarter-over-quarter basis, operating expenses decreased by 3.8%, primarily due to lower severance payments and personnel-related expenses.

Credit loss provisions for the quarter totaled CLP 145,898 million, representing a decrease of 23.3% compared to the same period of the previous year, mainly due to the implementation of a new risk model for the consumer portfolio in January 2025. On a quarter-over-quarter basis, credit loss provisions increased by 13.9%, reflecting higher write-offs and provisioning in the Commercial Banking segment.

Income tax expense amounted to CLP 24,946 million, representing an increase of 115.9% compared to March 2025 and 41.5% compared to the previous quarter. As a result, consolidated net income for the period reached CLP 97,241 million, representing an increase of 69.6% compared to March 2025 and a decrease of 3.3% compared to December 2025.

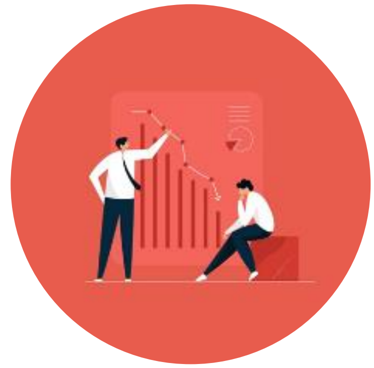
Table 16 presents the Statement of Financial Position as of 2025 and 2026, detailing the composition and total balances of assets, liabilities, and equity.

Table N°16: Statement of Financial Position

[12] This includes income from investments in associates, results from non-current assets and disposal groups classified as held for sale that do not meet the criteria for discontinued operations, and other operating income.

Statement of Financial Position	Mar - 2026B$	Dec - 2025MM$	Mar - 2025MM$
Cash and bank deposits	1.160.887	1.121.123	1.091.651
Transactions with settlement in progress	1.314.673	1.254.800	476.097
Financial assets to trade at fair value through profit or loss	5.424.970	5.492.515	6.161.259
Financial assets at fair value through other comprehensive income	2.699.593	1.674.859	2.247.611
Financial derivative contracts for accounting hedging	264.180	231.515	271.551
Financial assets at amortized cost	31.711.360	31.838.787	31.826.452
Investments in companies	44.788	44.234	39.409
Intangible assets	227.557	235.630	248.893
Fixed assets	73.632	74.466	73.519
Leasehold assets	129.777	132.469	141.545
Current taxes	13.007	10.910	6.403
Tax Deferred	479.997	457.136	454.347
Other assets	1.020.421	936.659	924.378
Non-current assets and disposal groups for sale	38.148	31.331	25.299
Total Assets	**44.602.990**	**43.536.434**	**43.988.414**
Transactions with settlement in progress	1.435.005	1.127.001	421.227
Financial liabilities to be traded at fair value through profit or loss	4.406.802	4.512.955	4.750.992
Financial derivative contracts for accounting hedging	1.541.044	1.526.603	1.587.550
Financial liabilities at amortized cost	30.015.881	29.127.541	29.917.487
Obligations for lease contracts	125.716	128.139	135.403
Regulatory capital financial instruments issued	1.929.761	1.902.046	1.941.805
Provisions for contingencies	44.385	41.861	48.201
Provisions for dividends, interest payments and appreciation of issued regulatory capital financial instruments	348.676	133.589	257.279
Special provisions for credit risk	145.052	145.822	148.427
Current taxes	5.334	29.996	39.163
Tax Deferred	721	635	804
Other liabilities	819.217	830.883	974.107
Total Liabilities	**40.817.594**	**39.507.071**	**40.222.445**
Capital	1.368.421	1.368.421	1.368.421
Reservations	381.405	381.405	381.405
Other cumulative comprehensive income	(167.542)	(43.626)	(83.406)
Accumulated earnings from prior years	2.332.789	1.898.883	2.155.419
Profit of the exercise	98.952	433.906	84.134
Provisions for dividends, interest payments and appreciation of issued regulatory capital financial instruments	(346.548)	(133.383)	(254.096)
Of non-controlling interest	117.919	123.757	114.092
Total Equity	**3.785.396**	**4.029.363**	**3.765.969**
Total Liabilities and Equity	**44.602.990**	**43.536.434**	**43.988.414**

Total assets increased by 1.4% as of March 2026 compared to March 2025, mainly driven by higher balances in operations pending settlement (+176%), reflecting increased transfers of funds in progress with banks and other counterparties. On a quarter-over-quarter basis, total assets increased by 2.4%, primarily due to growth in financial assets at fair value through other comprehensive income (+61.2%), mainly associated with debt instruments issued by the Central Bank of Chile.



Total liabilities increased by 1.5% compared to March 2025, also driven by higher balances in operations pending settlement (+241%). Compared to the previous quarter, total liabilities rose by 3.3%, primarily explained by an increase in financial liabilities at amortized cost (+3.0%), mainly related to time deposits and other interest-bearing liabilities.

Equity increased by 0.5% compared to March 2025, mainly due to the accumulation of retained earnings from previous periods (+8.2%). However, compared to December 2025, equity decreased by 6.1%, reflecting a lower result for the period (-77.2%) compared to the previous quarter.

Financial position

Loans

The Financial Position section includes the line item “Loans and receivables from customers” from the Consolidated Statement of Financial Position. As shown in Table 17, the Bank’s loan portfolio (net of provisions and excluding interbank loans) reached CLP 31,362,209 million, representing a decrease of 0.8% compared to the same period of the previous year.

This variation was primarily driven by a contraction in commercial lending (-6.3%), partially offset by growth in consumer lending (+8.3%) and housing loans (+1.8%).

On a quarter-over-quarter basis, total loans decreased by 0.7%, with declines in commercial lending (-1.9%) and housing loans (-0.3%), while consumer lending partially offset the overall decrease, growing by 1.4%.

Table N°17: Loans by product

Loans by product	Mar - 2026B$	Dec - 2025MM$	Mar - 2025MM$
Commercial	**12.565.356**	**12.811.555**	**13.407.509**
Consumption	**4.319.161**	**4.259.324**	**3.989.319**
Bank	2.393.332	2.337.521	2.280.049
CAT	1.925.829	1.921.803	1.709.270
Housing	**14.477.692**	**14.518.071**	**14.221.552**
Total loans	**31.362.209**	**31.588.950**	**31.618.380**

Deposits and debt instruments issued

As shown in Table 18, total deposits reached CLP 19,300,687 million, representing an increase of 2.8% compared to March 2025, driven by growth in demand deposits (+8.7%) and, to a lesser extent, time deposits (+0.4%).

On a quarter-over-quarter basis, total deposits increased by 4.5%, reflecting growth in both demand deposits (+2.4%) and time deposits (+5.4%).

Total bonds outstanding amounted to CLP 10,004,886 million, representing a decrease of 1.5% in bond issuances and a contraction of 16.1% in mortgage bonds (letras de crédito) compared to March 2025.

Compared to the previous quarter, total bonds increased by 1.0%, while mortgage bonds declined by 4.9%.

Table N°18: Sources of funds

Source of funds	Mar - 2026B$	Dec - 2025MM$	Mar - 2025MM$
Deposits and other demand obligations	5.923.855	5.784.104	5.448.351
Deposits and other time deposits	13.376.832	12.686.661	13.325.917
Total Deposits	**19.300.687**	**18.470.765**	**18.774.268**
Current bonds	8.075.125	8.008.602	8.219.967
Subordinated bonds	1.280.427	1.271.766	1.278.291
Bonds without a fixed maturity	649.334	630.280	663.514
Total bonuses	**10.004.886**	**9.910.648**	**10.161.772**
Letters of credit	**61.458**	**64.633**	**73.287**
Total debt instruments issued	**29.367.031**	**28.446.046**	**29.009.327**

Financial margin

As shown in Table 19, the annualized Net Interest Margin (NIM) increased by 273 basis points (bp) compared to the same quarter of the previous year, reaching 6.29%. This improvement was mainly driven by stronger results from accounting hedges associated with UF indexation.

On a quarter-over-quarter basis, NIM increased by 249 basis points, reflecting the continued impact of favorable hedge-related results during the period.

Table N°19: Financial Margin

	Quarter ended at:		
Financial margin	Mar - 2026B$	Dec - 2025MM$	Mar - 2025MM$
Net financial margin (interest and readjustments)	562.250	336.749	318.627
Total placements	31.362.209	31.588.950	31.955.209
Productive assets (average period)	35.765.989	35.412.724	35.811.132
Net interest margin (NIM)	6,29%	3,80%	3,56%

Provisions and portfolio quality

During the first quarter of 2026, net credit loss provisions totaled CLP 174,580 million, representing a decrease of 29% compared to the same period in 2025. This comparison is influenced by the implementation of the new Consumer Standard Matrix in January 2025, which affected provisioning levels in the prior year.

Regarding write-offs, these have exceeded expectations in recent months, particularly in the Cencosud Scotiabank subsidiary. In addition, regulatory write-offs for individual customers were recorded in March, further impacting the total level of provisions for the period, as shown in Table 20.

Table N°20: Provisions for credit risk and portfolio quality

	Quarter ended at:		
Provisions for credit risk	**Mar - 2026B$**	**Dec - 2025MM$**	**Mar - 2025MM$**
Initial Supply Stock	922.301	912.076	762.164
Punishments	169.218	132.816	109.152
Net provisions	174.580	143.041	247.514
Final Stock of Provisions	**927.663**	**922.301**	**900.527**
Net provisions	171.087	151.931	253.256
Additional provisions	-1.328	-234	-43.332
Recoveries	-24.242	-23.602	-19.433
Others	381	-28	-268
Spending at Risk	**145.899**	**128.066**	**190.222**

As shown in Table 21, the cost of credit increased by 3 basis points (bp) compared to the fourth quarter of 2025, reaching 2.87%. Compared to the same period of the previous year, this represents an increase of 10 basis points.

The non-performing loan (NPL) ratio increased by 8% compared to the previous quarter, reaching 2.89%, while on a year-over-year basis it increased by 18%.

As a result, the coverage ratio stood at 110.17%, representing a decrease of 12% compared to the same quarter of 2025.

Table N°21: Quality Ratio

	Quarter ended at:		
Quality Ratios	**Mar - 2026(%)**	**Dec - 2025(%)**	**Mar - 2025(%)**
Risk Index (1)	2,87%	2,83%	2,77%
Non-performing loan coverage 90+(2)	110,17%	117,33%	125,55%
Expenditure Index (3)	0,45%	0,39%	0,58%
Punishment Rate (4)	0,52%	0,41%	0,34%
NPL Ratio 90+ (5)	2,89%	2,68%	2,45%
Recovery Rate (6)	0,08%	0,07%	0,06%

(1) Stock of provisions/placements. (2) Stock of provisions / Stock of non-performing loans 90+. (3) Expenditure at risk / average placements. (4) Punishment / average placements. (5) Default stock 90+ / placements. (6) Recoveries / Average placements.

Operational expenses

As shown in Table 22, personnel expenses increased by 1.4% compared to March 2025, mainly driven by higher salary-related costs, including employee benefits and vacation provisions. Administrative expenses rose by 8.0%, primarily due to increased technology-related costs (including regional services and consulting), as well as higher expenses associated with regionalization initiatives. In contrast, other operating expenses decreased by 29.8%, mainly reflecting the impact of the Fraud Law and lower expenses related to securitized bonds.

As a result, the efficiency ratio—defined as operating expenses over net income—improved by 42 basis points (bp).

On a quarter-over-quarter basis, personnel expenses decreased by 9.4%, mainly due to lower severance payments and reduced personnel-related expenses (vacations and bonuses). Administrative expenses increased by 1.4%, driven by higher regionalization costs, while other operating expenses rose by 6.8%, primarily due to increased fraud-related expenses in the credit card business (CAT).

Despite these dynamics, the efficiency ratio showed a significant improvement, decreasing by 296 basis points compared to the previous quarter.

Table N°22: Support Costs

Operational expenses	Quarter ended at: Mar - 2026B$	Dec - 2025MM$	Mar - 2025MM$
Personnel costs	75.309	83.122	74.293
Administration Fees	66.824	65.911	61.874
Depreciation and amortization	19.075	19.140	19.135
Operational support costs	**161.208**	**168.173**	**155.302**
Deterioration	(68)	-	-
Other operational costs	7.310	6.843	10.417
Operational expenses	**168.450**	**175.016**	**165.719**
Efficiency	**38,59%**	**41,55%**	**39,01%**

Performance measures and indicators to evaluate the entity's performance

Key financial indicators

As shown in Table 23, the Return on Average Equity (ROAE) reached 9.81%, representing an increase of 373 basis points (bp) compared to the same quarter of the previous year. Similarly, the Return on Average Assets (ROAA) reached 0.89%, reflecting a year-over-year increase of 37 basis points.

On a quarter-over-quarter basis, ROAE decreased by 27 basis points, while ROAA declined by 4 basis points compared to the previous quarter.

Table N°23: Key Financial Indicators

Profitability and Efficiency Indicators	Quarter ended at: Mar - 2026B$	Dec - 2025MM$	Mar - 2025MM$
Net interest income (Interest and readjustments)	6,29%	3,80%	3,56%
Efficiency (Op. Expenses / Op. Net Revenues)	38,59%	41,55%	39,01%
Return on equity (ROAE)	9,81%	10,08%	6,08%
Return on Assets (ROAA)	0,89%	0,93%	0,52%

Compared to March 2025, consumer loans increased their share in the loan portfolio by 114 basis points (bp), while housing loans rose by 111 basis points. In contrast, commercial lending decreased by 225 basis points. In this context, the loan-to-deposit ratio stood at 1.67, representing a decline of 3.5% compared to the same period of the previous year.

Compared to December 2025, consumer loans increased their participation by 28 basis points and housing loans by 18 basis points, while commercial lending declined by 47 basis points. In turn, the loan-to-deposit ratio decreased by 5.1% on a quarter-over-quarter basis.

As of January 2026, the Bank operated 92 branches nationwide, reflecting a reduction of six branches compared to March 2025. The number of ATMs also declined by 4.4% (equivalent to seven units) over the same period. Compared to December 2025, both the branch network and the number of ATMs remained stable.

Table N°24: Financial Performance

Financial Performance	Mar - 2026B$	Dec - 2025MM$	Mar - 2025MM$
Receivables and accounts receivable to customers	31.362.209	31.588.950	31.618.380
Business Loans / Total Loans	40,15%	40,62%	42,40%
Home Loans / Total Loans	44,99%	44,81%	43,88%
Consumer Loans / Total Loans	14,86%	14,58%	13,72%
Loans/Deposits	1,67	1,76	1,73
Structure	**Jan - 2026**	**Dec - 2025**	**Mar - 2025**
Total Number of Branches	92	92	98
ATM No.	153	153	160

Indicators that are not disclosed from the financial statements

The evaluation of financial institutions' performance is no longer limited to the analysis of traditional financial statements. In this context, non-financial indicators—particularly those related to environmental, social, and governance (ESG) factors—have become essential components for a comprehensive assessment of a bank's overall position, sustainability, soundness, and resilience. By complementing traditional quantitative information with qualitative data on ESG performance, a more robust and integrated analysis is achieved, aligned with evolving market practices and regulatory expectations.

These indicators encompass a wide range of dimensions, including energy consumption, paper usage, occupational health and safety, employee turnover, training and development programs, and remuneration gaps, among others.

The following section presents selected complementary indicators that are not directly derived from the Financial Statements:

Table N°25: Environmental Performance

	Quarter ended at:		
Energy consumption	**Mar - 2026**	**Dec - 2025**	**Mar – 2025**
Natural gas consumption (litres)	3.893	4.638	1.274
Electricity consumption (KWh)	2.917.461	2.649.700	2.982.090

Scotiabank is committed to environmental sustainability, incorporating metrics focused on reducing energy consumption, minimizing waste generation, and increasing recycling volumes. To support these objectives, the Bank has implemented various initiatives, including its paperless program, the distribution of eco-friendly welcome kits for customers, and the collection and recycling of electronic waste.

In addition, Table 26 presents complementary indicators related to employee health and safety. As of March 2026, the occupational accident rate showed a marginal increase of 0.01 compared to the same period of the previous year. The most significant variation is observed in absenteeism, which increased by 118 days over the same period, primarily associated with workplace accidents and occupational diseases.

Table N°26: Health and Safety

	Quarter ended at:		
Employee health and safety	**Mar - 2026**	**Dec - 2025**	**Mar - 2025**
Occupational Accident Rate (annual cumulative)	0,27	0,28	0,26
Severity Rate (million hours worked)	90,83	76,48	34,70
Rate of Accidents on the way (accumulated annually)	0,80	0,78	0,71
Fatal Accident Rate	0,00%	0,00%	0,00%
Days of absenteeism (accident at work and occupational disease)	180	318	62

Table 27 shows that, in the quarter ended March 2026, total employee turnover reached 134 cases, representing a decrease compared to the same period of the previous year (152 cases in March 2025), mainly driven by lower turnover among female employees.

In terms of hiring, 149 new employees were incorporated during the period, reflecting a significant increase compared to March 2025, with a balanced distribution between men (75) and women (74).

Finally, voluntary turnover totaled 49 cases, representing a slight year-over-year decrease and indicating greater workforce stability within the Bank.

Table N°27: Rotation

	Quarter ended at:		
Rotation	**Mar - 2026**	**Dec - 2025**	**Mar - 2025**
Total number of hires	149	164	90
Number of women hires	74	71	53
Number of male hires	75	93	37
Total Rotation	134	179	152
Women's rotation	69	85	85
Men's rotation	65	94	67
Total voluntary turnover	49	37	53
Women's voluntary rotation	25	16	27
Voluntary rotation for men	24	21	26

During 2025, Scotiabank Chile continued to strengthen its employee development through ongoing training and knowledge update programs. As of March 2026, the Bank accumulated a total of 38,460 training hours, benefiting 4,089 employees.

Table N°28: Training

	Quarter ended at:		
Training	**Mar - 2026**	**Dec - 2025**	**Mar - 2025**
Total number of training hours (hours)	38.460	51.383	34.455
Total number of trained employees	4.089	4.634	4.727
Total number of trained employees	1.992	2.211	2.226
Total number of trained employees	2.097	2.423	2.502
Average number of training hours per total employee organization	9	11	7
Average number of training hours per employee	11	12	8
Average number of training hours per employee	7	11	6

Table 29 presents the variation in the Employee Engagement indicator, which shows a decrease across all components as of December 2025 compared to the same period of the previous year. The most significant declines were observed in the "Global Engagement" dimension and in the statement "My work makes me feel deeply fulfilled," both of which decreased by 0.08 percentage points.

Table N°29: *Employee Engagement*

	12 months finished to:	
Employee engagement[13]	**Dec - 2025**	**Dec - 2024**
Global engagement	86%	94%
Proud to work at Scotiabank	89%	96%
His work makes him feel deeply fulfilled	84%	92%
Scotiabank encourages me to go the extra mile	84%	89%

Table 30 presents the gender wage gap indicator, which was updated for the December 2025 period, showing a gap of −0.34%, compared to 1.00% recorded in the same period of the previous year. This reflects an improvement in wage equity between genders.

Table N°30: Wage Gap

	12 months finished to:	
Wage gap[14]	**Dec - 2025**	**Dec - 2024**
Gender pay gap	-0,34%	1,00%

[13] Annual monitoring

[14] Until the Dec 2023 measurement, the formula used considered an indicator of the guaranteed fixed income of each employee. The current measurement considers all payments, including real equities, associated with each person's performance. Annual monitoring.

Changes in quantified measures or reported indicators

Scotiabank's key financial and non-financial indicators are periodically evaluated and monitored by the relevant management areas, which may recommend adjustments to the Board of Directors when deemed necessary.

As of the date of this report, no significant changes have been identified in the Bank's key financial and non-financial indicators.

Additional information

Risk Classification

Scotiabank maintains risk ratings assigned by both international and local rating agencies. The latest ratings obtained are presented below:

National Rating

The Bank's national credit rating was reaffirmed at AAA—the highest possible rating—by Fitch on April 29, 2025, and by ICR on June 6, 2025, as shown in Table 31. This rating reflects Scotiabank Chile's solid and diversified funding structure, as well as the financial strength and business expertise provided by its parent company, Bank of Nova Scotia (BNS), and the Bank's sustained profitability in recent years.

Table N°31: National Risk Classification

Fitch	***Rating***	**Last Date Ratification**
Long Term	AAA (cl)	29-04-2025
Short Term	N1+ (cl)	29-04-2025
Bonuses	AAA (cl)	29-04-2025
Subordinated Bonds	AA (cl)	29-04-2025
Actions	First Class Level 3 (cl)	29-04-2025
Outlook	Stable	29-04-2025

ICR	***Rating***	**Last Date Ratification**
Solvency, long-term deposits, long-term bonds	AAA	06-06-2025
Short-term deposits	N1+	06-06-2025
Subordinated Bonds	AA+	06-06-2025
Actions	First Class Level 4	06-06-2025
Outlook	Stable	06-06-2025

International Qualification

Scotiabank Chile has been assigned an A rating by S&P Global Ratings, supported by its strong market position in the Chilean financial sector, a high level of diversification across sectors, business segments, and customer bases, as well as the strengthening of its franchise following the integration with BBVA Chile. Further details are presented in Table 32.

Table N°32: S&P Ranking

Standard & Poor's	***Rating***	**Last Date Ratification**
Long-term Foreign Issuer Credit	A	21-07-2025
Long-term Local Issuer Credit	A	21-07-2025
Outlook	*Stable*	21-07-2025

In addition, Scotiabank Chile has been assigned an A+ rating by Fitch Ratings, as presented in Table 33. This rating is supported by the Bank's sound capital structure, strong asset quality, and the improvement observed in its profitability indicators in recent years.

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Table N°33: Fitch Classification

Fitch	***Rating***	**Last Date Ratification**
Long-term Issuer Default Rating	A+	11-12-2025
Short-term Issuer Default Rating	F1+	11-12-2025
Local Currency Long-term Issuer Default Rating	A+	11-12-2025
Local Currency Short-term Issuer Default Rating	F1+	11-12-2025
Outlook	*Stable*	11-12-2025

8. ANNEXES AND METHODOLOGY

Scope and methodology Management Commentary

Objective of the report

The Management Commentary is a quarterly financial report that accompanies the financial statements and is prepared in accordance with the requirements of the Compendium of Accounting Standards for Banks, specifically Chapter C-1. Its objective is to provide investors with Management's perspective on the organization's capacity to generate cash flows and create value over the short, medium, and long term.

To achieve this, the preparation of the report follows the IFRS Practice Statement on Management Commentary, which was updated in July 2025 to establish more robust guidance on structure and content. This updated framework promotes a more integrated analysis linking financial performance with strategy, risks, sustainability, and other relevant factors.

As a result, the Management Commentary has evolved into a more comprehensive, strategic, and forward-looking report, enhancing transparency, comparability, and investors' ability to assess the Bank's long-term value creation and resilience.

In this updated version of the report, Scotiabank has introduced several key enhancements, including:

- New chapter structure: Business model; Strategy; Resources and relationships; Risks; External environment; and Performance and financial situation.
- Deeper and more connected analysis between sections and information from other reports and public publications to ensure consistency and coherence of information.

- Redefinition of material and relevant information regarding the capacity to create value and generate future flows.
- Incorporation of metrics that strengthen intertemporal and inter-entity comparability.
- Integration of sustainability as a cross-cutting theme in all the content areas of the report.

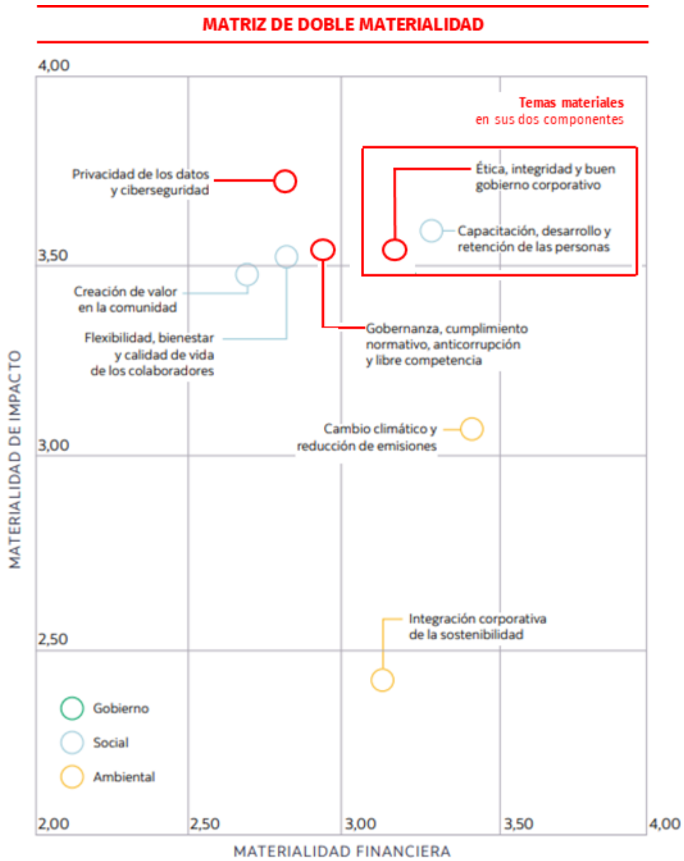
Management *Commentary Methodology*

The preparation of this report considered a double materiality process for the identification of material and key information. To assess impact materiality, a stakeholder engagement and analysis process was conducted through workshops and surveys involving representatives from Senior Management, business leaders, employees, academia, and industry peers.

Financial materiality was defined through a combination of surveys, workshops, and documentary analysis, incorporating input from a broad range of stakeholders, including business unit leaders, individuals, SMEs and corporate clients, suppliers, regulatory authorities, industry associations, labor unions, civil society organizations, academia, NGOs, investors, and rating agencies.

To ensure a robust assessment, a prioritization exercise was carried out based on the criteria of stakeholder influence and interest, assigning greater weight to the views of the most relevant groups. The integration of these results, together with the proportional weighting of stakeholder responses, enabled the development of the following double materiality matrix:

Figure N°27: Results of the Double Materiality Methodology



MATERIAL TOPICS

01	PEOPLE TRAINING, DEVELOPMENT AND RETENTION (3.44)
02	ETHICS, INTEGRITY AND GOOD CORPORATE GOVERNANCE (3.34)

SECOND LEVEL OF MATERIALITY

01	DATA PRIVACY AND SECURITY (3,28)
02	CLIMATE CHANGE AND EMISSION REDUCTIONS (3.26)
03	GOVERNANCE, REGULATORY COMPLIANCE, ANTI-CORRUPTION AND ANTITRUST (3.26)
04	FLEXIBILITY, WELL-BEING AND QUALITY OF LIFE OF EMPLOYEES (3,22)
05	COMMUNITY VALUE CREATION (3,13)
06	CORPORATE INTEGRATION OF SUSTAINABILITY (2.79)

Material Topics and how they are addressed

In order to identify the environmental, social, and governance (ESG) aspects most relevant to our business—both in terms of their impact on the environment and their potential effects on our future value creation—Scotiabank Chile conducted a double materiality assessment during 2025.

This process enabled the Bank to identify its most critical ESG risks through a combination of documentary analysis and stakeholder engagement, incorporating the perspectives of its key stakeholders. As a result, priority topics were defined under a strategic and preventive risk management approach.

Based on the scores obtained, the topics that exceeded the defined materiality thresholds—across impact, financial, and combined dimensions—are presented below:

Table N°34: Material Issues

MATERIAL TOPICS		
Level of criticality	**Theme**	**Management**
First Level	Training, development and retention of people	We have training policies within the framework of which we develop mandatory and voluntary training programs throughout the year. In this area, we prioritize both learning initiatives aligned with the business and those that reinforce skills that we consider to be enabling the strategy, such as digital or data management.
	Ethics, integrity and good corporate governance	At Scotiabank Chile, we promote ethical, responsible and transparent behavior at the organizational and individual level, based on the values, vision and purpose of the organization. To this end, we permanently update and disseminate our Code of Conduct, a document that establishes the expected practices of all our employees and guides the daily actions and relations of the institution with its stakeholders.
Second Level	Climate Change and Emissions Reduction	One of Scotiabank's main non-financial objectives worldwide is to contribute from an active role, with concrete strategies and high-impact measures, to combat climate change. Along these lines, we have a Global Strategy to Support the Climate Transition, which sets out the dimensions in which the Bank will advance in the coming years in this area and defines the guidelines around which subsidiaries must generate their local plans
	Ethics, integrity and good corporate governance	At Scotiabank Chile, we aim to achieve a level of ongoing excellence in meeting our legal and regulatory commitments. To this end, we develop training programs, control systems, and reporting lines that allow us to detect possible vulnerabilities and advance in the construction of a culture of integrity. Our work in this area is based on the Crime Prevention Model and the policies we have developed to align our practices and activities with the requirements of current regulations.

	Flexibility, well-being and quality of life of employees	In recent years, Scotiabank Chile has positioned itself as a benchmark institution at the local level in terms of flexibility, work-life balance and quality of life, based on initiatives such as the reduction of the working day to 39 hours per week, before the "40-Hour Law" came into force, and a robust hybrid work program for employees in central areas. which today is one of the benefits most valued by people.
	Community value creation	At Scotiabank Chile, we are aware of the enormous contribution that we as a financial institution can make to break down the barriers that prevent banking penetration for all people, without discrimination, and strengthen the levers that allow us to boost local economies and promote sustainable development. In line with this vision, under the Economic Resilience pillar of our Sustainable Business Strategy, we promote financial education programs, provide financing to initiatives of social organizations and promote volunteer actions aligned with the winning proposals of our ScotiaInspira competitive funds.
	Corporate integration of sustainability	At Scotiabank Chile, we operate on the basis of a Sustainable Business Strategy, through which we seek to strengthen and multiply our positive impacts on the environment and prevent and minimize our negative externalities, in order to advance our purpose of adding value to the environment and all stakeholders.

Statement of Compliance

Unconditional Statement of Compliance

Scotiabank Chile prepared this report for the period from December 1, 2025, to March 31, 2026, in accordance with the IFRS Practice Statement on Management Commentary issued by the IFRS Foundation.